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PROSPECTUS

Continuous Offering

November 2, 2018



NEXT EDGE AHL FUND

Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units

Next Edge AHL Fund (the “Fund”) is a commodity pool structured as an open-end investment trust established under the laws of the Province of Ontario. This prospectus qualifies the issuance of redeemable units of the Fund of seven classes: Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units (collectively, the “Units” and each, a “Unit”) (the “Offering”). All classes of Units are denominated in Canadian dollars.

All of the classes of Units have the same investment strategy and restrictions but differ with respect to one or more of their features, such as management fees, expenses, redemption fees or commissions as set out in this prospectus. The net asset value per Unit (the “Net Asset Value per Unit” or “NAV per Unit”) of each class will not be the same as a result of the different fees, expenses and distributions allocable to each class of Units. See “Purchases of Securities”.

Price: Net Asset Value per Unit
Minimum Purchase: \$5,000
(other than Class L Units and Class M Units)

The Fund’s investment objective is to provide holders of Units (the “Unitholders”) with the opportunity to realize capital appreciation through investment returns that have a low correlation to traditional forms of stock and bond securities. The Fund is intended to provide added diversification and enhance the risk/reward profile of conventional investment portfolios. To pursue its investment objectives, the Fund will obtain exposure to the Underlying Assets (as hereinafter defined) acquired and maintained by AHL DP Limited (as hereinafter defined) by investing in AHL DP Shares (as hereinafter defined) issued by AHL DP Limited. See “Investment Objectives of the Fund”.

The Fund obtains exposure to the returns of a diversified portfolio of financial instruments across a range of global markets including, without limitation, stocks, bonds, currencies, short-term interest rates, energy, metals and agricultural commodities (the “Underlying Assets”) managed by AHL Partners LLP (the “Investment Manager”) using a predominantly trend-following trading program (the “AHL Diversified Programme”). The AHL Diversified Programme is implemented and managed by the Investment Manager. The cornerstone of the investment philosophy is that financial markets exhibit persistent trends and other inefficiencies. Trends are a manifestation of serial correlation in financial markets, the phenomenon whereby past price movements influence future price behaviour. See “Investment Strategy of the Fund”, “Man AHL DP Limited and the Underlying Assets” and “The Investment Manager”.

Man AHL DP Limited (“AHL DP Limited”), an exempted company with limited liability incorporated in the Cayman Islands, acquires and maintains the Underlying Assets. The return to the Fund will be based on the performance of AHL DP Limited, which, in turn, will be based on the performance of the Underlying Assets. The Net Asset Value per Unit of each class of Units will vary depending on the performance of the Underlying Assets and will also vary depending on the expenses allocated to, and distributions paid in respect of, the particular class of Units of the Fund. See “Investment Strategy of the Fund”, “Fees and Expenses” and “Man AHL DP Limited and the Underlying Assets”.

The Investment Manager is part of the Man AHL division (“Man AHL”) of Man Group plc (“Man Group”). Man Group is one of the world’s largest independent alternative investment management groups. Man Group’s managers (Man AHL, Man FRM,

Man GLG, Man GPM and Man Numeric), have diverse long/short and long only strategies spanning equity, credit, managed futures, convertibles, emerging markets, private markets and multi-manager solutions. As at June 30, 2018, Man Group's funds under management were US\$113.7 billion. The original business was founded in 1783. Today, Man Group plc is listed on the London Stock Exchange under the ticker EMG.L and is a constituent of the FTSE 250 Index. Man Group also supports many awards, charities and initiatives around the world, including sponsorship of the Man Booker literary prizes. See "The Investment Manager".

Next Edge Capital Corp. (the "Manager" or the "Trustee") is the manager and the trustee of the Fund and performs the management and investment management functions, as well as provides all administrative services required by the Fund. See "Organization and Management Details of the Fund – The Manager".

Units of the Fund are only sold by dealers and their representatives duly registered to sell securities of mutual funds which are subject to National Instrument 81-104 *Commodity Pools*, in accordance with the requirements of Part 4 of that Instrument.

Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units are offered on a continuous basis at a subscription price equal to the Net Asset Value per Unit on the valuation date upon which the Units are purchased. The minimum subscription for an initial and subsequent investment in the Class A Units, Class F Units, Class H Units, Class J Units and Class K Units is currently \$5,000. Class L Units and Class M Units are subject to a minimum initial investment of \$2 million, or such other amount as the Manager may determine. See "Purchases of Securities".

Units of each class may be redeemed on a weekly basis for a redemption price equal to the Net Asset Value per Unit of that class on the valuation date upon which the Units are redeemed less, if applicable, the redemption fee payable in connection with early redemptions of Units, subject to the Fund's right to suspend redemptions in certain circumstances. Purchases and redemptions of Units may only be effected through the settlement network operated by FundSERV Inc. ("FundSERV"). See "Redemption of Units" and "Fees and Expenses".

The Fund is a commodity pool under applicable Canadian securities laws and you should carefully consider whether your financial condition permits you to participate in this investment. The Units are highly speculative and involve a high degree of risk. You may lose a substantial portion or even all of the money you invest in the Fund. In managing the Underlying Assets, the Investment Manager may invest in futures and forward contracts as well as swaps and other off-balance sheet derivative transactions and other forms of leverage. The risk of loss through trading in derivative instruments can be substantial. In considering whether to participate in the Fund, you should be aware that trading in derivative instruments can quickly lead to large losses as well as gains. Such trading losses can sharply reduce the net asset value of the Underlying Assets and, consequently, the value of your interest in the Fund. Also, market conditions may make it difficult or impossible to liquidate a position in derivative instruments. **An investment in the Fund is not intended as a complete investment program. A subscription for Units should be considered only by persons who can bear the risk of loss associated with an investment in the Units. There is no assurance that the Fund will be able to achieve its investment objective. These brief statements do not disclose all the risks and other significant aspects of investing in the Units. You should therefore carefully study this prospectus, including a description of the principal risk factors before you decide to invest in the Units. See "Risk Factors".**

Transactions in the Underlying Assets may involve the execution and clearing of trades on or subject to the rules of a foreign market. None of the Canadian securities regulatory authorities or Canadian exchanges regulate activities of any foreign markets, including the execution, delivery and clearing of transactions, or has the power to compel enforcement of the rules of a foreign market or any applicable foreign law. Generally, any foreign transaction will be governed by applicable foreign laws. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on a market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, transactions in the Underlying Assets may not be afforded certain of the protective measures provided by Canadian legislation or Canadian exchanges. In particular, funds received from investors obtain exposure to transactions in the Underlying Assets and may not be provided the same protection as funds received in respect of transactions on Canadian exchanges.

The Fund, the Manager and the Investment Manager are subject to certain conflicts of interest. See "Organization and Management Details of the Fund – Conflicts of Interest".

The Fund is subject to certain restrictions and practices contained in Canadian securities legislation, including National Instrument 81-102 *Investment Funds*, and the Fund is managed in accordance with these restrictions, except as otherwise permitted by National Instrument 81-104 *Commodity Pools* and subject to receipt of any exemptions therefrom obtained by the Fund.

The Fund is a mutual fund under Canadian securities legislation, but certain provisions of securities legislation and policies of the Canadian Securities Administrators applicable to conventional mutual funds and designed to protect investors who purchase securities of mutual funds do not apply. The Fund is not a trust company and does not carry on business as a trust company and, accordingly, the Fund is not registered under the trust company legislation of any jurisdiction. **Units of the Fund are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under provisions of that Act or any other legislation.**

The Fund is subject to the fees and expenses payable by it as described in this prospectus that must be offset by gains before an investor is entitled to a return on his, her or its investment. It may be necessary for the Fund to realize substantial gains to avoid depletion or exhaustion of its assets before an investor will have a return on his, her or its investment. See “Fees and Expenses”.

Additional information about the Fund is available in the most recently filed annual financial statements together with the accompanying auditor’s report and any interim financial statements filed after those annual financial statements, and the most recently filed annual management reports of fund performance and any interim management reports of fund performance filed after that annual management report of fund performance. These documents are incorporated by reference into this prospectus, which means that they legally form part of this prospectus. Please see the “Documents Incorporated by Reference” section for further details. These documents and other information about the Fund are also available on the SEDAR (System for Electronic Document Analysis and Retrieval) website at www.sedar.com.

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PROSPECTUS SUMMARY

The following is only a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus or incorporated by reference into this prospectus.

All references in this prospectus to “dollars” or “\$” are to Canadian dollars and all references to “US\$” are to U.S. dollars unless otherwise indicated. Capitalized terms not otherwise defined in this summary have the meanings ascribed to them in the Glossary of Terms.

- Issuer:** Next Edge AHL Fund (the “Fund”) is a commodity pool structured as an open-end investment trust established under the laws of the Province of Ontario. See “Overview of the Structure of the Fund”.
- Offering:** The offering consists of redeemable Units of the Fund of seven classes: Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units (collectively, the “Units” and each, a “Unit”) (the “Offering”). All classes of Units are denominated in Canadian dollars. Units offered under this prospectus may not be purchased by nor transferred to U.S. Persons, as defined in Regulation S under the U.S. *Securities Act of 1933*, as amended. See “Purchases of Securities”.
- Minimum Initial and Subsequent Purchase:** The minimum subscription for an initial and subsequent investment in the Class A Units, Class F Units, Class H Units, Class J Units and Class K Units is currently \$5,000. Class L Units and Class M Units are subject to a minimum initial investment of \$2 million, or such other amount as the Manager may determine. See “Purchases of Securities”.
- Offering Price and Continuous Offering:** Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units are offered on a continuous basis at a subscription price equal to the Net Asset Value per Unit on the valuation date upon which the Units are purchased. A separate Net Asset Value per Unit is maintained for each class of Units.
- Units of the Fund are only sold by dealers and their representatives duly registered to sell securities of mutual funds which are subject to National Instrument 81-104 *Commodity Pools*, in accordance with the requirements of Part 4 of that Instrument.
- The Manager may reject a purchase order within two Business Days of receiving it. Any monies sent with an order will be returned immediately.
- The Units of each class are non-transferable and no market for the Units exists and none is likely to develop. However, Units are redeemable. See “Redemption of Units”.
- Purchase Options:** Units are available for purchase on both an upfront selling commission basis and a deferred sales charge basis, depending upon the class of Units purchased. The class of Units selected affects both the fees that are payable by an investor, the management fees payable by the Fund and the compensation that a dealer receives in respect of the sale Units.
- All of the classes of Units have the same investment strategy and restrictions but differ with respect to one or more of their features, such as management fees, expenses, redemption fees or commissions, as set out in this prospectus. The Net Asset Value per Unit of each class will not be the same as a result of the different fees and expenses allocable to each class of Units. The return to the holders of Class A Units, Class F Units, Class H Units, Class L Units and Class M Units is referable to the Class A CAD Shares issued by AHL DP Limited. The return to the holders of Class J Units and Class K Units is referable to the Class C CAD Shares issued by AHL DP Limited. Other than with respect to the management fee of the Investment Manager, the rights and attributes of the Class A CAD Shares and Class C CAD Shares are identical. See “Fees and Expenses – Fees and Expenses of AHL DP Limited – Investment Manager’s Fees”.
- Units are not designed to provide regular distributions to investors. Class A Units and Class J Units are intended primarily for individual investors and may carry an upfront commission at the time of purchase of the Units. Class F Units and Class K Units are intended primarily for investors who are enrolled in fee-based programs through their broker, dealer or adviser. Class H Units are available to investors who

are enrolled in select fee-based programs through their broker, dealer or adviser. Class L Units and Class M Units are intended primarily for institutional investors and are subject to a minimum initial investment of \$2 million, or such other amount as the Manager may determine. See “Purchases of Securities”, “Fees and Expenses” and “Redemption of Units”.

Investment Objectives:

The Fund’s investment objective is to provide holders of Units (the “Unitholders”) with the opportunity to realize capital appreciation through investment returns that have a low correlation to traditional forms of stock and bond securities. The Fund is intended to provide added diversification and enhance the risk/reward profile of conventional investment portfolios. To pursue its investment objectives, the Fund will obtain exposure to the Underlying Assets (as hereinafter defined) acquired and maintained by AHL DP Limited (as hereinafter defined) by investing in AHL DP Shares (as hereinafter defined) issued by AHL DP Limited. See “Investment Objectives of the Fund”.

Investment Strategy:

The Fund obtains exposure to the returns of a diversified portfolio of financial instruments across a range of global markets including, without limitation, stocks, bonds, currencies, short-term interest rates, energy, metals and agricultural commodities (the “Underlying Assets”) managed by AHL Partners LLP (the “Investment Manager”) using a predominantly trend-following trading program (the “AHL Diversified Programme”). The AHL Diversified Programme is implemented and managed by the Investment Manager. The cornerstone of the investment philosophy is that financial markets exhibit persistent trends and other inefficiencies. Trends are a manifestation of serial correlation in financial markets, the phenomenon whereby past price movements influence future price behaviour. See “Investment Strategy of the Fund”, “Man AHL DP Limited and the Underlying Assets” and “The Investment Manager”.

Man AHL DP Limited and the Underlying Assets:

The performance of the Fund is based on the performance of the Underlying Assets. Man AHL DP Limited (“AHL DP Limited”) acquires the Underlying Assets. AHL DP Limited was incorporated in the Cayman Islands on September 5, 2013 to provide investors with exposure to an investment program offered by the Investment Manager. Man Fund Management (Guernsey) Limited (the “AHL DP Manager”) is the manager and services manager of AHL DP Limited and the Investment Manager is the investment manager of AHL DP Limited. See “Man AHL DP Limited and the Underlying Assets”.

The Fund will use the net proceeds of the offering of Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units of the Fund to acquire the AHL DP Shares to provide targeted investment exposure of 100% of the prevailing Net Asset Value of the Fund. See “Man AHL DP Limited and the Underlying Assets – The AHL DP Shares”.

The returns of the Units will differ from those of the applicable class of AHL DP Shares of AHL DP Limited due to certain factors that include, but are not limited to, management fees and operating expenses of the Fund, distributions paid in respect of Units, taxes and administrative fees. See “Fees and Expenses”.

The Underlying Assets, being the net proceeds from the subscription for AHL DP Shares of AHL DP Limited, are invested in accordance with the AHL Diversified Programme and the AHL Evolution Programme. See “Man AHL DP Limited and the Underlying Assets – Investment Restrictions of AHL DP Limited”.

Investment Manager:

The Investment Manager, located in London, the United Kingdom, provides investment advisory and portfolio management services in respect of the Underlying Assets. The AHL Diversified Programme and the AHL Evolution Programme, in accordance with which the Underlying Assets are invested, are implemented and managed by the Investment Manager. See “The Investment Manager”.

The Investment Manager is part of the Man AHL division (“Man AHL”) of Man Group plc (“Man Group”). Man Group is one of the world’s largest independent alternative investment management groups. Man Group’s managers (Man AHL, Man FRM, Man GLG, Man GPM and Man Numeric) have diverse long/short and long only strategies spanning equity, credit, managed futures, convertibles, emerging markets, private markets and multi-manager solutions. As at June 30, 2018, Man Group’s funds under management were US\$113.7 billion. The original business was founded in 1783. Today, Man Group plc is listed on the London Stock Exchange under the ticket EMG.L and is a constituent of the FTSE 250 Index. Man Group also supports many awards, charities and initiatives around the world, including sponsorship of the Man Booker literary prizes.

The Fund, the Manager and the Investment Manager are subject to certain conflicts of interest. See “Organization and Management Details of the Fund – Conflicts of Interest”.

Leverage and Financing Arrangements of the Underlying Assets:

The investment strategies employed by AHL DP Limited include entering into futures and forward contracts and investments in other financial instruments. The exposure under all contracts and positions to which AHL DP Limited may have exposure to at any time may be substantially larger than the actual amount invested with the result that AHL DP Limited will be exposed to a form of structural leverage. Over the last eight years, the average leverage ratio of the exposure under all contracts and positions held in the AHL Diversified Programme has ranged between four and ten times relative to the net asset value of the underlying assets. The leverage exposure to individual markets that make up the Underlying Assets may be at higher or lower levels than the Underlying Assets as a whole.

AHL DP Limited may establish various financing arrangements which may include credit facilities or other forms of financing relating to AHL DP Limited, including but not limited to derivative instruments or leveraged notes provided on a committed or uncommitted basis or other funding arrangements as recommended by the Investment Manager (the “Financing Arrangements”). The Financing Arrangements may be utilized by the Investment Manager, for the benefit of AHL DP Limited, to meet short-term liquidity needs. In addition to the provision of the Financing Arrangements by independent third parties, the Financing Arrangements may be provided (in whole or part) by one or more entities within the Man Group. Any principal amount outstanding under loans and derivative instruments created under the Financing Arrangements is likely to bear interest at an agreed cost of funding rate and will be dependent on prevailing market conditions and is therefore likely to be subject to change. Further fees relating to the Financing Arrangements such as arrangement, commitment, minimum utilisation and renewal fees may also be payable. For greater certainty, any borrowing on behalf of AHL DP Limited will be subject to the restrictions contained in NI 81-102, subject to receipt of any exemptions obtained therefrom by the Fund. See “Man AHL DP Limited and the Underlying Assets – Leverage and Financing Arrangements of AHL DP Limited”.

Currency Hedging:

All classes of Units are denominated in Canadian dollars. The Underlying Assets may be denominated in U.S. dollars and other foreign currencies and any return of such investments will be in the same currency. The AHL DP Shares are denominated in Canadian dollars. A fluctuation in Canadian dollars against the U.S. dollar and other foreign currencies could cause the value of the Underlying Assets (expressed in Canadian dollars) to diminish or increase irrespective of performance. It is the intention of the Fund to hedge this risk through a program of currency risk management. Any costs and related liabilities and/or benefits relating to such hedging will be reflected in the Net Asset Value per AHL DP Share. There may be circumstances in which the Investment Manager may not be able to, or may determine that it is not advisable to, hedge the Fund’s exposure to foreign currencies. There is no assurance that the Investment Manager will hedge the U.S. and other foreign currencies exposure of the Underlying Assets back to Canadian dollars or that it will be possible to remove all currency risk exposure. See “Investment Strategy of the Fund – Foreign Currency Exposure”.

Distribution Policy:

The Fund does not anticipate making regular distributions to Unitholders. If the Fund does have income, in order to ensure that the Fund will not generally be liable for income tax under Part I of the Tax Act, the Declaration of Trust provides that a special distribution (the “Special Distribution”) will, if necessary, be automatically payable in each year to Unitholders. See “Distribution Policy” and “Income Tax Considerations”.

Redemptions:

Units are redeemable on a weekly basis (a “Redemption Date”) at a price equal to the NAV per Unit applicable to the class of Units as at the Valuation Date upon which the Units are redeemed less the applicable redemption charge, if any (the “Redemption Price”), subject to the Fund’s right to suspend redemptions in certain circumstances. Unitholders will receive the Redemption Price within ten Business Days of the applicable Redemption Date. See “Redemption of Units”.

Publication of Net Asset Value per Unit:

The Fund will make the Net Asset Value per Unit for each class of Units available through FundSERV on a weekly basis. Such prices will also be available on the Manager’s website at www.nextedgcapital.com. See “Calculation of Net Asset Value”.

Termination Provisions:

The Fund does not have a fixed termination date but the Manager may, in its discretion, terminate the Fund on any day (the “Termination Date”) without the approval of Unitholders if, in the opinion of the Manager, the Net Asset Value of the Fund is reduced as a result of redemptions or otherwise so that it is no longer economically feasible to continue the Fund and it would be in the best interest of the Unitholders to terminate the Fund. See “Termination of the Fund”.

Income Tax Considerations:

A Unitholder who is resident in Canada will generally be required to include in computing income for a taxation year the amount of the Fund’s net income for the taxation year, including net realized taxable capital gains, paid or payable to the Unitholder (whether in cash or in Units) in the taxation year. Amounts payable to a Unitholder in excess of the Unitholder’s share of the Fund’s net income and net realized capital gains will reduce the adjusted cost base of the Unitholder’s Units. If the reductions to a Unitholder’s adjusted cost base would cause the adjusted cost base of a Unit held as capital property to be negative, the Unitholder will be deemed to realize a capital gain equal to such negative amount. A Unitholder who disposes of Units held as capital property (on redemption or otherwise) will realize a capital gain (or capital loss) to the extent that the proceeds of disposition of such Units (other than any amount payable by the Fund which represents an amount that is otherwise required to be included in the Unitholder’s income) exceed (or are exceeded by) the aggregate of the adjusted cost base of the Units and any reasonable costs of disposition. See “Income Tax Considerations”.

Eligibility for Investment:

Provided that the Fund qualifies and continues at all times to qualify as a “mutual fund trust” within the meaning of the Tax Act, the Units will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit-sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts. Holders of a tax-free savings account and registered disability savings plans, annuitants under a registered retirement savings plan or registered retirement income fund, and subscribers under a registered education savings plan should consult their own advisors as to the status of the Units as prohibited investments. See “Income Tax Considerations – Status of the Fund” and “Income Tax Considerations – Taxation of Registered Plans”.

Risk Factors:

An investment in the Units is subject to certain risk factors relating to the Fund, AHL DP Limited, the Underlying Assets, the AHL DP Shares, the AHL Diversified Programme and the AHL Evolution Programme.

Risks Relating to an Investment in Units of the Fund

An investment in Units of the Fund is subject to:

- (i) certain structural risk factors, including risks associated with the nature of Units, no recourse to the Underlying Assets, fees and expenses of the Fund, risks arising from multiple classes of Units, taxation of the Fund, foreign currency risk and risks of a hedging strategy;
- (ii) certain investment risk factors, including risks associated with suitability of investment in Units, no guaranteed return, no guarantee of achieving the investment objectives, illiquidity of Units, securities lending risk, current income, loss of limited liability and returns determined by reference to the Underlying Assets; and
- (iii) certain operational risk factors, including risks associated with potential conflicts of interest, legislative, regulatory and administrative changes, reliance on the Manager and the Investment Manager and redemptions.

Risks Relating to AHL DP Limited and the AHL DP Shares

An investment in AHL DP Limited and the AHL DP Shares is subject to certain risk factors, including risks associated with investing in an exempted company and limited liability, lack of secondary market, redemption of the AHL DP Shares, effect of substantial redemptions, performance fees, service provision, administrative cost subsidy agreement, use of estimates for subscriptions and redemptions, speculative investment, operational risk, cash management, borrowing for operations, service provider risk, cross-class liability and limited recourse, taxation of the fund, tax considerations, U.S. Source payments may be subject to withholding under FATCA.

Risks Relating to the Underlying Asset, the AHL Diversified Programme and the AHL Evolution Programme

The Underlying Assets and the AHL Diversified Programme are subject to certain risk factors, including reliance on the Investment Manager, dependence of the Investment Manager on key personnel, model and data risk, general economic and market conditions, performance history, obsolescence risk, crowding/convergence, programming and modelling errors, involuntary disclosure, reliance on analytical tools, competition for investments, leverage arrangements, derivative instruments generally, futures, options, swaps, forward contracts, execution of orders, hedging transactions, equities, underlying funds, exchange traded funds, debt securities, uncertainty of the AHL Evolution Programme, investment in emerging markets, terrorism and catastrophe, illiquid positions, concentration risk, systemic risk, ramp-up periods, counterparty risk, short selling, interest rate and exchange rate risks, custodian risks, regulatory risks of hedge funds, enhanced regulation of the OTC derivatives markets, enhanced regulation of short sales and credit default swaps, position limits, litigation and legal risks in emerging markets.

You should carefully consider whether your financial condition and/or retirement savings objectives permit you to invest in the Fund. The Units are speculative and involve a high degree of risk. You may lose a substantial portion or even all of the money you invest in the Fund. The risk of loss inherent in trading the types of instruments that may make up the Underlying Assets can be substantial. In considering whether to participate in the Fund, you should be aware that the investments that may make up the Underlying Assets can quickly lead to large losses as well as gains for AHL DP Limited and consequently for the value of your interest in the Fund. An investment in the Units of the Fund is speculative and appropriate only for investors who have the ability to absorb a loss of some or all of their investment. See “Risk Factors”.

ORGANIZATION AND MANAGEMENT OF THE FUND

- Manager and Trustee:** Next Edge Capital Corp. (the “Manager” or the “Trustee”) is the manager and the trustee of the Fund and performs the management and investment management functions, as well as provides all administrative services required by the Fund. The principal office of the Manager is located at 1 Toronto Street, Suite 200, Toronto, Ontario M5C 2V6. See “Organization and Management Details of the Fund – The Manager”.
- Promoter:** The Manager has taken the initiative in organizing the Fund and accordingly may be considered to be a “promoter” of the Fund within the meaning of the securities legislation of certain provinces and territories of Canada. See “Organization and Management Details of the Fund – Promoter”.
- Custodian:** RBC Investor Services Trust is the custodian of the Fund (the “Custodian”). The Custodian provides custodial services to the Fund from its offices in Toronto, Ontario. See “Organization and Management Details of the Fund – Custodian”.
- Administrative Services, Registrar and Valuation Agent:** RBC Investor Services Trust is responsible for certain aspects of the day-to-day administration of the Fund. RBC Investor Services Trust has been appointed as the registrar and transfer agent for the Fund. RBC Investor Services Trust provides services to the Fund from its offices in Toronto, Ontario. See “Organization and Management Details of the Fund – Administrative Services, Registrar and Valuation Agent”.
- Auditors:** Ernst & Young LLP, Chartered Professional Accountants, is the auditor of the Fund. Ernst & Young LLP provides services to the Fund from its offices in Toronto, Ontario. See “Organization and Management Details of the Fund – Auditors”.

SUMMARY OF FEES AND EXPENSES

This table lists the fees and expenses payable in respect of Units of the Fund. Unitholders may have to pay some of these fees and expenses directly. The Fund may have to pay some of these fees and expenses, which will therefore reduce the value of an investment in the Fund.

Fees and expenses of the Fund:

Manager’s Fee and Service Fees to Registered Dealers: The Fund pays the Manager a fee (the “Manager’s Fee”) based on the Net Asset Value per Unit of the applicable class of Units at the annual rates set out below, calculated weekly and paid quarterly in arrears, plus applicable taxes. The Manager pays a service or trailer fee (the “Service Fee”) plus applicable taxes to registered dealers based on the respective number of Units held by their clients at the annual rates set out below, calculated weekly and payable on or about 45 days following the last day of each calendar quarter. The Manager pays the Service Fees to registered dealers out of the Manager’s Fee and is not reimbursed for these payments. See “Fees and Expenses”.

<i>Class of Units</i>	<i>FundSERV Code</i>	<i>Manager’s Fee as percentage of NAV of Units per annum</i>	<i>Service Fees as percentage of NAV of Units per annum</i>
Class A Units	NEC 111	2.25%	1.25%
Class F Units	NEC 173	1.00%	0.00%
Class H Units	NEC 181	0.00%	0.00%
Class J Units	NEC 208	2.00%	1.00%
Class K Units	NEC 209	1.00%	0.00%
Class L Units	NEC 311	1.25%	1.25%
Class M Units	NEC 373	0.00%	0.00%

No Service Fees are payable in respect of the Class F Units, Class H Units, Class K Units and Class M Units. Service Fees may be modified or discontinued by the Manager at any time. See “Fees and Expenses”.

Operating Expenses: The Fund pays for all expenses incurred in connection with its operation and administration. The Fund will also pay for any extraordinary expenses which it may incur from time to time. The Manager may establish an upper limit on the total annual operating expenses of the Fund. The

Manager or its affiliates may pay for certain operating expenses of the Fund in order to maintain the Fund's annual operating expenses within any such established limit. See "Fees and Expenses".

Fees and expenses of AHL DP Limited:

Operating Expenses: AHL DP Limited will incur expenses in connection with its operation and administration. A portion of these fees or expenses may be paid to affiliates of the Investment Manager that provide such services, directly or indirectly, to AHL DP Limited. See "Fees and Expenses" and "Organization and Management Details of the Fund – Conflicts of Interest".

Services Management Fee: In consideration for the services provided by the AHL DP Manager pursuant to the Services Management Agreement, AHL DP Limited, in respect of each class of AHL DP Shares, will pay the AHL DP Manager a fee (calculated weekly and paid as at each Valuation Date) of up to 0.15% (approximately 0.15% per annum) of the net asset value of the AHL DP Shares at the relevant valuation date. See "Fees and Expenses".

Investment Manager's Fees: As compensation for managing the Underlying Assets, the Investment Manager will receive out of the Underlying Assets the following fees:

- (a) an investment management fee (calculated weekly and charged as at each valuation date and payable monthly) of: (i) up to one fifty-second (1/52) of 2.00% (approximately 2.00% per annum) of the Investment Exposure of the Class A CAD Shares at the relevant valuation date; and (ii) up to one fifty-second (1/52) of 1.00% (approximately 1.00% per annum) of the Investment Exposure of the Class C CAD Shares at the relevant valuation date; and
- (b) a performance fee (calculated and charged weekly as at each valuation date and payable monthly) of: (i) up to 20.00% of the Net New Appreciation per Class A CAD Share; and (ii) up to 20.00% of the Net New Appreciation per Class C CAD Share, multiplied by the number of AHL DP Shares of the applicable class in issue.

See "Fees and Expenses".

Fees and expenses payable by the Unitholder:

Selling Commissions: The Fund and the Manager do not charge a fee or commission when investors purchase Units of the Fund.

An authorized broker, dealer or adviser may charge investors an upfront selling commission of up to 3.00% at the time of purchase of Class A Units, Class J Units and Class L Units, which will reduce the amount of money invested in the Class A Units, Class J Units and Class L Units.

There is no selling commission payable in respect of a purchase of Class F Units, Class H Units, Class K Units or Class M Units. Class A Units and Class J Units are intended primarily for individual investors and may carry an upfront commission at the time of purchase of the Units. Class F Units and Class K Units are intended primarily for investors who are enrolled in fee-based programs through their broker, dealer or adviser. Class H Units are available to investors who are enrolled in select fee-based programs through their broker, dealer or adviser. Class L Units and Class M Units are intended primarily for institutional investors. Selling commissions may be modified or discontinued by the Manager at any time. See "Fees and Expenses".

Annual Returns, Management Expense Ratio and Trading Expense Ratio:

The table below provides the annual returns, management expense ratio and trading expense ratio data for the Class A Units for the period since its inception (November 29, 2009) as disclosed in the most recently filed semi-annual management report of fund performance of the Fund.

	2009 ⁽¹⁾	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽⁴⁾
Annual Returns	(0.50%)	14.80%	(9.60%)	(8.70%)	(7.60%)	30.60%	(4.40%)	(9.60%)	3.40%	(5.40%)
MER ⁽²⁾	37.89%	5.91%	5.22%	5.31%	5.59%	8.43%	8.15%	5.31%	5.66%	5.23%
TER ⁽³⁾	0.11%	1.16%	0.94%	0.90%	0.92%	0.04%	0.02%	0.02%	0.00%	0.01%

- (1) For the period between the inception of the Fund (November 29, 2009) and December 31, 2009.
- (2) Management expense ratio is based on total expenses of the Fund and the Fund's allocated percentage of Man AHL DP Limited Class A and Class C expenses, before waivers and absorptions by the Manager, for the stated period (excluding commission and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratio is calculated in accordance with Part 15 of NI 81-106.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) For the period between January 1, 2018 and June 30, 2018 (not annualized).

See "Annual Returns, Management Expense Ratio and Trading Expense Ratio".

GLOSSARY OF TERMS

In this prospectus, the following terms have the meanings set forth below, unless otherwise indicated.

“**ABS**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Debt Securities”.

“**Administrative Services Agreement**” means an administrative services agreement effective as of October 29, 2015, as amended May 7, 2016, between the Manager and RBC Investor Services Trust, as it may be amended or amended and restated from time to time.

“**Advisers Act**” has the meaning given to that term under “The Investment Manager”.

“**AHL Diversified Programme**” means a predominantly trend-following trading program implemented and managed by AHL that invests in a portfolio of futures, options and forward contracts, swaps and other financial derivative instruments both on and off-exchange.

“**AHL DP Limited**” means Man AHL DP Limited, an exempted company incorporated on September 5, 2013 with limited liability in the Cayman Islands, which issues the AHL DP Shares and acquires the Underlying Assets.

“**AHL DP Manager**” means Man Fund Management (Guernsey) Limited, a company incorporated in Guernsey on May 27, 1997 whose registered office is First Floor, Royal Chambers, St Julian’s Avenue, St. Peter Port, Guernsey, GY1 4HG, Channel Islands.

“**AHL DP Shares**” means the Class A CAD Shares, Class C CAD Shares and any other class or series of redeemable non-voting participating shares issued by AHL DP Limited.

“**AHL Evolution Programme**” has the meaning given to that term under “Investment Strategy of the Fund – AHL Diversified Programme – The AHL Evolution Programme”.

“**AHL Evolution Shares**” has the meaning given to that term under “Investment Strategy of the Fund – AHL Diversified Programme – The AHL Evolution Programme”.

“**AIFMD**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Regulatory Risks of Hedge Funds”.

“**Business Day**” means any day except Saturdays, Sundays or a statutory holiday in Dublin, London, New York or Toronto.

“**Capital Gains Refund**” means entitlement of the Fund for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year.

“**CDO**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Debt Securities”.

“**CFTC**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Enhanced Regulation of the OTC Derivatives Markets”.

“**Class A CAD Shares**” means the Canadian dollar-denominated non-voting redeemable Class A participating shares issued from time to time by AHL DP Limited, each with a nominal or par value of \$0.00001, which have an aggregate value (and an aggregate redemption amount payable in respect thereof) determined with reference to the Net Asset Value of AHL DP Limited and the Underlying Assets.

“**Class C CAD Shares**” means the Canadian dollar-denominated non-voting redeemable Class C participating shares issued from time to time by AHL DP Limited, each with a nominal or par value of \$0.00001, which have an aggregate value (and an aggregate redemption amount payable in respect thereof) determined with reference to the Net Asset Value of AHL DP Limited and the Underlying Assets.

“**Classes of AHL DP Shares**” has the meaning given to that term under “Man AHL DP Limited and the Underlying Assets”.

“**CRA**” means the Canada Revenue Agency.

“**Custodian**” means RBC Investor Services Trust, a trust company organized pursuant to the laws of Canada, in its capacity as Custodian under the Custodian Agreement or if applicable its successor.

“**Custodian Agreement**” means the custodian agreement dated as of October 29, 2015, as amended as of May 7, 2016. entered into between the Manager and the Custodian, as it may be amended or amended and restated from time to time.

“**Declaration of Trust**” means the fourth amended and restated declaration of trust governing the Fund dated as of May 31, 2012, amending and restating the declaration of trust dated as of November 12, 2009, as amended and restated as of November 9, 2010, November 9, 2011, May 31, 2012, December 3, 2013 and June 27, 2014, as it may be amended or amended and restated from time to time.

“**Dodd-Frank Act**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Regulatory Risks of Hedge Funds.

“**EMIR**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Enhanced Regulation of the OTC Derivatives Markets”.

“**EU**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Enhanced Regulation of Short Sales and Credit Default Swaps”.

“**Extraordinary Resolution**” means a resolution passed by the affirmative vote of at least 66⅔% of the votes cast, either in person or by proxy, at a meeting of Unitholders called for the purpose of approving such resolution.

“**FATCA**” has the meaning given to that term under “Risk Factors – General Risks – Identity of Beneficial Ownership and Withholding on Certain Payments”.

“**FCA**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Regulatory Risks of Hedge Funds”.

“**Financing Arrangements**” has the meaning given to that term under “Man AHL DP Limited and the Underlying Assets – Leverage and Financing Arrangements of AHL DP Limited”.

“**FTT**” means the steps taken by certain European Union Member States towards implementing a financial transactions tax.

“**Fund**” means Next Edge AHL Fund, an investment trust established under the laws of the Province of Ontario pursuant to the Declaration of Trust.

“**FundSERV**” means the facility maintained and operated by FundSERV Inc. for electronic communication with participating companies, including the receiving of orders, order matching, contracting, registrations, settlement of orders, transmission of confirmation of purchases and the redemption of investments or instruments.

“**GAAS**” means generally accepted auditing standards.

“**HIRE Act**” has the meaning given to that term under “Risk Factors – General Risks – Identity of Beneficial Ownership and Withholding on Certain Payments”.

“**IFRS**” means International Financial Reporting Standards.

“**Independent Review Committee**” or “**IRC**” means an independent review committee established under NI 81-107.

“**Investment Assets**” has the meaning give to that term under “Income Tax Considerations – Taxation of the Fund”.

“**Investment Exposure**” means target investment exposure of 100% of the Notional Investment Amount allocated to the AHL Diversified Programme.

“**Investment Management Agreement**” means the investment management agreement dated as of November 1, 2013, among AHL DP Limited, the Marketing Advisor and the Investment Manager, as it may be amended or amended and restated from time to time.

“**Investment Manager**” means AHL Partners LLP, in its capacity as investment manager of the Fund, a limited liability partnership established in England whose registered address is Riverbank House, 2 Swan Lane, London EC4R 3AD, and which is regulated in the conduct of regulated activities in the United Kingdom by the Financial Conduct Authority.

“**IRS**” means the U.S. Internal Revenue Service.

“**Man AHL**” mean the Man AHL division of Man Group.

“**Man Conflicts**” has the meaning given to that term under “Organization and Management Details of the Fund – Conflicts of Interest”.

“**Man Group**” means Man Group plc.

“**Man Group entities and/or affiliates**” has the meaning given to that term under “Organization and Management Details of the Fund – Conflicts of Interest”.

“**Management Shares**” has the meaning given to that term under “Man AHL DP Limited and the Underlying Assets”.

“**Manager’s Fee**” means the fee paid by the Fund to the Manager based on the Net Asset Value per Unit of the applicable class of Units, calculated weekly and paid quarterly in arrears, plus applicable taxes.

“**Manager**” means Next Edge Capital Corp., in its capacity as manager of the Fund or, if applicable, its successor.

“**Marketing Advisor**” has the meaning given to that term under “The Investment Manager – The Marketing Advisor”.

“**MBS**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Debt Securities”.

“**Models and Data**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Model and Data Risk”.

“**Net Asset Value of AHL DP Limited**” or “**NAV of AHL DP Limited**” means the net asset value of AHL DP Limited, as determined by subtracting the aggregate liabilities of AHL DP Limited from the total assets of AHL DP Limited, as more fully described under “Man AHL DP Limited and the Underlying Assets – Valuation Policies and Procedures of AHL DP Limited”.

“**Net Asset Value of the Fund**” or “**NAV of the Fund**” means the net asset value of the Fund, as determined by subtracting the aggregate liabilities of the Fund from the total assets of the Fund, as more fully described under “Calculation of Net Asset Value”.

“**Net Asset Value per AHL DP Share**” or “**NAV per AHL DP Share**” means, for any Class or Series of AHL DP Shares, is the number obtained by dividing the Net Asset Value of AHL DP Limited, in each case attributable to that Class or Series of AHL DP Shares, by the total number of AHL DP Shares of the Class or Series outstanding on the relevant valuation date, as more fully described under “Man AHL DP Limited and the Underlying Assets – Valuation Policies and Procedures of AHL DP Limited”.

“**Net Asset Value per Unit**” or “**NAV per Unit**” means, for a class of Units on any date, the number obtained by dividing the NAV attributable to that class of Units on such date by the total number of Units of the class outstanding on such date (before giving effect to any issue or redemption of Units of that class to be issued or redeemed on that date), which will be quoted in Canadian or U.S. dollars, as applicable.

“**Net New Appreciation per Class A CAD Share**” has the meaning given to that term under “Fees and Expenses – Fees and Expenses of AHL DP Limited – Investment Manager’s Fees”.

“**Net New Appreciation per Class C CAD Share**” has the meaning given to that term under “Fees and Expenses – Fees and Expenses of AHL DP Limited – Investment Manager’s Fees”.

“**NI 81-102**” means National Instrument 81-102 *Investment Funds* of the Canadian Securities Administrators.

“**NI 81-104**” means National Instrument 81-104 *Commodity Pools* of the Canadian Securities Administrators.

“**NI 81-105**” means National Instrument 81-105 *Mutual Fund Sales Practices* of the Canadian Securities Administrators.

“**NI 81-106**” means National Instrument 81-106 *Investment Fund Continuous Disclosure* of the Canadian Securities Administrators.

“**NI 81-107**” means National Instrument 81-107 *Independent Review Committee for Investment Funds* of the Canadian Securities Administrators.

“**Notional Investment Amount**” means the Net Asset Value of AHL DP Limited divided by the Notional Investment Factor.

“**Notional Investment Factor**” means initially a notional investment factor of 35%. The Investment Manager may in its absolute discretion decide to increase or decrease the notional investment factor from time to time.

“**October 2013 Proposals**” has the meaning given to that term under “Income Tax Considerations”.

“**Offering**” means the offering of Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units of the Fund pursuant to this prospectus.

“**OTC**” means over-the-counter.

“**Plans**” means registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts.

“**Proxy Voting Policy**” means the proxy voting policies, procedures and guidelines established by the Manager for securities held by the Fund.

“**RDSP**” has the meaning given to that term under “Income Tax Considerations – Status of the Fund”.

“**Redemption Date**” means each day that Units may be redeemed, being each Valuation Date or, if not a Business Day, on the following Business Day.

“**Redemption Fee**” means a redemption fee payable to the Manager by the redeeming Unitholder deducted by the Manager from the amount otherwise receivable by the redeeming Unitholder.

“**Redemption Notice**” means an irrevocable notice on behalf of a Unitholder indicating the Unitholder’s intention to redeem Units.

“**Redemption Price**” means, in respect of the redemption of a class of Units, the NAV per Unit of that class less, if applicable, the Redemption Fee payable in connection with early redemption of Units.

“**RESP**” has the meaning given to that term under “Income Tax Considerations – Status of the Fund”.

“**RRIF**” has the meaning given to that term under “Income Tax Considerations – Status of the Fund”.

“**RRSP**” the meaning given to that term under “Income Tax Considerations – Status of the Fund”.

“**SEC**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Enhanced Regulation of the OTC Derivatives Markets”.

“**Series of AHL DP Shares**” has the meaning given to that term under “Man AHL DP Limited and the Underlying Assets”.

“**Service Fee**” means the service fee payable to each dealer whose clients hold Class A Units, Class J Units or Class L Units.

“**Share Rights**” has the meaning given to that term under “Man AHL DP Limited and the Underlying Assets”.

“**Short Selling Regulation**” has the meaning given to that term under “Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Enhanced Regulation of Short Sales and Credit Default Swaps”.

“**Special Distribution**” means a distribution that will, if necessary, be made automatically in each year to Unitholders of record on December 31st of that year in order that the Fund will generally not be liable to pay income tax in respect of that year.

“**Standard of Care**” means the same degree of care, diligence and skill in the safekeeping of the Fund’s accounts and providing the services described under the Custodian Agreement that a reasonably prudent person would exercise in the circumstances,

or, if higher, the degree of care, diligence and skill that the Custodian uses in respect of its own property of a similar nature in its custody.

“**Tax Act**” means the *Income Tax Act* (Canada), as now or hereafter amended, or successor statutes, and shall include regulations promulgated thereunder.

“**Tax Proposals**” has the meaning ascribed thereto under “Income Tax Considerations”.

“**Taxable capital gain**” has the meaning given to that term under “Income Tax Considerations – Taxation of the Fund”.

“**Termination Date**” means the date upon which the Fund is terminated, as more fully described under “Termination of the Fund”.

“**TFSA**” has the meaning given to that term under “Income Tax Considerations – Status of the Fund”.

“**Trustee**” means Next Edge Capital Corp., in its capacity as trustee under the Declaration of Trust or, if applicable, its successor.

“**Underlying Assets**” has the meaning ascribed thereto under “Investment Strategy of the Fund”.

“**Unitholders**” means holders of Units of any class.

“**Units**” means the Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units of the Fund.

“**Valuation Agent**” means RBC Investor Services Trust, in its capacity as Valuation Agent under the Administrative Services Agreement, or such other entity as is appointed by the Manager as the party responsible for calculating the Net Asset Value of the Fund.

“**Valuation Date**” means every Monday of each week, or, if not a Business Day, on the following Business Day, or such other day or days of each week as determined from time to time by the Manager.

FORWARD LOOKING STATEMENTS

Certain statements included in this prospectus constitute forward looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to the Fund or the Manager. The forward-looking statements are not historical facts but reflect the Fund’s current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under “Risk Factors” and in other sections of this prospectus.

OVERVIEW OF THE STRUCTURE OF THE FUND

Next Edge AHL Fund (the “Fund”) is an investment trust established under the laws of the Province of Ontario under the name “Man Canada AHL DP Investment Fund” pursuant to a declaration of trust dated as of November 12, 2009, as amended and restated as of November 9, 2010, November 9, 2011, May 31, 2012, December 3, 2013 and June 27, 2014 (the “Declaration of Trust”). Effective as of June 11, 2014, the name of the Fund was changed to “Next Edge AHL Fund”. Next Edge Capital Corp. (the “Manager” or the “Trustee”) is the manager and trustee of the Fund and is responsible for the management and administration of the Fund. See “Organization and Management Details of the Fund”.

The Fund is a commodity pool under applicable Canadian securities laws structured as a redeemable investment trust. The beneficial interest in the net assets and net income of the Fund is divided into trust units of seven classes: Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units (collectively, the “Units”). All classes of Units are denominated in Canadian dollars. All of the classes of Units have the same investment strategy and restrictions but differ with respect to one or more of their features, such as management fees, expenses, redemption fees or commissions as set out in this prospectus. The Net Asset Value per Unit of each class will not be the same as a result of the different fees and expenses allocable to each class of Units. Additional Units and additional classes of units and other securities of the Fund may be offered at the Manager’s discretion.

The principal office of the Fund is located at 1 Toronto Street, Suite 200, Toronto, Ontario M5C 2V6.

Status of the Fund

The Fund is a mutual fund as defined under Canadian securities legislation, but certain provisions of Canadian securities legislation and policies of the Canadian Securities Administrators applicable to conventional mutual funds do not apply. The Fund is subject to certain restrictions and practices contained in Canadian securities legislation, including National Instrument 81-102 *Investment Funds* (“NI 81-102”), and the Fund is managed in accordance with these restrictions, except as otherwise permitted by National Instrument 81-104 *Commodity Pools* (“NI 81-104”) and subject to receipt of any exemptions therefrom obtained by the Fund.

INVESTMENT OBJECTIVES OF THE FUND

The Fund’s investment objective is to provide holders of Units (the “Unitholders”) with the opportunity to realize capital appreciation through investment returns that have a low correlation to traditional forms of stock and bond securities. The Fund is intended to provide added diversification and enhance the risk/reward profile of conventional investment portfolios. To pursue its investment objectives, the Fund will obtain exposure to the Underlying Assets acquired and maintained by AHL DP Limited by investing in AHL DP Shares issued by AHL DP Limited.

There can be no assurance that the Fund will be able to achieve its investment objectives.

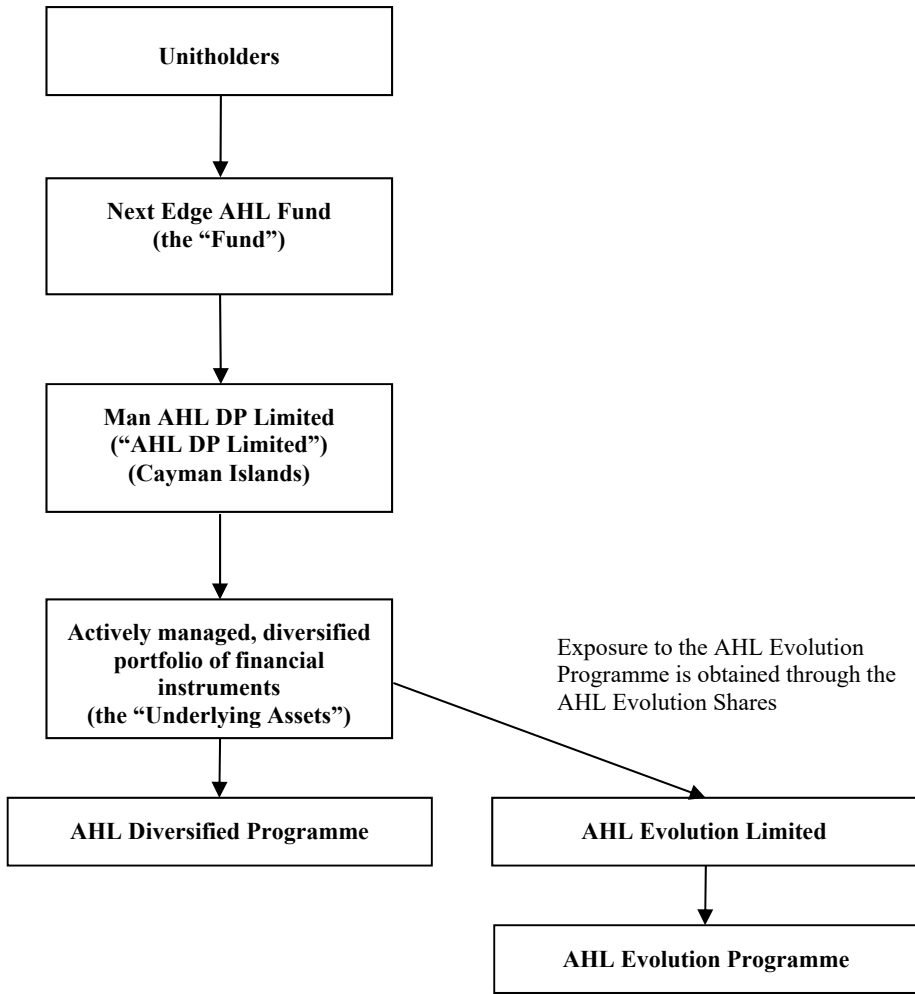
INVESTMENT STRATEGY OF THE FUND

The Fund obtains exposure to the returns of a diversified portfolio of financial instruments across a range of global markets including, without limitation, stocks, bonds, currencies, short-term interest rates, energy, metals and agricultural commodities (the “Underlying Assets”) managed by AHL Partners LLP (the “Investment Manager”) using a predominantly trend-following trading program (the “AHL Diversified Programme”). The AHL Diversified Programme is implemented and managed by the Investment Manager. The cornerstone of the investment philosophy is that financial markets exhibit persistent trends and other inefficiencies. Trends are a manifestation of serial correlation in financial markets, the phenomenon whereby past price movements influence future price behaviour. See “Man AHL DP Limited and the Underlying Assets” and “The Investment Manager”.

In managing the Underlying Assets, the Investment Manager will employ the AHL Diversified Programme and the AHL Evolution Programme. The Investment Manager retains the right to make changes to the AHL Diversified Programme and the AHL Evolution Programme based on its ongoing investment in research, including, without limitation, an increase or decrease in the number and diversity of markets, strategies and instruments traded directly or indirectly by the AHL Diversified Programme and the AHL Evolution Programme.

Overview of the Investment Structure

The investment structure of the Fund and the exposure of the Fund to AHL DP Limited and the Underlying Assets are illustrated below. This diagram is provided for illustration purposes only and is qualified by the information set forth elsewhere in this prospectus. See “Investment Strategy of the Fund” and “Man AHL DP Limited and the Underlying Assets”.



AHL Diversified Programme

The AHL Diversified Programme employs a systematic, statistically based investment approach that is designed to identify and capitalize on upward and downward price trends across global markets. The programme currently invests in over 300 international markets across a broad range of sectors.

AHL manages the AHL Diversified Programme which employs sophisticated computerized processes to identify trends in markets around the world. Trading signals are generated and executed via a finely tuned trading and implementation infrastructure. This process is quantitative and primarily directional in nature, meaning that investment decisions are entirely driven by mathematical models based on market trends and other historical relationships. It is underpinned by rigorous risk control, ongoing research, diversification and the constant quest for efficiency.

The cornerstone of the investment philosophy is that financial markets exhibit persistent trends and other inefficiencies. Trends are a manifestation of serial correlation in financial markets – the phenomenon whereby past price movements influence future price behaviour. Although they vary in their intensity, duration and frequency, price trends are universally recurrent across all sectors and markets. Trends are an attractive focus for active trading styles applied across a diverse range of global markets.

Trading takes place around-the-clock and real-time price information is used to respond to price moves across a diverse range of global markets. The AHL Diversified Programme invests in a varied portfolio of instruments including, but not limited to futures, options, forward contracts, swaps and other financial derivatives both on and off exchange. These markets may be accessed directly or indirectly and include, without limitation, stocks, bonds, currencies, short-term interest rates, energies, metals, credit and agricultural.

As well as emphasizing sector and market diversification, the AHL Diversified Programme has been constructed to achieve diversification by allocating to multiple trading systems. Most of these systems work by sampling prices in real time and measuring price momentum and breakouts, aiming to capture price trends and close out positions when there is a high probability of a different trend developing. Signals are generated across different time frames, ranging from a few days to several months. In aggregate, the systems currently run around 2,000 price samples each day spread across the 300 or so markets traded. The AHL Diversified Programme also includes other technical systems, as well as quantitative models based on a variety of fundamental inputs, such as interest rate and equity valuation data.

In line with the principle of diversification, the approach to portfolio construction and asset allocation is premised on the importance of deploying investment capital across the full range of sectors and markets. Particular attention is paid to correlation of markets and sectors, expected returns, market access costs and market liquidity. Portfolios are regularly reviewed and, when necessary, adjusted to reflect changes in these factors. A systematic process for adjusting market risk exposure in real time to reflect changes in the volatility of individual markets is also in place. Through AHL's ongoing investment in research and technology, the number and diversity of markets and strategies traded directly or indirectly by the AHL Diversified Programme may change over the life of the investment, but always subject to any restrictions set out in this prospectus. It should also be noted that the AHL Diversified Programme traded by the Fund may differ from the AHL Diversified Programme traded by other investment products managed by entities within the Man Group (as defined below). These differences generally include, among other things, differences in the types of financial instruments, markets and asset classes traded which arise out of legal structuring, applicable law and other restrictions and/or considerations with respect to such investment products.

The constituent components of the investment strategy are not exhaustive and may change over time. In seeking to fulfill the Fund's investment objective, the Investment Manager may reduce in whole or in part the allocation of assets to one or more investment styles and may allocate assets to new investment approaches, either within the AHL Diversified Programme or elsewhere. The composition and description of these strategies and approaches may also change over time.

The AHL Evolution Programme

In managing the Underlying Assets, the Investment Manager may employ the AHL Evolution Programme (the "AHL Evolution Programme"). Similar to the AHL Diversified Programme, the AHL Evolution Programme is a trading program that invests in a portfolio of futures, forward contracts, swaps and other financial derivative instruments both on and off exchange. The markets covered include both developed and emerging markets. The AHL Evolution Programme is implemented and managed by the Investment Manager. Trading in the AHL Evolution Programme may focus upon inefficiencies in a whole range of markets including, but not limited to, bonds, commodities, credit, stocks and currencies. These inefficiencies include price momentum and relative value, and other non-directional trading strategies may be added from time to time. The AHL Evolution Programme trades in a number of markets not traditionally accessed by the AHL Diversified Programme. These markets may be accessed directly or indirectly and include, without limitation, credit indices, cash bonds, interest rate swaps, electricity and emerging market currencies and stock indices. In order to access the AHL Evolution Programme, subject to receipt of the

requisite exemptions by the Fund, it is anticipated that a portion of the Underlying Assets will be invested in a class or series of participating shares of (the “AHL Evolution Shares”) issued by AHL Evolution Limited. The Investment Manager also serves as the investment manager of AHL Evolution Limited. There are no management fees or incentive fees paid to the Investment Manager by AHL Evolution Limited in connection with the investment management services provided by the Investment Manager in respect of the assets of AHL Evolution Limited. See “Exemptions and Approvals”.

Risk Management

Risk management is an essential component of AHL’s investment management process. AHL has put in place a risk management framework which is designed to identify, monitor and mitigate the portfolio, operational and outsourcing risks relevant to its operations. AHL’s risk management framework is part of, and is supported by, the overarching risk management framework of Man Group plc (“Man Group”).

Key principles of AHL’s risk management framework include the segregation of functions and duties where material conflicts of interest may arise and having an appropriate degree of independent and senior management oversight of business activities. As part of this independent oversight, AHL’s activities are subject to regular review by Man Group’s internal audit function.

Risk management consists primarily of monitoring risk measures and ensuring the systems remain within prescribed limits. The major risk monitoring measures and focus areas include value-at-risk, stress testing, implied volatility, leverage, margin-to-equity ratios and net exposures to sectors and different currencies.

The constituent components of the investment strategy are not exhaustive and may change over time. In seeking to fulfil AHL DP Limited’s investment objective, the Investment Manager may reduce in whole or in part the allocation of assets to one or more investment styles and may allocate assets to new investment approaches, either within the AHL Diversified Programme or elsewhere. The composition and description of these strategies and approaches may also change over time.

Foreign Currency Exposure

All classes of Units are denominated in Canadian dollars. The Underlying Assets may be denominated in U.S. dollars and other foreign currencies and any return of such investments will be in the same currency. The AHL DP Shares are denominated in Canadian dollars. A fluctuation in Canadian dollars against the U.S. dollar and other foreign currencies could cause the value of the Underlying Assets (expressed in Canadian dollars) to diminish or increase irrespective of performance. It is the intention of the Fund to hedge this risk through a program of currency risk management. Any costs and related liabilities and/or benefits relating to such hedging will be reflected in the Net Asset Value per AHL DP Share. There may be circumstances in which the Investment Manager may not be able to, or may determine that it is not advisable to, hedge the Fund’s exposure to foreign currencies. There is no assurance that the Investment Manager will hedge the U.S. and other foreign currencies exposure of the Underlying Assets back to Canadian dollars or that it will be possible to remove all currency risk exposure.

INVESTMENT RESTRICTIONS OF THE FUND

The Fund is subject to certain restrictions and practices contained in Canadian securities legislation, including NI 81-102, which are designed in part to ensure that the investments of the Fund are diversified and relatively liquid and to ensure the proper administration of the Fund. The Fund is managed in accordance with the restrictions and practices set out in NI 81-102, except as otherwise permitted by NI 81-104, which regulates investment funds that are commodity pools under applicable Canadian securities laws, and subject to receipt of any exemptions therefrom obtained by the Fund.

Under the Declaration of Trust, the investment activities of the Fund are subject to the following investment restrictions:

- (a) **Investment in Canadian Securities.** Subject to paragraph (b) and (e) below, the Fund will restrict its investments in equity securities to common shares of Canadian public companies that are Canadian Securities. The Fund will not acquire an investment that is “specified property” to the Fund as defined in the draft legislation to amend the Tax Act released on September 16, 2004.
- (b) **Investment in AHL DP Shares.** Subject to paragraph (d) below, the Fund will restrict its investments to any Classes or Series of AHL DP Shares issued by AHL DP Limited.
- (c) **Purchasing Securities.** Other than the AHL DP Shares issued by AHL DP Limited, the Fund will not purchase securities other than through normal market facilities unless the purchase price for such securities approximates the prevailing market price or is negotiated or established on an arm’s length basis.

- (d) **Status under the Tax Act.** The Fund will restrict its investments to the extent necessary to qualify as a mutual fund trust and unit trust for purposes of the Tax Act.
- (e) **Investment in Interest Bearing Short-term Securities or Money Market Instruments.** The Fund will, when market conditions warrant it, invest in debt obligations and rely on money market instruments for the preservation of capital and maintenance of liquidity, but primarily for cash management purposes.

In addition to the foregoing, the Fund may engage in securities lending as described under “Investment Restrictions of the Fund – Securities Lending”. Any changes to the investment restrictions discussed above may only be made in accordance with the provisions of the Declaration of Trust. Under the provisions of the Declaration of Trust, the investment restrictions and practices contained in Canadian securities legislation, including NI 81-102 as modified by NI 81-104, may not be deviated from without the prior consent of the Canadian securities regulatory authorities having jurisdiction over the Fund. As discussed under “Exemptions and Approvals”, the Fund has obtained relief exempting the Fund from certain provisions of NI 81-102, NI 81-104 and National Instrument 81-106 *Investment Fund Continuous Disclosure* (“NI 81-106”).

Use of Derivatives

The Fund obtains exposure to the returns of the Underlying Assets, the assets of which are invested in accordance with the AHL Diversified Programme and the AHL Evolution Programme. The Underlying Assets may use or obtain exposure to derivatives instruments provided that the use of such derivatives is consistent with the investment objective and strategy of the Underlying Assets. The Underlying Assets are managed in accordance with the restrictions and practices related to derivatives set out in NI 81-102, except as otherwise permitted by NI 81-104 and subject to receipt of any exemptions therefrom obtained by the Underlying Assets or the Fund. Securities legislation distinguishes between the use of derivatives for hedging purposes and for non-hedging purposes. “Hedging” refers to investments that are intended to offset or reduce a specific risk associated with all or a portion of an existing investment. Commodity pools, such as the Underlying Assets, are accorded greater flexibility to invest using derivatives for non-hedging purposes than mutual funds that are not subject to NI 81-104.

Derivatives are instruments that derive their value from the market price, value or level of an underlying security, commodity, economic indicator, index or financial instrument and enable investors to speculate on or hedge against future changes in the price or value of the underlying interest of the derivative. The underlying interests of derivatives include a wide variety of assets or financial instruments, such as agricultural products, energy products, and base or precious metals (commonly called commodities), interest rates, currencies and stock indices. The following is a general discussion of certain key concepts in derivatives trading and the more common derivatives which may be employed by the AHL Diversified Programme and the AHL Evolution Programme, but it is not an exhaustive discussion of all derivatives which the Underlying Assets may invest in or obtain exposure to.

Futures Contracts

Futures contracts are standardized contracts entered into on domestic or foreign exchanges which call for the future delivery of specified quantities of various agricultural commodities, industrial commodities, currencies, financial instruments, energy products or metals at a specified time and place. The terms and conditions of futures contracts of a particular commodity are standardized and, as such, are not subject to any negotiation between the buyer and the seller. The contractual obligations, depending upon whether one is a buyer or a seller, may be satisfied either by taking or making, as the case may be, physical delivery of an approved quantity and grade of commodity or by making an offsetting sale or purchase of an equivalent but opposite futures contract on the same exchange prior to the designated date of delivery. The difference between the price at which a futures contract is sold or purchased and the price paid for the offsetting purchase or sale, after allowance for brokerage commissions, constitutes the profit or loss to the trader. In market terminology, a trader who purchases a futures contract is “long” in the market and a trader who sells a futures contract is “short” in the market. Before a trader closes out a long or a short position by an offsetting sale or purchase, respectively, the trader’s outstanding contracts are known as “open trades” or “open positions”. The aggregate number of open trades or open positions held by traders in a particular contract is referred to as the “open interest” in such contract.

Options on Futures

An option on a futures contract gives the buyer of the option the right to take a position at a specified price (the “striking”, “strike” or “exercise” price) in the underlying futures contract. The buyer of a “call” option acquires the right to take a long position in the underlying futures contract, and the buyer of a “put” option acquires the right to take a short position in the underlying futures contract.

The purchase price of an option is referred to as its “premium”. The seller (or “writer”) of an option is obligated to take a futures position at a specified price opposite to the option buyer if the option is exercised. Thus, the seller of a call option must stand ready to take a short position in the underlying futures contract at the striking price if the buyer should exercise the option. The seller of a put option, on the other hand, must stand ready to take a long position in the underlying futures contract at the striking price.

A call option on a futures contract is said to be “in-the-money” if the striking price is below current market levels, and “out-of-the-money” if the striking price is above current market levels. Similarly, a put option on a futures contract is said to be “in-the-money” if the striking price is above current market levels, and “out-of-the-money” if the striking price is below current market levels.

Options have limited life spans. In certain cases, such as an option on a futures contract, the option is usually tied to the delivery or settlement date of the underlying futures contract. An option that is out-of-the-money and not offset by the time it expires becomes worthless. Options usually trade at a premium (referred to as the “time value” of the option) to their intrinsic value (the difference between the market price for the underlying futures contract and the striking price). Increased volatility increases the time value of options. As an option nears its expiration date the market value and the intrinsic value move into parity as the time value diminishes.

The use of interrelated options and futures positions can provide an additional means of risk management and permit a trader to retain a futures position in the hope of additional appreciation in that position, while at the same time allowing the trader to limit the possible adverse effects of a decline in the position’s value.

Selling options may create additional risks. The seller of a call option who does not have a long position in the underlying futures contract could be subject to a substantial risk of loss should the price of the futures contract be higher than the striking price prior to expiration of the option by an amount greater than the premium received for selling the option. The seller of a call option who has a long position in the underlying futures contract is subject to the full risk of a decline in price of the futures contract, reduced by the premium received for selling the option. In exchange for the premium received for selling a call option on a futures contract, the option seller gives up all of the potential gain resulting from an increase in the price of the underlying futures contract above the striking price prior to expiration of the call option.

The seller of a put option who does not have a short position in the underlying futures contract could be subject to substantial risk of loss should the price of the futures contract or forward contract decrease below the striking price prior to expiration of the option by an amount in excess of the premium received for selling the option. The seller of a put option on a futures contract who has a short position in the underlying futures contract is subject to the full risk of a rise in the price in the futures contract, reduced by the premium received for selling the option. In exchange for the premium received for selling a put option on a futures contract, the option seller gives up all of the potential gain resulting from a decrease in the price of the underlying futures contract below the striking price prior to expiration of the put option.

Buyers and sellers of options are subject to risks of loss from changes in the implied volatility of an option which may occur even if the price of the underlying futures contract remains unchanged.

Index Options

In managing the Underlying Assets in accordance with the AHL Diversified Programme, the Investment Manager may purchase and write options on stock indices to create investment exposure consistent with its investment objective, hedge or limit the exposure of its positions, or create synthetic money market positions in accordance with the investment restrictions imposed by NI 81-102 and NI 81-104.

A stock index fluctuates with changes in the market values of the stocks included in the index. Options on stock indices give the holder the right to receive an amount of cash upon the exercise of the option. Receipt of this cash amount will depend upon the closing level of the stock index upon which the option is based being greater than (in the case of a call) or less than (in the case of a put) the exercise price of the option. The amount of cash received, if any, will be the difference between the closing price of the index and the exercise price of the option, multiplied by a specified dollar multiple. The writer (seller) of the option is obligated, in return for the premiums received from the purchaser of the option, to make delivery of this amount to the purchaser. All settlements of index option transactions are in cash.

Swaps and Forward Agreements

In general, forward agreements are two-party contracts entered into primarily by institutional investors for periods ranging from a day to more than one year. In a standard “swap” or “forward” transaction, two parties agree to exchange the returns (or

differentials in rates of return) earned or realized on particular predetermined investments or instruments. The gross returns to be “swapped” or exchanged between the parties are calculated with respect to a “notional amount”. For example, the return on or increase in the value of a particular dollar amount invested in a “basket” of securities.

Most swap and forward agreements calculate and settle the obligations of the parties to the agreement on a “net basis” with a single payment. Consequently, the current obligations (or rights) under a swap or forward agreement generally will only be equal to the net amount to be paid or received under the agreement based on the relative values of such obligations (or rights). In addition to assisting in the pursuit of AHL DP Limited’s investment objective, total return swaps or forward agreements may be entered into as a substitute for investing directly in securities (or shorting securities), or to hedge a position.

Hedgers and Speculators

The two broad classifications of persons who trade in futures contracts are “hedgers” and “speculators”. Hedging is a protective procedure designed to lock in profits that may otherwise be eroded. The usual objective of a hedger is to protect the profit or costs which the hedger expects to earn or incur rather than to profit from trading in futures contracts. The speculator, unlike the hedger, risks capital with the hope of making profits from price fluctuations.

Futures Exchanges

Futures exchanges provide centralized market facilities for trading futures contracts and options relating to specified commodities. Members of, and trades executed on, a particular exchange are subject to the rules of that exchange. Most of the exchanges have an associated “clearinghouse”. Once trades between members of an exchange have been confirmed, the clearinghouse becomes a substitute for each buyer and each seller of contracts traded on the exchange and, in effect, becomes the other party to each trader’s open position in the market. Thereafter, each party to a trade looks only to the clearinghouse for performance.

Speculative Position Limits

Certain futures exchanges have established limits, referred to as “speculative position limits” or “position limits”, on the maximum net long or net short speculative positions which any person or group of persons (other than a hedger) may hold, own or control in futures contracts and options thereon. Among the purposes of speculative position limits is to prevent a “corner” on a market or undue influence on prices by any single trader or group of traders.

Margins

“Initial” or “original” margin is the minimum amount of funds that must be deposited by a futures trader with a broker in order to initiate futures trading or to maintain an open position in futures contracts. “Maintenance” margin is the amount (generally less than initial margin) to which a trader’s account may decline before the trader must deliver additional margin. A margin deposit is like a cash performance bond. It helps assure the trader’s performance of the futures contracts the trader purchases or sells. Futures contracts are customarily bought and sold on margins that represent a very small percentage of the purchase price of the underlying commodity being traded. Because of such low margins, price fluctuations occurring in the futures markets may create profits and losses that are greater, in relation to the amount invested, than are customary in other forms of investment or speculation. The minimum amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which such contract is traded, and may be modified from time to time by the exchange during the term of the contract.

Brokerage firms carrying accounts for traders in futures contracts may not accept lower, and generally require higher, amounts of margin as a matter of policy in order to afford further protection for their customers and themselves.

When a trader purchases an option, there is generally no margin requirement, although the option price, or premium, must be paid in full. When a trader sells an option, on the other hand, the trader is required to deposit margin in an amount determined by the margin requirements 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. Complicated margin requirements apply to “spreads” and “conversions”, which are complex trading strategies in which a trader acquires a mixture of related futures and options positions.

Margin requirements are computed each day by a trader’s broker. When the market value of a particular open futures contract position changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader’s position.

Securities Lending

The Fund may lend securities to brokers, dealers and financial institutions and other qualified borrowers provided that such securities loans qualify as “securities lending arrangements” for the purposes of the Tax Act. Securities lending will allow the Fund to generate additional income to offset its costs. All additional income earned through securities lending, net of applicable fees, will accrue to the Fund. The Fund has received exemptive relief from certain restrictions contained in NI 81-102 to permit the Fund to lend its securities pursuant to securities lending arrangements. The exemptive relief permits the Fund to appoint a securities lending agent that is not the custodian or sub-custodian of the Fund or to lend securities directly to a borrower. The minimum level of collateralization in respect of a loan of securities will be 102%. The Fund will receive prescribed collateral security for each such loan. Any cash collateral acquired by the Fund may only be invested in securities permitted under NI 81-102 and that have a remaining term to maturity of no longer than 90 days. Any securities lending by the Fund will be conducted in accordance with the restrictions contained in NI 81-102, subject to the exemptions therefrom obtained by the Fund.

MAN AHL DP LIMITED AND THE UNDERLYING ASSETS

AHL DP Limited

AHL DP Limited is an investment company with limited liability incorporated as an exempted company in the Cayman Islands on September 5, 2013 under the name “Man AHL DP Limited”. AHL DP Limited was formed to provide investors with exposure to investment programs offered by AHL Partners LLP (the “Investment Manager”). Man Fund Management (Guernsey) Limited (the “AHL DP Manager”) is the manager of AHL DP Limited. The registered office of AHL DP Limited is 89 Nexus Way, Camana Bay, P.O. Box 31106, Grand Cayman KY1-1205, Cayman Islands. AHL DP Limited’s fiscal year ends on December 31st of each year.

AHL DP Limited acquires and maintains the Underlying Assets which are managed by the Investment Manager. AHL DP Limited issues the AHL DP Shares from time to time in reliance on exemptions from applicable prospectus requirements. The return of the AHL DP Shares depends on the Underlying Assets.

The authorized share capital of AHL DP Limited is \$50,000 divided into: (i) 4,900,000,000 non-voting participating shares, each with a nominal or par value of \$0.00001 (the “AHL DP Shares”); and (ii) 1,000 voting, non-participating management shares each with a nominal or par value of \$1.00 (the “Management Shares”). The Management Shares were issued to, and will be held on an ongoing basis by, Master Multi-Product Holdings Ltd., a Bermuda exempted company, which is itself owned by Codan Trust Company Limited, in its capacity as trustee of the Master Multi-Product Purpose Trust, a special purpose trust formed under the laws of Bermuda pursuant to a deed of trust made by Codan Trust Company Limited dated December 14, 2005. The Master Multi-Product Purpose Trust provides that the primary purpose of the Master Multi-Product Purpose Trust is to provide a mechanism for the holding of all the issued Management Shares and to exercise the rights attaching to the Management Shares. The Management Shares carry voting rights, each Management Share conferring upon the holder thereof the right to receive notice of, and to attend and vote at, general meetings of AHL DP Limited. The Management Shares do not participate in the profits of AHL DP Limited.

The holders of Management Shares of AHL DP Limited shall:

- (a) be entitled to one vote per Management Share;
- (b) in the event of the winding up or dissolution of AHL DP Limited, whether voluntary or involuntary or for the purpose of re-organisation or otherwise or upon any distribution of capital, be entitled, subject to the Articles, to the par value thereof if paid up but shall not be entitled to any other or further amounts; and
- (c) not be entitled to request redemption or repurchase of their Management Shares and AHL DP Limited shall not be entitled to require redemption or repurchase of such Management Shares.

The holders of AHL DP Shares of each Class shall:

- (a) not be entitled to any votes in respect of such AHL DP Shares except as provided below;
- (b) be entitled to such dividends as the directors of AHL DP Limited may from time to time declare;
- (c) in the event of the winding up of AHL DP Limited, whether voluntary or involuntary or upon any distribution of capital, be entitled, subject to the provisions of the Articles, to share pro rata in the assets of AHL DP Limited attributable to the relevant Class of AHL DP Shares and to any surplus assets of AHL DP Limited not attributable to any Class of AHL DP Shares; and

- (d) be entitled to redeem their AHL DP Shares as provided in the Articles and AHL DP Limited shall be entitled to require redemption of such AHL DP Shares as provided in the Articles.

The rights attaching to the AHL DP Shares shall not be deemed to be varied by, amongst other matters: (i) the creation, allotment or issue of further AHL DP Shares ranking *pari passu* therewith; (ii) the creation, allotment, issue, repurchase or redemption of Management Shares or AHL DP Shares of any Class; (iii) the exercise of the powers to allocate assets (or amounts treated as notional assets) and charge liabilities to the various Classes or any of them and to transfer the same to and from or between the various Classes; (iv) by the exercise of the powers of the directors of AHL DP Limited to waive or vary any condition precedent to a subscription for AHL DP Shares, or a redemption of AHL DP Shares, either generally or in a specific case; and (v) the passing of a directors resolution to change or vary the investment objective or restriction of the portfolio established in respect of AHL DP Limited.

The Articles may be amended by the holder of the Management Shares. The Articles provide that, subject to the Companies Law (2013 Revision) of the Cayman Islands and the other provisions of the Articles, all or any of the class rights or other terms of offer whether set out in the offering document relating to the AHL DP Shares, any subscription agreement or otherwise (including any representations, warranties or other disclosure relating to the offer or holding of AHL DP Shares) (collectively referred to as “Share Rights”), for the time being applicable to any Class or Series of AHL DP Shares in issue (unless otherwise provided by the terms of issue of those AHL DP Shares) may (whether or not AHL DP Limited is being wound up) be varied without the consent of the holders of the issued AHL DP Shares of that Class or Series where such variation is considered by the board of directors, not to have a material adverse effect upon such holders’ Share Rights; otherwise, any such variation shall be made only with the prior consent in writing of the holders of not less than two-thirds by net asset value of such AHL DP Shares, or with the sanction of a resolution passed by a majority of at least two-thirds of the votes cast in person or by proxy at a separate meeting of the holders of such AHL DP Shares. For the avoidance of doubt, the board of directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such AHL DP Shares. To every such separate meeting all the provisions of the Articles as to general meetings of AHL DP Limited shall apply *mutatis mutandis*; provided that in respect of a Class meeting where there is more than one Class of AHL DP Shares, the voting rights attributable shall be based on the NAV per AHL DP Share and not on the basis of one share, one vote.

Subject to the Articles, the Share Rights applicable to any Class or Series of AHL DP Shares in issue shall (unless otherwise expressly provided by the terms of issue of such AHL DP Shares) be deemed not to be materially adversely varied or abrogated by, among other things, the creation, allotment or issue of further shares ranking *pari passu* with or subsequent to them, the redemption or repurchase of any shares, by the passing of any resolution to change or vary any investment objective, investment technique and strategy and/or investment policy in relation to a Class or any modification of the fees payable to any service provider to AHL DP Limited.

AHL DP Limited may, in the future, increase its authorised share capital by creating additional AHL DP Shares (denominated in Canadian dollars and/or other currencies). AHL DP Limited may from time to time, by ordinary resolution of the holder of the Management Shares, increase its capital, consolidate its shares or any of them into a smaller number of shares, sub-divide shares or any of them into a larger number of shares or cancel any shares not taken or agreed to be taken by any person. AHL DP Limited may by special resolution of the holder of the Management Shares from time to time reduce its share capital in any way permitted by the laws of the Cayman Islands.

The AHL DP Manager retains BNY Mellon Fund Services (Ireland) Designated Activity Company, a company incorporated in and under the laws of Ireland, or such other party as may be appointed, as the shareholder services provider and registrar in respect of the Fund. The shareholder services provider and registrar performs certain general shareholder services including maintaining the register of investors of the Fund and processing certain anti-money laundering documents. The shareholder services provider and registrar may delegate its duties with the prior written consent of the AHL DP Manager, not to be unreasonably withheld.

The custodian of AHL DP Limited is The Bank of New York Mellon - London Branch of One Canada Square London, E14 5AL United Kingdom, (the “AHL DP Custodian”), or such other party as is appointed from time to time to provide custodial services.

The sale and transfer of the AHL DP Shares are subject to certain restrictions. Violation of these restrictions may result in refusal of the Fund to register ownership in the AHL DP Shares or compulsory redemption of the applicable AHL DP Shares.

AHL DP Limited does not constitute a “mutual fund” within the terms of the Mutual Funds Law (as amended) of the Cayman Islands and therefore is not registered with, or regulated by, the Cayman Islands Monetary Authority thereunder.

AHL DP Limited in relation to the Underlying Assets complies with the continuous disclosure requirements that are applicable to it as a reporting issuer under the *Securities Act* (Ontario) and the *Securities Act* (Québec). The Investment Manager is responsible for ensuring that the provisions of the Investment Management Agreement are consistent with the investment objective and strategy relating to the Underlying Assets. See “The Investment Manager – The Investment Manage”.

The AHL DP Manager

The manager of AHL DP Limited is Man Fund Management (Guernsey) Limited, a wholly-owned subsidiary of the Man Group. The AHL DP Manager is an exempted limited liability company incorporated under the laws of Guernsey. The AHL DP Manager will act as manager of AHL DP Limited and manages the service providers of AHL DP Limited. The directors of AHL DP Limited are responsible for managing the business affairs of AHL DP Limited. The AHL DP Manager was incorporated in Guernsey on May 27, 1997. The AHL DP Manager’s registered office is First Floor, Royal Chambers, St Julian’s Avenue, St. Peter Port, Guernsey, GY1 4HG, Channel Islands.

The directors of AHL DP Limited have delegated certain of their powers, duties, discretions and/or functions to the AHL DP Manager, who is the manager of the Fund and manages the service providers of the Fund. The AHL DP Manager will in turn delegate the management of the assets and investments of the Fund to the Investment Manager.

The AHL DP Shares

The proceeds from the issue of the AHL DP Shares are applied to the Underlying Assets. All income and capital gains earned on, and investments acquired with, the proceeds of the issue of the AHL DP Shares shall accrue to the Underlying Assets and all expenses and liabilities attributable to such AHL DP Shares, all dividends paid on the AHL DP Shares and redemptions of AHL DP Shares will be charged to and paid out of the Underlying Assets. AHL DP Limited may issue further AHL DP Shares ranking *pari passu* with those AHL DP Shares already in issue, which would be valued by reference to the assets and liabilities attributable to the Underlying Assets at prices which are not less than the most recently determined Net Asset Value per AHL DP Share of the applicable Class.

AHL DP Limited currently issues AHL DP Shares of three Classes: Class A CAD Shares, Class B CAD Shares and Class C CAD Shares. The Classes of AHL DP Shares are separate Classes of the AHL DP Shares referable to the same portfolio of assets invested in accordance with the AHL Diversified Programme and the AHL Evolution Programme. There are no conversion or pre-emptive rights in connection with any Class of AHL DP Shares. All AHL DP Shares, when duly issued, will be fully paid and non-assessable. The AHL DP Shares have no voting rights, although holders of AHL DP Shares will be entitled to attend and vote at a Class of AHL DP Shares meeting of shareholders, which is required in certain limited circumstances in accordance with the Articles. The AHL DP Shares are issued in registered book entry form. Share certificates will not be issued. The AHL DP Shares carry the right to participate in the assets of AHL DP Limited on a winding up and on dividends or other distributions of AHL DP Limited. The AHL DP Shares have an aggregate value, and an aggregate redemption amount payable in respect thereof, which will vary depending on the performance of the Underlying Assets.

Except with respect to the Investment Manager’s fees and the performance fees, the rights and attributes of the Classes of AHL DP Shares are identical. The proceeds from the issue of the each Class or Series of AHL DP Shares will be applied in the books of AHL DP Limited to a separate account established for each Class or Series, and all income and capital gains earned on, and investments acquired with, the proceeds of the issue of the Class or Series of AHL DP Shares shall accrue to such separate account and all expenses and liabilities attributable to such Class or Series of AHL DP Shares and redemptions of such Class or Series of AHL DP Shares will be charged to and paid out of the assets of such separate account. No statutory segregation of assets and liabilities applies between each Class or Series of AHL DP Shares. Generally, all of the assets of Class or Series will be available to meet all of its liabilities regardless of the Class or Series of AHL DP Shares to which such assets or liabilities are attributable.

The AHL DP Shares are denominated in Canadian dollars and the redemption price of the AHL DP Shares will be payable in Canadian dollars.

The returns of the Units will differ from those of the AHL DP Shares due to certain factors that include, but are not limited to, management fees, operating expenses of the Fund, distributions on Units, taxes and administrative fees and costs. The return to the holders of Class A Units, Class F Units, Class H Units, Class L Units and Class M Units is referable to the Class A CAD Shares issued by AHL DP Limited. The return to the holders of Class J Units and Class K Units is referable to the Class C CAD Shares issued by AHL DP Limited. Other than with respect to the management fee of the Investment Manager, the rights and attributes of the Class A CAD Shares and Class C CAD Shares are identical. The Fund will use the net proceeds of the offering of Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units of the

Fund to acquire the AHL DP Shares to provide targeted investment exposure of 100% of the prevailing Net Asset Value of the Fund.

Investment Restrictions of AHL DP Limited

For the purpose of the investment restrictions listed below, all percentage limitations apply only immediately after a transaction, and any subsequent change in any applicable percentage resulting from changing values will not require disposition of any securities. These investment restrictions govern the activities of AHL DP Limited including the investment of its assets and the incurrence of debt, and provide, among other things, as follows:

- (a) Up to and including 100.00% of the Underlying Assets may be invested in cash or cash equivalent instruments.
- (b) Up to and including 100.00% of the Underlying Assets may be invested in futures, forward and options contracts (including contracts which are traded off-exchange) on and for physical commodities, currencies, mortgage-backed securities, money market instruments, obligations of governments of sovereign nations, obligations guaranteed by governments of sovereign nations and any other financial instruments, securities, stock, financial, and economic indices and items which are (whether now or in the future) the subject of futures contract trading, futures contracts, options on futures contracts and physical commodities, cash and forward contracts, swaps, foreign exchange commitments, deferred delivery contracts, leverage contracts and other related contracts, agreements and transactions (including contingent liability transactions), as well as regulated or unregulated collective investment schemes or other pooled vehicles managed by the Investment Manager and/or other members of the Man Group and/or independent investment managers.
- (c) AHL DP Limited has adopted and is subject to the investment restrictions contained in NI 81-102. The Underlying Assets are managed in accordance with these restrictions, except as otherwise permitted by NI 81-104 and subject to receipt of any exemptions therefrom obtained by the Fund.

The Investment Manager monitors the investment restrictions set out above for AHL DP Limited. If the Investment Manager becomes aware of any breach of these limits, appropriate action and notification to the directors and manager of AHL DP Limited will be taken to bring AHL DP Limited back within these limits as soon as practicable.

The Underlying Assets, being the net proceeds from the sale of AHL DP Shares, are invested in accordance with the AHL Diversified Programme and the AHL Evolution Programme.

Leverage and Financing Arrangements of AHL DP Limited

The investment strategies employed by AHL DP Limited include entering into futures and forward contracts and investments in other financial instruments. The exposure under all contracts and positions to which AHL DP Limited may have exposure to at any time may be substantially larger than the actual amount invested with the result that AHL DP Limited will be exposed to a form of structural leverage. Over the last eight years, the average leverage ratio of the exposure under all contracts and positions held in the AHL Diversified Programme has ranged between four and ten times relative to the net asset value of the underlying assets. The leverage exposure to individual markets that make up the Underlying Assets may be at higher or lower levels than the Underlying Assets as a whole.

AHL DP Limited may establish various financing arrangements which may include credit facilities or other forms of financing relating to AHL DP Limited, including but not limited to derivative instruments or leveraged notes provided on a committed or uncommitted basis or other funding arrangements as recommended by the Investment Manager (the "Financing Arrangements"). The Financing Arrangements may be utilized by the Investment Manager, for the benefit of AHL DP Limited, to meet short-term liquidity needs. In addition to the provision of the Financing Arrangements by independent third parties, the Financing Arrangements may be provided (in whole or part) by one or more entities within the Man Group. Any principal amount outstanding under loans and derivative instruments created under the Financing Arrangements is likely to bear interest at an agreed cost of funding rate and will be dependent on prevailing market conditions and is therefore likely to be subject to change. Further fees relating to the Financing Arrangements such as arrangement, commitment, minimum utilisation and renewal fees may also be payable. For greater certainty, any borrowing on behalf of AHL DP Limited will be subject to the restrictions contained in NI 81-102, subject to receipt of any exemptions obtained therefrom by the Fund.

Valuation Policies and Procedures of AHL DP Limited

The net asset value of the AHL DP Shares with respect to each Class or Series of AHL DP Shares will be determined as of each business day by the valuation agent of AHL DP Limited. The net asset value in respect of the AHL DP Shares with respect to each Class or Series of AHL DP Shares will be determined by the valuation agent of AHL DP Limited as the aggregate of

the value of all the assets less the liabilities (which will include the balance of any outstanding leverage). The value of the assets and the amount of the liabilities of AHL DP Limited shall be calculated in the following manner:

- (a) all calculations based on the value of: (i) investments quoted, listed, traded or dealt in, or on, any futures exchange shall be made by reference to the settlement price as at the close of business on the relevant futures exchange on the day on which such calculation is to be made; (ii) investments quoted, listed, traded or dealt in, or on, any other exchange (i.e., non-futures) shall be made by reference to the last quoted price (or, in the absence of any trades, at the latest bid prices quoted thereon) on the principal exchange for such investments as at the close of business on the relevant exchange on the day on which such calculation is to be made; or (iii) any other investments traded or dealt in, or on, any over-the-counter market which is the principal exchange therefor shall be made by reference to the mean between the latest offer and bid prices quoted on that principal exchange for such investments, provided always that if the valuation agent of AHL DP Limited in its absolute discretion reasonably consider that any of the prices prevailing on an exchange other than the principal exchange provide, in all the circumstances, a fairer criterion of value in relation to any such investment, they may cause those prices to be used to determine the net asset value;
- (b) investments in pooled or collective investment vehicles, including hedge funds, shall be valued at their final net asset value or, if not available, their latest available estimated net asset value (and in either case adjusted for any redemption charges, if applicable) as provided by the administrator or investment manager of the relevant fund;
- (c) the value of any cash in hand or on deposit and accounts receivable, prepaid expenses, interest and cash dividends accrued and not yet received shall be deemed to be the full amount thereof, unless the valuation agent of AHL DP Limited is of the opinion that it is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the valuation agent of AHL DP Limited may consider appropriate to reflect the true value thereof;
- (d) forward foreign exchange contracts will be valued by reference to the price on the applicable valuation date at which a new forward contract of the same size and maturity could be undertaken;
- (e) any value (whether of a security or cash) shall be translated into Canadian dollars at the rate (whether official or otherwise) that the valuation agent of AHL DP Limited shall, in their absolute discretion, reasonably deem appropriate in the circumstances, having regard, inter alia, to any premium or discount that they reasonably consider may be relevant and to costs of exchange; and
- (f) the directors of AHL DP Limited may, at their absolute discretion, permit some other method of valuation to be used if: (i) they reasonably consider that such valuation more appropriately reflects fair value; (ii) no price quotations are available in the manner as provided above in which case the value shall be determined in such manner as the directors of AHL DP Limited shall reasonably determine, including the reasonable use of estimates; or (iii) the directors of AHL DP Limited consider it appropriate for the Investment Manager to assist actively in the calculation of the net asset value, including, but not limited to, the sourcing of prices and other information to be used in determining the value of assets and liabilities.

Suspension of Valuations

The directors of AHL DP Limited, after consulting with the Investment Manager and the Marketing Adviser, but acting in their sole discretion, may suspend the determination of the NAV of the AHL DP Shares for the whole or any part of a period during which:

- (a) any stock exchange or over-the-counter market on which any significant portion of the investments attributable to the AHL DP Shares are listed, quoted, traded or dealt in is closed (other than customary weekend and holiday closing) or trading on any such exchange or market is restricted;
- (b) circumstances exist as a result of which, in the opinion of the directors of AHL DP Limited, it is not reasonably practicable for AHL DP Limited to dispose of investments or, as a result of which, such a disposal of investments would be materially prejudicial to holders of AHL DP Shares;
- (c) a breakdown occurs in any of the means normally employed in ascertaining the value of investments or when, for any other reason, the value of any of the investments or other assets attributable to the AHL DP Shares cannot reasonably or fairly be ascertained;

- (d) AHL DP Limited, in respect of the AHL DP Shares is unable to repatriate the funds required for the payment of redemption proceeds;
- (e) in the opinion of the directors of AHL DP Limited, any transfer of funds required as part of the realisation or acquisition of investments or payments due on redemptions, cannot be made at a normal rate of exchange;
- (f) the first notice to holders of AHL DP Shares of a decision to liquidate AHL DP Limited or compulsorily redeem all of the AHL DP Shares is published;
- (g) any of AHL DP Limited's investments are affected by a voluntary or involuntary liquidation or bankruptcy or insolvency or similar proceeding, or an event occurs which results in AHL DP Limited's investments being nationalised, expropriated or otherwise required to be transferred to any government agency, authority or entity;
- (h) the directors of AHL DP Limited are of the opinion that a change or adoption of any law, rule, regulation or policy by any governmental authority, central bank or comparable agency imposes restrictions on the sale or acquisition or transfer of investments; or
- (i) the directors of AHL DP Limited, at their discretion, determine it to be in the interest of the holders of AHL DP Shares as a whole.

In the event of a suspension in the determination of the NAV of the AHL DP Shares, all redemptions will be suspended until such time as the calculation of the NAV of the AHL DP Shares resumes. See "Man AHL DP Limited and the Underlying Assets – Suspension of Redemptions of the AHL DP Shares".

Suspension of Redemptions of the AHL DP Shares

The directors of AHL DP Limited, after consulting with the AHL DP Manager, Investment Manager and the Marketing Adviser but acting in their sole discretion, may suspend all or part of redemptions and/or the payment of redemptions in circumstances in which (i) they consider that it is not possible for AHL DP Limited to dispose of investments of sufficient value, in a timely and orderly manner, in order to process redemptions; (ii) AHL DP Limited has not received all or part of the proceeds from the underlying investments; (iii) they consider that processing redemptions and/or the payment of redemptions may not be in the best interests of AHL DP Limited and/or holders of AHL DP Shares as a whole or in respect of a particular tranche of AHL DP Shares at the time; or (iv) to comply with the provisions of FATCA or any similar legislation.

In any of these circumstances the directors of AHL DP Limited may, without limitation, scale down redemption requests on a *pro rata* basis and any balance may be carried forward to the next or subsequent Redemption Dates. The directors of AHL DP Limited may also decide to process all or part of any redemption request by redemption in specie (by transferring assets held directly or indirectly by AHL DP Limited, other than cash proceeds, to the redeeming holder of AHL DP Shares).

During a period where all or a part of redemptions and/or the payment of redemptions have been suspended, a redemption notice may be withdrawn by a holder of AHL DP Shares, by written notice to AHL DP Limited provided that the notice is received by AHL DP Limited before the end of the period of suspension. If a redemption notice is not withdrawn, it will be acted upon on the first redemption date following the end of the suspension.

The directors of AHL DP Limited reserve the right to withhold payment to persons whose AHL DP Shares have been redeemed prior to a suspension until after the suspension is lifted, this right to be exercised in circumstances where the directors of AHL DP Limited believe that to make such payment would materially and adversely affect and prejudice the interests of continuing holders of AHL DP Shares.

Redemptions may be suspended in the event AHL DP Limited suspends calculation of Net Asset Value per AHL DP Share. See "Man AHL DP Limited and the Underlying Assets – Suspension of Valuations".

THE INVESTMENT MANAGER

The Investment Manager is part of the Man AHL division ("Man AHL") of Man Group plc ("Man Group"). The Investment Manager, located in London, the United Kingdom, provides investment advisory and portfolio management services in respect of the Underlying Assets pursuant to an agreement with AHL DP Limited (the "Investment Management Agreement"). The Investment Manager is authorized and regulated by the Financial Conduct Authority of the United Kingdom in the conduct of its regulated activities in the United Kingdom. The Investment Manager is registered with the U.S. Securities and Exchange Commission ("SEC") as an "investment adviser" under the U.S. *Investment Advisers Act of 1940*, as amended (the "Advisers

Act”) and is registered as a commodity pool operator and as a commodity trading adviser under the U.S. *Commodity Exchange Act*, as amended, and is a member of the National Futures Association.

The Investment Manager is responsible for the management of the Underlying Assets. The Investment Manager is responsible for advising on the investments of the Underlying Assets and has discretionary authority to invest the same in accordance with the investment objective, investment strategies and investment restrictions of AHL DP Limited, subject to the overall supervision of the AHL DP Manager. The Investment Manager will seek to achieve AHL DP Limited’s investment objective by allocating funds directly or indirectly to an investment strategy or a number of complementary investment strategies utilizing the investment expertise of AHL. The AHL Diversified Programme and the AHL Evolution Programme, in accordance with which the Underlying Assets are invested, are implemented and managed by the Investment Manager.

Man Group is one of the world’s largest independent alternative investment management groups. Man Group’s managers (Man AHL, Man FRM, Man GLG, Man GPM and Man Numeric) have diverse long/short and long only strategies spanning equity, credit, managed futures, convertibles, emerging markets, private markets and multi-manager solutions. As at June 30, 2018, Man Group’s funds under management were US\$113.7 billion. The original business was founded in 1783. Today, Man Group plc is listed on the London Stock Exchange under the ticker EMG.L and is a constituent of the FTSE 250 Index. Man also supports many awards, charities and initiatives around the world, including sponsorship of the Man Booker literary prizes.

Man AHL

Man AHL is a diversified quantitative investment manager dedicated to delivering a broad and innovative offering in alternative and long only strategies, with funds under management of \$24.5 billion (as at June 30, 2018).

A pioneer in the application of systematic trading since 1987, Man AHL manages assets for institutional and private clients globally and has a range of momentum and non-momentum driven strategies.

Backed by extensive research capabilities and a collaborative culture, Man AHL applies innovative quantitative methods, informed by market understanding, to locate potential opportunities in more than 600 markets worldwide. It benefits from a unique collaboration with the University of Oxford, the Oxford Man Institute.

Man AHL has over 100 investment professionals, based in London, Oxford, Hong Kong and Pfäffikon. The Fund, the Manager and the Investment Manager are subject to certain conflicts of interest. See “Organization and Management Details of the Fund – Conflicts of Interest”.

The Investment Manager

The Investment Manager has been appointed by AHL DP Limited pursuant to the Investment Management Agreement to trade and invest the assets of AHL DP Limited in accordance with the terms thereof. The Investment Management Agreement is to continue until terminated by notice from any party giving the other not less than 90 days’ notice. The Investment Management Agreement may be terminated earlier in certain circumstances including the insolvency of any party.

Pursuant to the Investment Management Agreement, the Investment Manager agrees that it will comply with all applicable laws with respect to the conduct of the Investment Manager’s business and the provision of services under the Investment Management Agreement and that the Investment Manager will use its reasonable endeavours to cause all of its agents, officers, directors, shareholders and employees so to comply (including instituting reasonable procedures to ensure such compliance).

Pursuant to the Investment Management Agreement, AHL DP Limited acknowledges and agrees that (i) no assurance, representation or guarantee has been given to AHL DP Limited by the Investment Manager, or by any other person, that the Investment Manager’s management of the assets of AHL DP Limited will generate profits or that past results are necessarily indicative of future performance; and (ii) all risk relating to transactions effected by the Investment Manager on behalf of AHL DP Limited will be borne by AHL DP Limited and all gains or losses accruing in respect of the investments of AHL DP Limited will belong and be borne by AHL DP Limited.

The Investment Management Agreement provides that none of the Investment Manager or any agents, officers, directors, shareholders or employees of the Investment Manager, nor their respective successors or assigns, shall be liable to AHL DP Limited under the Investment Management Agreement (to the extent permitted by applicable law and so far as not inconsistent with any applicable rules and regulations) in respect of any act or omission, except that the Investment Manager will be liable to AHL DP Limited for acts by the Investment Manager or any agents, officers, directors, shareholders or employees of the Investment Manager with respect to the provision of services under the Investment Management Agreement which constitute fraud, bad faith, wilful misconduct or gross negligence. The Investment Management Agreement requires AHL DP Limited to

indemnify from and hold harmless the Investment Manager against any liability, penalty, fine, cost or expense (including without limitation legal fees and expenses) which the Investment Manager may incur in connection with any action or proceeding threatened or commenced by any third party against the Investment Manager based in whole or in part on any alleged act, omission or error (whether or not negligent) on the part of AHL DP Limited. The Investment Management Agreement further requires AHL DP Limited, separately and independently, to indemnify, hold harmless and defend the Investment Manager and any agents, officers, directors, shareholders and employees of the Investment Manager, or their respective successors or assigns, from and against any liability, penalty, fine, cost and expense, including, without limitation, legal fees and expenses, to which any of the indemnified parties may become subject in acting as contemplated under the Investment Management Agreement, or in connection with any transaction on behalf of AHL DP Limited or in connection with investigating or defending any such liability, penalty, fine, cost or expense covered by such indemnity unless and to the extent caused by the fraud, bad faith, wilful misconduct or gross negligence of the Investment Manager or other person claiming the benefit of the indemnity.

The investment advisory and portfolio management services provided by the Investment Manager under the Investment Management Agreement are not exclusive to the Underlying Assets or AHL DP Limited and the Investment Manager may provide similar services to any person, company or clients (whether or not their investment objectives and policies are similar to those of the Underlying Assets) so long as their services under the Investment Management Agreement are not impaired.

The Investment Manager is entitled to fees for its services as provided under the Investment Management Agreement. For a description of investment management fees payable to the Investment Manager, see “Fees and Expenses – Fees and Expenses of AHL DP Limited – Investment Manager’s Fees”.

The Marketing Advisor

The AHL DP Manager has appointed Man Investments AG (the “Marketing Advisor”), a member of the Man Group, to act as marketing advisor to AHL DP Limited. The Marketing Advisor has principal responsibility for advising in relation to product structuring and setting up, optimization, coordination and maintenance of an efficient global distribution network. The Marketing Advisor also arranges for the provision of the liquidity required by the relevant Class of AHL DP Shares and the implementation of any Financing Arrangements. The Marketing Advisor will not receive any management or investment management fees from AHL DP Limited for management or investment advisory services rendered to AHL DP Limited.

FEES AND EXPENSES

Fees and Expenses of the Fund

Manager’s Fee and Service Fees to Registered Dealers

The Fund pays the Manager a fee (the “Manager’s Fee”) based on the Net Asset Value of the applicable class of Units at the annual rates set out below, calculated weekly and paid quarterly in arrears, plus applicable taxes, as compensation for administering the Fund’s ongoing operations as described under “Organization and Management Details of the Fund – Duties and Services Provided by the Manager”. The Fund will be responsible for all ordinary expenses incurred in connection with its operation and administration described under “Operating Expenses” below. The Manager pays a service or trailer fee (the “Service Fee”) plus applicable taxes to registered dealers based on the respective number of Units held by their clients at the annual rates set out below, calculated weekly and payable on or about 45 days following the last day of each calendar quarter. The Manager pays the Service Fees to registered dealers out of its assets, including Manager’s Fee, and is not reimbursed for these payments.

<i>Class of Units</i>	<i>FundSERV Code</i>	<i>Manager’s Fee as percentage of NAV of Units per annum</i>	<i>Service Fees as percentage of NAV of Units per annum</i>
Class A Units	NEC 111	2.25%	1.25%
Class F Units	NEC 173	1.00%	0.00%
Class H Units	NEC 181	0.00%	0.00%
Class J Units	NEC 208	2.00%	1.00%
Class K Units	NEC 209	1.00%	0.00%
Class L Units	NEC 311	1.25%	1.25%
Class M Units	NEC 373	0.00%	0.00%

No Service Fees are payable in respect of the Class F Units, Class H Units, Class K Units and Class M Units. Service Fees may be modified or discontinued by the Manager at any time.

Operating Expenses

It is expected that the operating expenses of the Fund will include, without limitation, preparing, mailing and printing expenses for renewal prospectuses, periodic reports to Unitholders and other Unitholder communications including marketing and advertising expenses; fees payable to the Valuation Agent and the independent pricing service for performing certain valuation services; fees payable to any custodian of the assets of the Fund; fees payable to the registrar and transfer agent for performing certain financial, record-keeping, reporting and general administrative services; fees payable to accountants, the auditors and legal advisors; ongoing regulatory fees, licensing fees and other fees; external bookkeeping fees and the costs associated with FundSERV; any reasonable out-of-pocket expenses incurred by the Manager or their respective agents in connection with their ongoing obligations to the Fund; any additional fees payable to the Manager for performance of extraordinary services on behalf of the Fund; any taxes payable by the Fund or to which the Fund is subject, interest expenses, expenses relating to portfolio transactions; any expenditures that may be incurred upon the termination of the Fund and fees payable to members of the Independent Review Committee. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager or the Trustee is entitled to indemnity by the Fund. See “Organization and Management Details of the Fund”. The Fund will be subject to an independent audit and report thereon to the Trustee and the Manager will provide full access to its books and records for such purpose. The Fund will also be responsible for any extraordinary expenses which it may incur from time to time.

The Fund pays for all expenses incurred in connection with its operation and administration, which expenses will be allocated *pro rata* to each class of Units. Common expenses such as audit and custody fees will be allocated among all classes in the manner determined to be the most appropriate based on the nature of the expense. Although the expenses of the Fund attributable to a particular class of Units will be deducted in calculating the NAV per Unit of that class, those expenses will continue to be liabilities of the Fund, as a whole, and the assets of the Fund, as a whole, could be called upon to satisfy those liabilities. In addition, all deductible expenses of the Fund, both common and class expenses, will be taken into account in computing the income or loss of the Fund for tax purposes and, therefore, all expenses will impact the tax position of the Fund.

The Manager may establish an upper limit on the total annual operating expenses of the Fund. The Manager or its affiliates may pay for certain operating expenses of the Fund in order to maintain the Fund’s annual operating expenses within any such established limit.

Each class of Units is responsible for the expenses specifically related to that class and a proportionate share of expenses that are common to all classes of Units. The Manager may, in some cases, at its discretion, pay a portion of the Fund’s operating expenses.

Fees and Expenses of AHL DP Limited

Operating Expenses

Each class of AHL DP Shares will be subject to, directly or indirectly, all reasonable expenses incidental to AHL DP Limited’s operations and business, the cost of which may vary, including, without limitation: (a) all investment expenses; (b) all fees and expenses of transactional, risk, market, consumer and industry data and information and other alternative data (e.g. news and quotation equipment and services (including fees due to data and software providers, exchanges and other third party data and information vendors and other non-traditional data and information sources)), all fees for academic research data and trade-related services (e.g., transaction costs, trade ideas and/or alpha capture), currency hedging costs, listing and audit costs, clearing and settlement charges, custodial fees, interest expense, consulting, investment banking and any other professional fees or compensation relating to particular investments; (c) the costs of AHL DP Limited’s service providers including, without limitation, external accounting, legal, custodial, audit, tax preparation and advice, paying agent and company secretarial fees and expenses (other than the costs of the administrator of AHL DP Limited which are borne by the services manager of AHL DP Limited); (d) fees and expenses of the directors of AHL DP Limited and all of the costs of insurance for the benefit of the directors (if any) of AHL DP Limited; (e) promotional and marketing expenses; (f) all entity-level taxes and similar amounts and corporate fees payable to governments or agencies; (g) all communication expenses with respect to investor services, of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents to holders of AHL DP Shares and all expenses of meetings of holders of AHL DP Shares; (h) all interest on borrowings; (i) liquidation costs; (j) out-of-pocket costs and expenses suffered or incurred by the services manager of AHL DP Limited for the benefit of AHL DP Limited including expenses, if any, incurred by the service providers and charged to them and paid on behalf of AHL DP Limited by the services manager of AHL DP Limited; (k) external legal and compliance expenses (which include, without limitation, responding to formal and informal inquiries, subpoenas, investigations and other regulatory matters, indemnification expenses and expenses associated with regulatory filings relating to AHL DP Limited); and (l) all administrative expenses. A portion of these fees or expenses may be paid to affiliates of the Investment Manager that provide such services, directly or

indirectly, to AHL DP Limited, provided that such fees and expenses will be no more than would be charged for similar services by arm's length third parties.

Services Management Fee

In consideration for the services provided by the AHL DP Manager pursuant to the Services Management Agreement, AHL DP Limited, in respect of each class of AHL DP Shares, will pay the AHL DP Manager a fee (calculated weekly and paid as at each Valuation Date) of up to 0.15% (approximately 0.15% per annum) of the net asset value of the AHL DP Shares at the relevant valuation date.

Investment Manager's Fees

As compensation for managing the Underlying Assets, the Investment Manager will receive out of the Underlying Assets the following fees:

- (a) an investment management fee (calculated weekly and charged as at each valuation date and payable monthly) of:
 - (i) up to one fifty-second (1/52) of 2.00% (approximately 2.00% per annum) of the Investment Exposure of the Class A CAD Shares at the relevant valuation date; and
 - (ii) up to one fifty-second (1/52) of 1.00% (approximately 1.00% per annum) of the Investment Exposure of the Class C CAD Shares at the relevant valuation date; and
- (b) a performance fee (calculated and charged weekly as at each valuation date and payable monthly) of:
 - (i) up to 20.00% of the Net New Appreciation per Class A CAD Share (after deducting management fees for the period but prior to the calculation and deduction of the performance fee itself) multiplied by the number of Class A CAD Shares in issue. "Net New Appreciation per Class A CAD Share" is the excess of the net asset value per Class A CAD Share at the relevant Valuation Date over the previous highest net asset value per Class A CAD Share at any preceding Valuation Date on which the performance fee has been paid. Performance fees are only payable if the Net New Appreciation per Class A CAD Share exceeds a previously highest attained value; and
 - (ii) up to 20.00% of the Net New Appreciation per Class C CAD Share (after deducting management fees for the period but prior to the calculation and deduction of the performance fee itself) multiplied by the number of Class C CAD Shares in issue. "Net New Appreciation per Class C CAD Share" is the excess of the net asset value per Class C CAD Share at the relevant Valuation Date over the previous highest net asset value per Class C CAD Share at any preceding Valuation Date on which the performance fee has been paid. Performance fees are only payable if the Net New Appreciation per Class C CAD Share exceeds a previously highest attained value.

Fees and Expenses Payable Directly by Unitholders

Selling Commissions

The Fund and the Manager do not charge a fee or commission when investors purchase Units of the Fund.

An authorized broker, dealer or adviser may charge investors an upfront selling commission of up to 3.00% at the time of purchase of Class A Units, Class J Units and Class L Units, which will reduce the amount of money invested in the Class A Units, Class J Units and Class L Units.

There is no selling commission payable in respect of a purchase of Class F Units, Class H Units, Class K Units or Class M Units. Class A Units and Class J Units are intended primarily for individual investors and may carry an upfront commission at the time of purchase of the Units. Class F Units and Class K Units are intended primarily for investors who are enrolled in fee-based programs through their broker, dealer or adviser. Class H Units are available to investors who are enrolled in select fee-based programs through their broker, dealer or adviser. Class L Units and Class M Units are intended primarily for institutional investors. Selling commissions may be modified or discontinued by the Manager at any time.

Selling commissions may be modified or discontinued by the Manager at any time.

Dealer Compensation

As set out under “Fees and Expenses Payable Directly by Unitholders – Selling Commissions” above, brokers, dealers or advisers selling Class A Units, Class J Units and Class L Units of the Fund may charge investors a commission of up to 3.00% at the time of purchase of Class A Units, Class J Units and Class L Units, which will reduce the amount of money invested in the Class A Units, Class J Units and Class L Units of the Fund.

As set out under “Fees and Expenses of the Fund – Manager’s Fee and Service Fees to Registered Dealers” above, brokers, dealers and advisers may be paid a Service Fee by the Manager for assets that their sales representatives place in the Class A Units, Class J Units and Class L Units. The Manager may, at its discretion, negotiate, change the terms and conditions of, or discontinue the Service Fee with brokers, dealers and advisers. Brokers, dealers or advisers qualifying for a Service Fee in respect of the Fund for the first time must contact the Manager in writing to arrange the first payment. Payments thereafter are made automatically as long as the broker, dealer or adviser continues to qualify.

The Service Fee is calculated as a percentage of assets each broker, dealer or adviser has placed in Class A Units, Class J Units and Class L Units. The Service Fee is calculated based on the aggregate net asset value of client accounts for each calendar quarter. The Service Fee will not be paid if the assets are removed from the Fund. Service Fees are calculated weekly and payable, on or about 45 days following the last day of each calendar quarter at up to the annual rates set out below, plus applicable taxes:

<u>Class of Units</u>	<u>Annual Rate of Service Fees Paid</u>	<u>Annual Payment per \$1,000 of Units Held</u>
Class A Units	1.25% of the NAV of the Class per annum	\$12.50
Class J Units	1.00% of the NAV of the Class per annum	\$10.00
Class L Units	1.25% of the NAV of the Class per annum	\$12.50

The Manager or its affiliate may pay a portion of direct costs incurred by registered brokers, dealers or advisers which relate to sales commissions, so long as such payments are in compliance with National Instrument 81-105 *Mutual Fund Sales Practices* (“NI 81-105”). That is, the Manager or its affiliate may assist brokers, dealers and advisers with certain of their direct costs associated with marketing the Fund and providing educational investor conferences and seminars about the Fund. The Manager or its affiliate may also pay brokers, dealers and advisers a portion of the costs of educational conferences, seminars or courses that provide information about financial planning, investing in securities, mutual fund industry matters or mutual funds generally. The Manager may provide brokers, dealers and advisers with marketing materials about the Fund and other investment literature. The Manager may provide brokers, dealers and advisers non-monetary benefits of a promotional nature and of minimal value and may engage in business promotion activities that result in brokers, dealers and advisers receiving non-monetary benefits. The Manager reviews the assistance provided under these programs on an individual basis. Subject to compliance with NI 81-105, the Manager may change the terms and conditions of these service fees and programs, or may stop them, at any time. Other than the foregoing, and the upfront commissions and the Service Fee discussed above, no sales incentives of any kind are payable in respect of the Fund. Servicing Fees may be modified or discontinued by the Manager at any time.

ANNUAL RETURNS, MANAGEMENT EXPENSE RATIO AND TRADING EXPENSE RATIO

The table below provides the annual returns, management expense ratio and trading expense ratio data for the Class A Units for the period since its inception (November 29, 2009) as disclosed in the most recently filed semi-annual management report of fund performance of the Fund.

	2009 ⁽¹⁾	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁽⁴⁾
Annual Returns	(0.50%)	14.80%	(9.60%)	(8.70%)	(7.60%)	30.60%	(4.40%)	(9.60%)	3.40%	(5.40%)
MER⁽²⁾	37.89%	5.91%	5.22%	5.31%	5.59%	8.43%	8.15%	5.31%	5.66%	5.23%
TER⁽³⁾	0.11%	1.16%	0.94%	0.90%	0.92%	0.04%	0.02%	0.02%	0.00%	0.01%

(1) For the period between the inception of the Fund (November 29, 2009) and December 31, 2009.

- (2) Management expense ratio is based on total expenses of the Fund and the Fund's allocated percentage of Man AHL DP Limited Class A and Class C expenses, before waivers and absorptions by the Manager, for the stated period (excluding commission and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net asset value during the period. The management expense ratio is calculated in accordance with Part 15 of NI 81-106.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
- (4) For the period between January 1, 2018 and June 30, 2018 (not annualized).

RISK FACTORS

In addition to the considerations set out elsewhere in this prospectus, the following are certain risk factors and considerations relating to an investment in Units which prospective investors should consider before purchasing such Units:

General Risks

Suitability of Investment in Units

An investor should reach a decision to invest in the Fund after careful consideration with his, her or its advisors as to the suitability of the Fund in light of its investment objectives and the information set out in this prospectus. None of the Manager or the Investment Manager makes any recommendation as to the suitability of the Fund for investment by any person. Investors should be aware that the return to the Fund, and consequently to the Unitholders, will depend on the return of the Underlying Assets and that the risks involved in exposure to the returns of the Underlying Assets are greater than those normally associated with other types of investments. Investments in the Underlying Assets can be subject to sudden, unexpected and substantial price movements and can lead to substantial losses as well as gains in the net asset value of the AHL DP Shares within a short period of time.

No Guaranteed Return

There is no guarantee that an investment in Units will earn any positive return. The value of the Units may increase or decrease depending on market, economic, political, regulatory and other conditions affecting AHL DP Limited's investments. All prospective Unitholders should consider an investment in the Fund within the overall context of their investment policies. Investment policy considerations include, but are not limited to, setting objectives, defining risk/return constraints and considering time horizons.

Nature of Units

The Units share certain attributes common to equity securities. The Units represent an undivided interest in the assets of the Fund. However, Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions.

Potential Conflicts of Interest

The Manager and the Investment Manager are required to satisfy their standard of care in exercising their duties with respect to the Fund and the Underlying Assets, respectively. However, neither the Manager nor the Investment Manager nor their officers, directors, or employees are required to devote all or any specified portion of their time to their responsibilities relating to the Fund or the Underlying Assets, respectively. Each of the Manager, the Investment Manager or the other members or affiliates thereof and their respective officers, employees and affiliates may undertake financial, investment or professional activities which give rise to conflicts of interest with respect to the Fund or the Underlying Assets.

Certain inherent conflicts of interest arise from the fact that the Manager, the Investment Manager and their affiliates may carry on investment activities for other clients (including other investment funds sponsored by the Manager, the Investment Manager or their affiliates) or on a proprietary basis in which the Fund or the Underlying Assets will have no interest. Future investment activities by the Manager or the Investment Manager, including the establishment of other investment funds, may give rise to additional conflicts of interest.

The AHL DP Manager and the Investment Manager are both part of Man AHL. Furthermore, the AHL DP Manager, the Investment Manager or their affiliates may be a counterparty in a transaction with the Underlying Assets and may be paid fees which have not been negotiated at arm's length. In addition, there will be occasions when a member of Man Group has an

interest in fees and expenses charged by or in relation to investment funds or vehicles in which the Fund or the Underlying Assets directly or indirectly invests, or has an interest in the underlying investment managers themselves. Any such fees will be no more than would be charged for similar services by an arm's length party.

The Manager, the Investment Manager or their affiliates may also engage in the promotion, management or investment management or other services in relation to separate competitor investment products, vehicles or any other fund or trust. These competitor vehicles may have investment policies similar to those of the Fund or the Underlying Assets or entities through which they make investment allocations and the Manager, the Investment Manager or their affiliates may be compensated in a different manner in respect of those vehicles. The Manager, the Investment Manager or their affiliates will follow procedures designed to ensure an appropriate allocation of available investment opportunities among the Underlying Assets and competitor vehicles.

In addition, directors and officers of the Investment Manager may act as directors or officers of other entities that provide services, directly or indirectly, to the Fund or the Underlying Assets.

An affiliate of the Manager and the Investment Manager has been retained to act as the marketing advisor of the Underlying Assets. Other affiliates of the Manager and the Investment Manager may be retained to provide services to the Underlying Assets and may be paid fees which have not been negotiated at arm's length.

Man Investments AG, in its role as marketing advisor providing structuring services or as the introducing broker, may propose that AHL DP Limited on behalf of the Underlying Assets enter into agreements with Man Investments AG, affiliated entities or third parties with which Man Investments AG or its affiliates have a broader commercial relationship for the provision of various services, including in respect of Financing Arrangements, valuation and brokerage services in respect of which they may receive fees, spreads and other compensation in respect of AHL DP Limited. The final decision as to which service provider is chosen is made by the directors of AHL DP Limited.

Where there is a material risk of damage to the Fund or the Underlying Assets arising from any conflict of interest, this conflict will be managed to prevent the conflict from adversely affecting the interests of the Fund and/or the Underlying Assets. Where it cannot be managed it will be disclosed to the Fund and/or the Underlying Assets.

Legislative, Regulatory and Administrative Changes

There can be no assurance that income tax, securities and other laws of Canada, the Cayman Islands or any other jurisdiction or the interpretation and application of such laws by courts or government authorities will not be changed in a manner which adversely affects the distributions to be made by the Fund, the taxation of AHL DP Limited, the Fund or Unitholders in general.

No Guarantee of Achieving Investment Objectives

Investors should carefully consider the text within the sections entitled "Investment Objectives of the Fund", "Investment Strategy of the Fund" and "Investment Restrictions of the Fund" above and remember that the Net Asset Value per Unit may fall as well as rise. There is no guarantee that the Fund will realize its investment objectives.

Identification and exploitation of the AHL Diversified Programme involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the allocated assets.

Reliance on the Manager and the Investment Manager

The Fund will be highly dependent upon the expertise and abilities of the Manager and the Investment Manager. The loss of services of key personnel of either of the Manager or the Investment Manager could adversely affect the Fund. Unitholders have no right to take part in the management of the Fund.

Illiquidity of Units

While Unitholders may redeem their Units as described in this prospectus, under certain conditions redemptions may be temporarily restricted or suspended. Unitholders requesting redemptions may, therefore, potentially experience delays in receiving redemption payments. An investment in Units is suitable only for sophisticated investors who do not need full liquidity with respect to their investment.

Redemptions

Unitholders will not know in advance of giving a Redemption Notice the price at which the Units will be redeemed. In the period after a Redemption Notice has been given and before the relevant Redemption Date, the NAV per Unit and, therefore, the Redemption Price which will be payable to the Unitholder may change substantially due to market movements. Unitholders are not entitled to withdraw a request for redemption unless the Manager otherwise determines in its sole discretion or unless a suspension of valuations has been declared. In various circumstances the redemption of Units, the payment of redemption proceeds and/or the calculation of the NAV of the Units may be suspended. The Manager may also change the timing of a Redemption Date and/or the Valuation Date, provided it is not less frequent than weekly. The Fund's ability to redeem Units may depend upon the liquidity of the underlying investments.

No Recourse to Underlying Assets

The return to the Unitholders and the Fund will be dependent upon the return of the AHL DP Shares. However, Unitholders will not have, and the Units will not represent, any direct or indirect ownership interest in the AHL DP Shares or the Underlying Assets. Investors will have no recourse to the Underlying Assets.

Fees and Expenses of the Fund

The Fund is obligated to pay management fees and other expenses regardless of whether the Fund realizes a profit. Under certain circumstances, the Fund may be subject to significant indemnification obligations in respect of the Manager or certain affiliated parties.

Risks Arising from Multiple Classes of Units

The Manager's Fees determined with respect to a particular class of Units are charged against the Net Asset Value of that class. However, all other expenses of the Fund generally will be allocated among the various classes of Units, and a creditor of the Fund may seek to satisfy its claims from the assets of the Fund, as a whole, even though its claims relate only to a particular class of Units.

Current Income

An investment in Units of the Fund is not suitable for investors seeking current income for financial or tax planning purposes as distributions, if any, will generally be made through the issuance of additional Units of the same class.

Taxation of the Fund

If the Fund does not qualify, or ceases to qualify, as a mutual fund trust under the Tax Act, the income tax considerations described under the heading "Income Tax Considerations" would be materially and adversely different in certain respects.

There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Unitholders.

In determining its income for tax purposes, the Fund will treat gains or losses on the disposition of AHL DP Shares as capital gains and losses. The Fund may use derivatives for foreign currency hedging purposes. In accordance with the CRA's published administrative practice, gains or losses realized on such derivatives, where such derivatives are sufficiently linked to an acquisition or disposition of capital property of the Fund, will be treated and reported by the Fund for purposes of the Tax Act on capital account and designations with respect to its income and capital gains will be made and reported to Unitholders on this basis. If dispositions of AHL DP Shares or derivative transactions of the Fund are not on capital account, the net income of the Fund for tax purposes and the taxable component of distributions to Unitholders could increase.

Identity of Beneficial Ownership and Withholding on Certain Payments

The United States *Hiring Incentives to Restore Employment Act* (the "HIRE Act") was signed into U.S. law in March 2010 creating a new withholding regime referred to as the United States *Foreign Account Tax Compliance Act* ("FATCA").

In order for the Fund to avoid U.S. withholding under FATCA (i.e. a tax of thirty percent (30%) on certain payments including eventually payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, the Fund and AHL DP Limited generally are required to register with the U.S. Internal Revenue Service ("IRS") and agree to identify and report certain of its direct and indirect U.S. account holders (including debt holders and equity holders). However, on February 5, 2014, the governments of Canada and the United States entered into an Intergovernmental Agreement ("IGA") which

establishes a framework for cooperation and information sharing between the two countries and may provide relief from FATCA withholding tax provided that (i) the Fund complies with the terms of the IGA and the provisions of the Tax Act implementing the IGA in Part XVIII of the Tax Act; and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavor to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Accordingly, Unitholders will be required to provide identity and residency and other information to the Fund, which (in the case of specified U.S. persons or specified U.S.-owned non-U.S. persons) will be provided by the Fund to the CRA and from the CRA to the IRS. However, the Fund may be subject to FATCA withholding tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with the relevant U.S. legislation. Any such tax would reduce the Fund's distributable cash flow and net asset value.

In addition, to meet the objectives of the Organisation for Economic Co-operation and Development Common Reporting Standards ("CRS"), the Manager or the Fund will be required under Part XIX of the Tax Act to identify and report to the CRA certain information relating to unitholders who are resident in a CRS-participating country other than Canada.

Unitholders should consult their own tax advisers regarding the possible implications of these rules on their investments in the Fund.

Loss of Limited Liability

The Fund is a unit trust and as such its Unitholders do not receive the protection of statutorily mandated limited liability in some provinces as is the case of shareholders of most Canadian corporations. There is no guarantee, therefore, that Unitholders could not be made party to legal action in connection with the Fund. However, the Declaration of Trust provides that no Unitholder, in its capacity as such, will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the Fund's property or the obligations or the affairs of the Fund and all such persons are to look solely to the Fund's property for satisfaction of claims of any nature arising out of or in connection therewith and only the Fund's property will be subject to levy or execution.

Pursuant to the Declaration of Trust, the Fund will indemnify and hold harmless each Unitholder from any costs, damages, liabilities, expenses, charges and losses suffered by a Unitholder resulting from or arising out of such Unitholder not having limited liability. The Declaration of Trust also provides that the Trustee and the Manager shall use reasonable efforts to cause to be inserted in each material written agreement, undertaking and obligation signed by or on behalf of the Fund a provision to the effect that such agreement, undertaking or obligation will not be binding upon Unitholders personally.

As a result of the foregoing, it is considered that the risk of any personal liability of Unitholders is minimal in view of the nature of its activities. In the event that a Unitholder should be required to satisfy any obligation of the Fund, the Unitholder will be entitled to reimbursement from any available assets of the Fund.

Securities Lending Risk

The Fund may engage in securities lending and has received exemptive relief from securities regulatory authorities to allow the Fund to lend securities to qualified borrowers. Although the Fund will receive collateral in excess of the value of the securities loaned, and although such collateral is marked to market, the Fund may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities.

Foreign Currency Risk

As the Underlying Assets will be invested in securities traded in a number of different currencies. The Fund, to the extent that it has unhedged exposure to foreign securities, is vulnerable to foreign currency risk which is the risk that the value of the Canadian dollar will increase as measured against a foreign currency. For example, a security traded in U.S. dollars will fall in value, in Canadian dollar terms, if the U.S. dollar declines in value relative to Canadian dollars, even though there is no change to the U.S. dollar value of the security. Conversely, if the Canadian dollar falls in value relative to U.S. dollars, there is a corresponding gain in the value of the security attributable solely to the change in the exchange rate.

The complex systems and programmes operated to mitigate such risks may result in trades being executed which, with the benefit of hindsight, were not required and/or delayed execution or non-execution of trades which, with the benefit of hindsight, would have been appropriate. Unitholders will receive the benefit or bear the loss resulting in such circumstances.

Risks of a Hedging Strategy

The Underlying Assets may not be fully hedged and accordingly no assurance can be given that the Fund will not be adversely impacted by changes in foreign exchange rates or other factors. Although a hedge is intended to reduce risk, it does not eliminate risk entirely. A hedging strategy may not be effective. The use of hedges, if used, involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the Investment Manager's assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used. Hedging arrangements may have the effect of limiting or reducing the total returns to the Underlying Assets, and therefore to the Fund, if the Investment Manager's expectations concerning future events or market conditions prove to be incorrect. In addition, the costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances. The Investment Manager may discontinue any hedging activities at any time in its sole discretion.

Risk Factors Relating to AHL DP Limited and the AHL DP Shares

Effect of Substantial Redemptions

Several factors cause substantial redemptions to be a risk factor for holders of AHL DP Shares. AHL DP Limited will pursue a variety of investment strategies that will take time to develop and implement. Subject to the applicable investment objective and investment strategies, a portion of AHL DP Limited's Underlying Assets may be comprised of financial instruments that are over-the-counter and which may experience reduced liquidity. AHL DP Limited may not be able to dispose of such financial instruments readily. Substantial redemptions could be triggered by a number of events, including, for example, unsatisfactory performance, significant change in personnel or management of the Investment Manager, removal or replacement of the Investment Manager as the investment manager of AHL DP Limited, a decision by AHL DP Limited and/or AHL DP Limited's investors to liquidate such AHL DP Limited assets by redeeming AHL DP Shares, investor reaction to redemptions from the Investment Manager's other clients, legal or regulatory issues that investors perceive to have a bearing on AHL DP Limited or the Investment Manager, or other factors. Actions taken to meet substantial redemption requests from AHL DP Limited (as well as similar actions taken simultaneously in the Investment Manager's other clients) could result in prices of financial instruments held by AHL DP Limited decreasing and in AHL DP Limited expenses increasing (e.g., transaction costs and the costs of terminating agreements). The overall value of AHL DP Limited also may decrease because the liquidation value of certain assets may be materially less than their mark-to-market value. AHL DP Limited may be forced to sell its more liquid positions which may cause an imbalance in the Underlying Assets that could adversely affect the remaining holders of AHL DP Shares. Substantial redemptions could also significantly restrict AHL DP Limited's ability to obtain financing or derivatives counterparties needed for its investment and trading strategies, which would have a further material adverse effect on AHL DP Limited's performance.

Performance Fees

There will be no equalisation methods used for the purpose of determining the performance fee payable. There is a risk that a holder of AHL DP Shares redeeming AHL DP Shares may still incur a performance fee in respect of the AHL DP Shares, even though a loss in investment capital has been suffered by the redeeming holder of AHL DP Shares. Performance fees may also be charged prior to the deduction of certain fees and expenses including the performance fee itself and after the reduction of any performance fees payable due to redemptions by holders of AHL DP Shares.

Performance fees may create an incentive for the Investment Manager, as well as the investment managers and/or advisers of the underlying vehicles through which AHL DP Limited directly or indirectly invests, to make investments which are riskier than would be the case in the absence of a fee based on performance.

Use of Estimates for Subscriptions and Redemptions

The Net Asset Value per AHL DP Share may be based in part on estimated valuations which may prove to be inaccurate or valuations which contain significant discretionary factors.

Where subscription and/or redemption prices are based on estimated Net Asset Values per AHL DP Shares, it should be noted that such prices may not be revised if such estimates prove to be inaccurate. In the case that any subscriptions or redemptions are effected at prices based wholly or partly on estimates then, to the extent that these estimates are too high, net new subscriptions at this price will provide a benefit to continuing investors, to the detriment of applicants, and net new redemptions will cause continuing investors to suffer a dilution in the value of their shares, to the benefit of redeemers. If these estimates are too low, net new subscriptions at this price will cause continuing investors to suffer a dilution in the value of their shares, to the benefit of applicants and net new redemptions will provide a benefit to continuing investors, to the detriment of redeemers.

Speculative Investment

There can be no assurance that AHL DP Limited will achieve its investment objective. An investment in the AHL DP Shares is not guaranteed or subject to principal or capital protection and investors could lose some or all of their investment. Both an investment in AHL DP Limited and the investments which AHL DP Limited proposes to make are speculative. Furthermore, AHL DP Limited's investments may be subject to sudden, unexpected and substantial price movements (which may be influenced by factors such as changes in interest rates, currency exchange rate and economic and political events which are beyond the control of, and not predictable by, the Investment Manager). Unexpected and substantial price movements may lead to substantial fluctuations in the Net Asset Value per AHL DP Share within a short period of time. Accordingly, an investment in the AHL DP Shares should be made only by those persons who could afford to sustain a loss in such an investment.

Regardless of the fact that the Investment Manager manages AHL DP Limited diligently in pursuit of AHL DP Limited's investment objective, no guarantee or representation can be made that AHL DP Limited's investment programme will be successful, that the various investment strategies and trading strategies utilised will have low correlation with each other or that AHL DP Limited's returns will exhibit low correlation with an investor's traditional investment portfolio. AHL DP Limited may utilise a variety of investment techniques, each of which can involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which AHL DP Limited's Underlying Assets may be subject.

Operational Risk

AHL DP Limited depends on the Investment Manager to develop appropriate systems and procedures to control operational risk. These systems and procedures may not account for every actual or potential disruption of the Investment Manager's operations. The Investment Manager's business is dynamic and complex. As a result, certain operational risks are intrinsic to the Investment Manager's operations, especially given the volume, diversity and complexity of transactions that the Investment Manager is expected to undertake daily on behalf of its clients. Disruptions in the Investment Manager's operations may cause AHL DP Limited to suffer, among other things, financial loss, the disruption of its businesses, liability to third parties, regulatory intervention or reputational damage.

Breaches in Information Technology Security

The Investment Manager maintains global information technology systems, consisting of infrastructure, applications and communications networks to support AHL DP Limited's as well as its own business activities. These systems could be subject to security breaches such as 'cyber-crime' resulting in theft, a disruption in the Investment Manager's ability to close out positions and the disclosure or corruption of sensitive and confidential information. Security breaches may also result in misappropriation of assets and could create significant financial and/or legal exposure for AHL DP Limited. The Investment Manager seeks to mitigate attacks on its own systems and those of AHL DP Limited's but will not be able to control directly the risks to third-party systems to which it may connect. Any breach in security of the Investment Manager's systems could disrupt AHL DP Limited's and the Investment Manager's business and may cause AHL DP Limited to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage.

Substantial Fees Payable Regardless of Profit

AHL DP Limited will incur obligations to pay brokerage commissions, option premiums and other transactional costs to the brokers. AHL DP Limited will also incur obligations to pay a monthly management fee and pay AHL DP Limited's and its share of the operating, legal, accounting, auditing, directors' and other fees and expenses including the costs of the offering of the AHL DP Shares. These expenses will be payable regardless of whether AHL DP Limited makes a profit.

Transaction Costs

AHL DP Limited's strategy may involve a high level of trading and turnover of AHL DP Limited's investments which may generate substantial transaction costs which will be borne by AHL DP Limited.

Cash Management

AHL DP Limited may enter into arrangements by which cash not required by AHL DP Limited for trading purposes will be managed by the Investment Manager. Such arrangements may include the entry by AHL DP Limited into repurchase or reverse repurchase transactions and other cash management arrangements, including holding cash in bank accounts or secured or unsecured deposits, or investing such cash in corporate or government bonds, or such other instruments as deemed appropriate by the Investment Manager.

A repurchase transaction involves the sale of securities by a seller to a buyer for a purchase price, and an agreement for the seller to repurchase such securities on a mutually agreed future date for the same purchase price, plus interest at a negotiated rate. From the perspective of the buyer, the transaction is referred to as a reverse repurchase transaction, and involves buying securities against payment of a cash price, with the buyer agreeing to resell the securities at a future date, and the original seller agreeing to repurchase such securities at the same price, plus interest at a negotiated rate. Such transactions are economically equivalent to a cash loan collateralised by the securities.

The use of repurchase and reverse repurchase agreements by AHL DP Limited involves certain risks. For example, if the seller of securities to AHL DP Limited under a reverse repurchase transaction defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, AHL DP Limited will seek to dispose of such securities, which action could involve costs or delays. AHL DP Limited may suffer a loss to the extent that the proceeds from the disposal of the underlying securities are less than the repurchase price due from the defaulting seller.

Borrowing for Operations

AHL DP Limited may borrow money for cash management purposes and to meet redemptions that would otherwise result in the premature liquidation of its investments. The use of short-term borrowing creates several additional risks for AHL DP Limited. If AHL DP Limited is unable to service the debt, a secured lender could liquidate AHL DP Limited's position in some or all of the financial instruments that have been pledged as collateral and cause AHL DP Limited to incur significant losses. The occurrence of other material defaults and other financing agreements, may trigger cross-defaults under AHL DP Limited's agreements with other brokers, lenders, clearing firms or other counterparties, multiplying the materially adverse impact to AHL DP Limited. The amount of debt which AHL DP Limited may have outstanding at any time may be large in relation to its assets. Consequently, the level of interest rates generally, and the rates at which AHL DP Limited can borrow particularly will affect the operating results of AHL DP Limited.

Service Provider Risk

The Investment Manager and certain of the service providers will not be liable, or have their liability limited to AHL DP Limited under certain circumstances.

Cross-Class Liabilities and Limited Recourse

AHL DP Limited has the power to issue shares in different classes. AHL DP Limited and each Class of AHL DP Shares does not benefit from any form of statutory segregation.

Generally, liabilities incurred in respect of a specific class of shares will be attributed to that class, while other general expenses as determined in the discretion of the valuation services provider will be incurred at the AHL DP Limited level and/or allocated to each class on a *pro-rata* basis.

The rights of each holder of AHL DP Shares are limited to the Net Asset Value per AHL DP Share attributable to the relevant class of AHL DP Shares. In the event that the net asset value of the relevant Class of AHL DP Shares is insufficient to make payments to holders of such class of shares, such holders of AHL DP Shares will not be entitled to exercise any rights or have recourse to the net asset value attributable to any other Class of AHL DP Shares or any other assets of AHL DP Limited.

However, AHL DP Limited is a single legal entity and the assets and liabilities attributable to each class will not be segregated as a matter of Cayman Islands law, nor will contracts with service providers seek to limit their recourse to the net asset value attributable to any particular class. All of the assets of AHL DP Limited will be available to meet all of its liabilities, regardless of the class to which such assets or liabilities are attributable. In practice, cross-class liability would arise where one class becomes insolvent and is unable to meet all of its liabilities. In such a case, the assets of AHL DP Limited attributable to other classes may be applied to cover the liabilities of the insolvent class.

Tax Considerations

The directors may take positions on certain tax issues which depend on legal conclusions not yet addressed by the courts. Additionally, no assurance can be given that legislative, administrative or judicial changes will not occur which will alter, either prospectively or retroactively, the tax considerations or risk factors discussed in this prospectus.

AHL DP Limited may be audited by one or more tax authorities. An income tax audit may result in an increased tax liability of the AHL DP Limited, including with respect to years when an investor was not a shareholder of AHL DP Limited, which could reduce the Net Asset Value of AHL DP Limited and affect the return of all holders of AHL DP Shares.

Certain European Union Member States have taken steps towards implementing a “financial transactions tax” (“FTT”), applicable to transactions in securities or other financial instruments where at least one party to the transaction, the issuer of the securities or other financial instruments, or the relevant broker, is located in the European Union. If implemented, the FTT may result in substantial loss to AHL DP Limited, both directly through increased transaction costs and also indirectly through reduced liquidity in markets in securities and other financial instruments. The FTT may also render economically unviable certain investment strategies which the Investment Manager might otherwise have pursued, which may impair the Investment Manager’s ability to generate returns for holders of AHL DP Shares.

The regulatory or tax environment for derivative and related instruments is evolving and may be subject to government or judicial action, which may affect the value or liquidity of investments held by AHL DP Limited or AHL DP Limited’s ability to obtain the leverage it might otherwise obtain.

Where AHL DP Limited invests in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. AHL DP Limited will not be able to recover such withheld tax and so any change would have an adverse effect on the net asset value of the AHL DP Shares. Where AHL DP Limited sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to AHL DP Limited.

US Source payments may be subject to withholding under FATCA

FATCA generally imposes a 30% withholding tax on certain payments to non-US financial institutions (including investment entities) of U.S. source income and proceeds from the sale of property of a type which can produce U.S. source interest or dividends unless the financial institution discloses to the IRS the name, address and taxpayer identification number of certain U.S. persons that hold, directly or indirectly, an account with the financial institution, as well as certain other information relating to any such account. The Cayman Islands has signed two inter-governmental agreements to improve international tax compliance and the exchange of information – one with the United States and one with the United Kingdom (the “US IGA” and the “UK IGA”, respectively). The U.S. IGA modifies the foregoing requirements but generally requires similar information to be disclosed to the Cayman Islands government and ultimately to the IRS. AHL DP Limited intends to comply with any obligations imposed on it under FATCA and the U.S. IGA to avoid the imposition on it of any withholding tax under FATCA, but there can be no assurances that it will be successful in this regard.

Discretion to employ new strategies and techniques

The Investment Manager has considerable discretion in the types of instruments which AHL DP Limited may trade, and may have exposure to any issuers, country, region and sector that it believes will help AHL DP Limited achieve its investment objective and, subject to AHL DP Limited’s investment objective and policies, has the right to modify the trading strategies or hedging techniques of AHL DP Limited without the consent of the holders of AHL DP Shares. Any of these new investment strategies or hedging techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings which could result in unsuccessful trades and, ultimately, losses to AHL DP Limited. In addition, any new investment strategy or hedging technique developed by the AHL Diversified Programme and/or the AHL Evolution Programme may be more speculative than earlier techniques and may increase the risk of an investment in AHL DP Limited.

Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme

Reliance on the Investment Manager

The success of AHL DP Limited is significantly dependent upon the ability of the AHL DP Manager and the Investment Manager to develop and implement effectively AHL DP Limited’s investment objective. Except as otherwise discussed herein, investors will be relying entirely on the AHL DP Manager and the Investment Manager to conduct and manage the affairs of AHL DP Limited. Subjective decisions made by either or both of the AHL DP Manager and the Investment Manager may cause AHL DP Limited to incur losses or to miss profit opportunities on which it could otherwise have capitalised.

Dependence of Investment Manager on Key Personnel

The performance of the Investment Manager is largely dependent on the talents and efforts of the highly skilled personnel of AHL. The success of AHL DP Limited depends on AHL’s ability to identify and willingness to provide acceptable compensation to attract, retain and motivate talented investment professionals and other personnel. There can be no assurance that AHL’s investment professionals will continue to be associated with AHL throughout the life of AHL DP Limited and there

is no guarantee that the talents of AHL's investment professionals could be replaced. The failure to attract or retain such investment professionals could have a material adverse effect on AHL DP Limited and the holders of AHL DP Shares.

Brexit

Changes in the UK political environment following the UK's decision by referendum to exit from the EU may lead to political, legal, tax and economic uncertainty. This may impact general economic conditions in the UK and various other countries. It is not yet clear whether and to what extent EU regulations remain applicable or will be replaced by different UK regulations with respect to the Investment Manager following a UK exit from the EU or what legal or cooperation arrangements the UK may put in place with the EU, but it is possible that investors may be subject to fewer regulatory protections than would otherwise be the case. A UK exit may adversely affect the Investment Manager's ability to access markets, make investments, attract and retain employees or enter into agreements (on its own behalf or on behalf of AHL DP Limited) or continue to work with non-UK counterparties and service providers, all of which may result in increased costs to AHL DP Limited. UK based investors may no longer be allowed to invest in AHL DP Limited or suffer negative consequences from an investment in AHL DP Limited.

Model and Data Risk

The Investment Manager relies heavily on proprietary mathematical quantitative models (each a "Model" and collectively, "Models") and data developed both by the Investment Manager and those supplied by third parties (collectively, "Data") rather than granting trade-by-trade discretion to the Investment Manager's investment professionals. In combination, Models and Data are used to construct investment decisions, to value both current and potential investments (including, without limitation, for trading purposes, and for the purposes of determining the Net Asset Value of AHL DP Limited), to provide risk management insights and to assist in hedging AHL DP Limited's positions and investments. Models and Data are known to have errors, omissions, imperfections and malfunctions (collectively, "System Events").

The Investment Manager seeks to reduce the incidence and impact of System Events, to the extent feasible, through a combination of internal testing, simulation, real-time monitoring, use of independent safeguards in the overall portfolio management process and often in the software code itself. Despite such testing, monitoring and independent safeguards, System Events will result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, delays in the execution of anticipated trades, the failure to properly allocate trades, the failure to properly gather and organise available data, the failure to take certain hedging or risk reducing actions and/or the taking of actions which increase certain risk(s)—all of which may have materially adverse effects on AHL DP Limited. System Events in third-party provided Data is generally entirely outside the control of the Investment Manager.

The research and modelling processes engaged in by the Investment Manager on behalf of AHL DP Limited is extremely complex and involves the use of financial, economic, econometric and statistical theories, research and modelling; the results of this investment approach must then be translated into computer code. Although the Investment Manager seeks to hire individuals skilled in each of these functions and to provide appropriate levels of oversight and employ other mitigating measures and processes, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform "real world" testing of the end product, even with simulations and similar methodologies, raise the chances that Model code may contain one or more coding errors, thus potentially resulting in a System Event and further, one or more of such coding errors could adversely affect AHL DP Limited's investment performance.

The Investment Strategies of the Investment Manager are highly reliant on the gathering, cleaning, culling and performing of analysis of large amounts of Data. Accordingly, Models rely heavily on appropriate Data inputs. However, it is impossible and impracticable to factor all relevant, available Data into forecasts, investment decisions and other parameters of the Models. The Investment Manager will use its discretion to determine what Data to gather with respect to each Investment Strategy and what subset of that Data the Models take into account to produce forecasts which may have an impact on ultimate investment decisions. In addition, due to the automated nature of Data gathering, the volume and depth of Data available, the complexity and often manual nature of Data cleaning, and the fact that the substantial majority of Data comes from third-party sources, it is inevitable that not all desired and/or relevant Data will be available to, or processed by, the Investment Manager at all times. Irrespective of the merit, value and/or strength of a particular Model, it will not perform as designed if incorrect Data is fed into it which may lead to a System Event potentially subjecting AHL DP Limited to a loss. Further, even if Data is input correctly, "model prices" anticipated by the Data through the Models may differ substantially from market prices, especially for financial instruments with complex characteristics, such as derivatives, in which AHL DP Limited may invest.

Where incorrect or incomplete Data is available, the Investment Manager may, and often will, continue to generate forecasts and make investment decisions based on the Data available to it. Additionally, the Investment Manager may determine that

certain available Data, while potentially useful in generating forecasts and/or making investment decisions, is not cost effective to gather due to, among other factors, the technology costs or third-party vendor costs and, in such cases, the Investment Manager will not utilise such Data. The Investment Manager has full discretion to select the Data it utilizes. The Investment Manager may elect to use or may refrain from using any specific Data or type of Data in generating forecasts or making trading decisions with respect to the Models. The Data utilised in generating forecasts or making trading decisions underlying the Models may not be (i) the most accurate data available or (ii) free of errors. The Data set used in connection with the Models is limited. The foregoing risks associated with gathering, cleaning, culling and analysis of large amounts of Data are an inherent part of investing with a quantitative, process-driven, systematic adviser such as the Investment Manager.

When Models and Data prove to be incorrect, misleading or incomplete, any decisions made in reliance thereon expose AHL DP Limited to potential losses and such losses may be compounded over time. For example, by relying on Models and Data, the Investment Manager may be induced to buy certain investments at prices that are too high, to sell certain other investments at prices that are too low, or to miss favourable opportunities altogether. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful and when determining the Net Asset Value of AHL DP Limited, any valuations of AHL DP Limited's investments that are based on valuation Models may prove to be incorrect.

In addition, Models may incorrectly forecast future behaviour, leading to potential losses on a cash flow and/or a mark-to-market basis. Furthermore, in unforeseen or certain low-probability scenarios (often involving a market event or disruption of some kind), Models may produce unexpected results which may or may not be System Events.

Errors in Models and Data are often extremely difficult to detect, and, in the case of Models, the difficulty of detecting System Events may be exacerbated by the lack of design documents or specifications. Regardless of how difficult their detection appears in retrospect, some System Events may go undetected for long periods of time and some may never be detected. Finally, the Investment Manager will detect certain System Events that it chooses, in its sole discretion, not to address or fix, and the third party software will lead to System Events known to the Investment Manager that it chooses, in its sole discretion, not to address or fix. The degradation or impact caused by these System Events can compound over time. The Investment Manager generally will not perform a materiality analysis on the potential impact of a System Event. The Investment Manager believes that the testing and monitoring performed on Models will enable the Investment Manager to identify and address those System Events that a prudent person managing a quantitative, systematic and computerised investment programme would identify and address by correcting the underlying issue(s) giving rise to the System Events, however there is no guarantee of the success of such processes. Holders of AHL DP Shares should assume that System Events and their ensuing risks and impact are an inherent part of investing with a process-driven, systematic investment manager such as the Investment Manager. Accordingly, the Investment Manager does not expect to disclose discovered System Events to AHL DP Limited or to holders of AHL DP Shares.

AHL DP Limited will bear the risks associated with the reliance on Models and Data including bearing all losses related to System Events unless otherwise determined by the Investment Manager in accordance with its internal policies or as may be required by applicable law.

General Economic and Market Conditions

The success of AHL DP Limited's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of AHL DP Limited's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of financial instruments' prices and the liquidity of AHL DP Limited's investments. Volatility or illiquidity could impair AHL DP Limited's profitability or result in losses. AHL DP Limited may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets – the larger the positions, the greater the potential for loss.

The economies of some countries may differ favourably or unfavourably from the U.S. and Western European economies in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Performance History

There can be no assurance that information on the Investment Manager or the AHL Diversified Programme set out in this prospectus or elsewhere, including information on past performance, will be indicative of how the AHL DP Shares will perform (either in terms of profitability or low correlation with other investments) in the future.

Obsolescence Risk

AHL DP Limited is unlikely to be successful in its quantitative trading strategies unless the assumptions underlying the models are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If such assumptions are inaccurate or become inaccurate and are not promptly adjusted, it is likely that profitable trading signals will not be generated. If and to the extent that the models do not reflect certain factors, and the Investment Manager does not successfully address such omission through its testing and evaluation and modify the models accordingly, major losses may result. The Investment Manager will continue to test, evaluate and add new models, as a result of which the existing models may be modified from time to time. Any modification of the models or strategies will not be subject to any requirement that holders of AHL DP Shares receive notice of the change or that they consent to it. There can be no assurance as to the effects (positive or negative) of any modification on AHL DP Limited's performance.

Crowding/Convergence

There is significant competition among quantitatively-focused managers and the ability of the Investment Manager to deliver returns that have a low correlation with global aggregate equity markets and other hedge funds is dependent on their ability to employ models that are simultaneously profitable and differentiated from those employed by other managers. To the extent that the Investment Manager is not able to develop sufficiently differentiated models, the investment objectives of holders of AHL DP Shares may not be met, irrespective of whether the models are profitable in an absolute sense. In addition, to the extent that the Investment Manager's model comes to resemble those employed by other managers, the risk that a market disruption that negatively affects predictive models will adversely affect AHL DP Limited is increased, as such a disruption could accelerate reductions in liquidity or rapid repricing due to simultaneous trading across a number of funds in the marketplace.

Trading Systems and Execution of Orders

The Investment Manager relies extensively on computer programmes, systems, technology, Data and Models to implement its execution strategies and algorithms. The Investment Manager's investment strategies, trading strategies and algorithms depend on its ability to establish and maintain an overall market position in a combination of financial instruments selected by the Investment Manager. There is a risk that the Investment Manager's proprietary algorithmic trading systems may not be able to adequately react to a market event without serious disruption. Further, trading strategies and algorithms may malfunction causing severe losses. While the Investment Manager has employed tools to allow for human intervention to respond to significant system malfunctions, it cannot be guaranteed that losses will not occur in such circumstances as unforeseen market events and disruptions and execution system issues.

Involuntary Disclosure Risk

The ability of the Investment Manager to achieve its investment goals for AHL DP Limited is dependent in large part on its ability to develop and protect its models and proprietary research. The models and proprietary research and the Models and Data are largely protected by the Investment Manager through the use of policies, procedures, agreements, and similar measures designed to create and enforce robust confidentiality, non-disclosure, and similar safeguards. However, aggressive position-level public disclosure obligations (or disclosure obligations to exchanges or regulators with insufficient privacy safeguards) could lead to opportunities for competitors to reverse-engineer the Investment Manager's models, and thereby impair the relative or absolute performance of AHL DP Limited.

Trade Error Risk

The complex execution modalities operated by the Investment Manager and the speed and volume of trading invariably result in occasional trades being executed which, with the benefit of hindsight, were not required or intended by the execution strategy or occasional trades not being executed when they should have been. To the extent a trade error is caused by a counterparty, such as a broker, the Investment Manager generally, to the extent reasonable and practical, attempts to recover any loss associated with such trade error from such counterparty. To the extent a trade error is caused by the Investment Manager, a formalized process is in place for the documentation and resolution of such trade errors. Given the volume, diversity and complexity of transactions executed by the Investment Manager on behalf of AHL DP Limited, investors should assume that

trade errors will occur on occasion. If such trade errors result in gains to AHL DP Limited, such gains will be retained by AHL DP Limited. However, if a trade error result in losses, they will be borne by the Investment Manager in accordance with its internal policies unless otherwise determined by the directors of AHL DP Limited.

Trade and Settlement Systems Risk

AHL DP Limited depends on the Investment Manager and its other service providers to develop and implement appropriate systems for AHL DP Limited's trading activities. Further, AHL DP Limited relies extensively on computer programmes and systems (and may rely on new systems and technology in the future) for various purposes including, without limitation, to trade, clear and settle transactions, to evaluate certain financial instruments, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of AHL DP Limited's activities. Certain of AHL DP Limited's and the Investment Manager's operations interface will be dependent upon systems operated by third parties, including prime brokers, the valuation services provider, market counterparties and their sub-custodians and other service providers, and the Investment Manager may not be in a position to verify the risks or reliability of such third-party systems. These programmes or systems may be subject to certain limitations, including, but not limited to, those caused by computer "worms", viruses and power failures. AHL DP Limited's operations are highly dependent on each of these systems and the successful operation of such systems is often out of AHL DP Limited's and Investment Manager's control. The failure of one or more systems or the inability of such systems to satisfy AHL DP Limited's new or growing businesses could have a material adverse effect on AHL DP Limited. For example, systems failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the ability of AHL DP Limited to monitor its Underlying Assets and risks.

Competition for Investments

Certain markets in which AHL DP Limited may invest are extremely competitive for attractive investment opportunities and, as a result, there may be reduced expected investment returns, or the liquidity of AHL DP Limited's Underlying Assets may be reduced. There can be no assurance that the Investment Manager will be able to identify or successfully pursue attractive investment opportunities in such environments. Among other factors, competition for suitable investments from other pooled investment vehicles, the public equity markets and other investors may reduce the availability of investment opportunities. There has been significant growth in the number of firms organised to make such investments, which may result in increased competition to AHL DP Limited in obtaining suitable investments.

Leverage and Financing Arrangements

AHL DP Limited, or the underlying vehicles through which AHL DP Limited directly or indirectly invests, may borrow and/or utilise various forms of leverage including leveraged or short positions under derivative instruments. While leverage presents opportunities for increasing total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by any of the underlying vehicles through which AHL DP Limited directly or indirectly invests would be magnified to the extent leverage is employed, and substantial losses may result from unwinding short positions.

AHL DP Limited may, in particular, generate leverage through the use of options, futures, options on futures, swaps and other synthetic or derivative financial instruments. Such financial instruments inherently contain much greater leverage than a non-margined purchase of the underlying security, commodity or instrument. This is due to the fact that generally only a small portion (and in some cases none) of the value of the underlying security, commodity or instrument is required to be paid in order to make such investments. As a result of leverage employed in relation to these instruments, small changes in the value of the instruments may cause a relatively large change in the value of AHL DP Limited. Many such financial instruments are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions.

As a general matter, the banks and dealers that provide financing to AHL DP Limited can apply essentially discretionary margin, haircut financing as well as security and collateral valuation policies. For example, should the financial instruments pledged to brokers to secure AHL DP Limited's margin accounts decline in value, AHL DP Limited could be subject to a "margin call", pursuant to which AHL DP Limited must either deposit additional funds or financial instruments with the broker or suffer mandatory liquidation of the pledged financial instruments to compensate for the decline in value. In the event of a sudden drop in the value of AHL DP Limited's Underlying Assets, AHL DP Limited might not be able to liquidate financial instruments quickly enough to satisfy their margin requirements. Increases in the amount of margin or similar payments could result in the need for trading activity at times and prices which could be disadvantageous to AHL DP Limited or the underlying vehicles through which AHL DP Limited directly or indirectly invests and could result in substantial losses.

As a consequence of leverage, interest expense may be material as a percentage of the assets of AHL DP Limited. Interest expense could force a reduction in the exposure of the AHL DP Shares to the relevant investment strategies. The use of such leverage means that even comparatively small losses, or insufficient profits to offset expenses, could rapidly deplete the capital available to AHL DP Limited and reduce or eliminate its profit potential. Further fees relating to any Financing Arrangements such as arrangement, commitment, minimum utilisation and renewal fees may also be payable. Changes by banks and dealers in such policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or government, regulatory or judicial action, may result in large margin calls, loss of financing, forced liquidations of positions at disadvantageous prices, termination of swap and repurchase agreements and cross-defaults to agreements with other dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants. The imposition of any such limitations or restrictions could compel AHL DP Limited to liquidate all or part of its Underlying Assets at disadvantageous prices, which may lead to a complete loss of AHL DP Limited's equity.

There can be no assurance that AHL DP Limited will be able to maintain adequate Financing Arrangements or avoid having to close out positions at losses which if held would have been profitable. There is also no assurance that any Financing Arrangement will be renewed and, if any Financing Arrangement in respect of the AHL DP Shares is renewed, it may be renewed on less favourable terms. In particular, third parties may not be available to act as financing providers and the Man Group itself may face regulatory, commercial or other constraints, resulting in it not offering or renewing a Financing Arrangement. Additionally, any Financing Arrangement may be subject to early termination in accordance with its terms and may be terminated by a counterparty. A loss of, a termination of, or a reduction in, a Financing Arrangement may have the effect of causing AHL DP Limited to reduce its overall investment exposure in respect of the AHL DP Shares with a corresponding reduction in investment return expectations. The renewal of a Financing Arrangement might be subject to a change in terms of that Financing Arrangement including but not limited to a change in applicable interest margins.

Derivative Investments Generally

AHL DP Limited may enter into other derivative instruments, such as credit derivatives. It may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of AHL DP Limited and legally permissible. Special risks may apply to instruments that are invested in by AHL DP Limited in the future that cannot be determined at this time or until such instruments are developed or invested in by AHL DP Limited. For example, risks with respect to credit derivatives may include determining whether an event will trigger payment under the contract and whether such payment will offset the loss or payment due under another instrument. In the past, buyers and sellers of credit derivatives have found that a trigger event in one contract may not match the trigger event in another contract, exposing the buyer or the seller to further risk. Other swaps, options, and other derivative instruments may be subject to various types of risks, including market risk, regulatory risk, tax risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk, and operations risk. Where AHL DP Limited invests in derivatives such as futures or forwards that are linked to commodities, there is a risk that, were there to be an error in closing out the relevant position in time, AHL DP Limited might be required to take physical delivery of such commodities, or arrange for another party to take delivery on short notice, with resulting additional costs. In addition, as new derivative instruments are developed, documentation may not be standardised, leading to potential disputes or misunderstanding with counterparties. The regulatory and tax environment for derivative instruments in which AHL DP Limited may participate is evolving, and changes in the regulation or taxation of such financial instruments may have a material adverse effect on AHL DP Limited.

Further general risks of dealing in derivatives include (i) leverage; (ii) inability to close out a position on favourable terms or at all; (iii) the price of the underlying securities; (iv) over-the counter contracts; and (v) contractual asymmetries and inefficiencies.

Over-The-Counter Contracts

Off-exchange or "over-the-counter" contracts, such as forward financial exchange contracts, are subject to greater price volatility and greater illiquidity than those traded on an exchange: (i) as they are traded through an informal network of banks and other dealers which have no obligation to make markets in these instruments; (ii) as there are fewer market makers, likely resulting in wider spreads between their bid and asked prices and lower trading volumes; and (iii) as positions are not marked-to-market on a daily basis. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Counterparties to a transaction may be unable or unwilling to perform their side of such a contract and as such contracts are not guaranteed by an exchange or clearing house any such default would eliminate any profit potential and compel AHL DP Limited to cover its commitments for resale or repurchase, if any, at the then-prevailing price, which may be

difficult to determine. Any of these events could have a material adverse effect on the performance of AHL DP Limited and returns to holders of AHL DP Shares.

Contractual Asymmetries and Inefficiencies

The Investment Manager, on behalf of AHL DP Limited, may enter into certain contracts that contain provisions that place it in an “asymmetrical” position relative to its counterparty, such as break clauses, whereby a counterparty may unilaterally terminate a transaction on the basis of a specified reduction in net asset value, incorrect collateral calls or delays in collateral recovery. Where the Investment Manager, on behalf of AHL DP Limited, does not have similar rights against the counterparty, the exposure of AHL DP Limited to such counterparty is increased, which could have a material adverse effect on the performance of AHL DP Limited and returns to holders of AHL DP Shares.

Futures

The value of futures depends upon the price of the financial instruments, such as commodities, underlying them. The prices of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, investments in futures are also subject to the risk of the failure of any of the exchanges on which AHL DP Limited’s positions trade or of its clearing houses or counterparties.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent AHL DP Limited from promptly liquidating unfavourable positions and subject AHL DP Limited to substantial losses or prevent it from entering into desired trades. In extraordinary circumstances, a futures exchange or other regulator could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

The price of stock index futures contracts may not correlate perfectly with the movement in the underlying stock index because of certain market distortions. First, all participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, holders of AHL DP Shares may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. Secondly, from the point of view of speculators, the deposit requirements in the futures market are less onerous than margin requirements in the securities market. Therefore, increased participation by speculators in the futures market also may cause price distortions. Successful use of stock index futures contracts by AHL DP Limited also is subject to the Investment Manager’s ability to correctly predict movements in the direction of the market.

Options

AHL DP Limited may incur 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 an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

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 if the market price falls 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 its entire investment in the put option.

Swaps

AHL DP Limited may enter into swap transactions for trading, investment and hedging purposes. Swaps are entered into in an attempt to obtain a particular return without the need to purchase the underlying reference asset. The use of total return swaps, price return swaps, volatility swaps, variance swaps, performance swaps, rate swaps, basis swaps, forward rate transactions, swaptions, basket swaps, index swaps, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions or any other similar transactions, whether referencing fixed income, equity or hybrid securities, credit, rates, commodities, currencies, baskets or indices (including any option with respect to any of these transactions) is a highly specialised activity that involves investment techniques and risks different from those associated with ordinary securities transactions. Swaps are individually negotiated transactions where each party agrees to make a one-time payment or periodic payments to the other party. Certain swap agreements require one party's payments to be "up-front" and timed differently than the other party's payments (such as is often the case with currency swaps), in which case the entire principal value of the swap may be subject to the risk that the other party to the swap will default on its contractual delivery obligations. Other swap agreements, such as interest rate swaps, typically do not obligate the parties to make "principal" payments, but only to pay the agreed rates or amounts as applied to an agreed "notional" amount. Accordingly, AHL DP Limited's risk of credit loss may be the amount of interest payments it is entitled to receive on a net basis. As swap transactions are not typically fully funded, a payment of margin is often required by the counterparty. Where a trade is 'in the money', AHL DP Limited is further exposed to the creditworthiness of the counterparty until any excess margin is returned.

Swap agreements are currently principal-to-principal transactions in which performance is the responsibility of the individual counterparty and not an organised exchange or clearinghouse. As such, AHL DP Limited is exposed to the risk of counterparty default and counterparty credit risk. In addition, the margin rate associated with the transaction is often at the discretion of AHL DP Limited's counterparty, which may result, in certain circumstances, in an unexpectedly large margin call and an associated liquidity drain for AHL DP Limited. However, global regulators have recently moved to more closely regulate the over-the-counter market, and accordingly will require that a substantial portion of over-the-counter swaps be executed in regulated markets, submitted for clearing through regulated clearinghouses, and subject to mandated margin requirements. It is unclear as to how effective this regulatory change will be at reducing counterparty risk and increasing the efficiency of the market. The future costs associated with such trades and the liquidity impact of providing collateral is also uncertain and may be significantly more than is currently the case, thereby potentially reducing returns. In addition, a swap transaction is a contract the value of which is derived from another underlying asset. As such, a move in the price of the underlying asset, can, due to the embedded leverage in the swap, magnify any gains or losses resulting from the transaction. As is the case with any derivative transaction, the counterparty hedge-based pricing and funding costs on entry and exit may be more costly than buying the underlying reference asset directly. Moreover, AHL DP Limited's forecasts of market values, interest rates, and currency exchange rates may be inaccurate and may result in overall investment performance results that are worse than the results that would have been achieved if AHL DP Limited did not engage in swap transactions.

In addition, there are risks in terminating swaps, with the main risk being tax-related. In particular, that breaking the swap would trigger a capital gain which would not otherwise be realised.

Forward Contracts

AHL DP Limited may make extensive use of forward contracts, particularly in relation to its currency trading. Forward contracts are transactions involving an obligation to purchase or sell a specific instrument or entitlement at a future date at a specified price. Forward contracts may be used by AHL DP Limited for hedging purposes, such as to protect against uncertainty in the level of future foreign currency exchange rates. Forward contracts may also be used to attempt to protect the value of AHL DP Limited's existing holdings of securities held in currencies other than the base currency of AHL DP Limited. As is the case for any attempt at hedging downside risk, there is a risk that there is an imperfect correlation between the value of the securities and the forward contracts entered into with respect to those holdings resulting in an unprotected loss. Forward contracts may also be used for investment, non-hedging purposes to pursue AHL DP Limited's investment objective, for example where it is anticipated that a particular currency will appreciate or depreciate in value.

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. However, certain forward currency exchange contracts are regulated as swaps by the CFTC and have begun being voluntarily traded on swap execution facilities. To the extent AHL DP Limited is treated as a US Person or if the Investment Manager's swap counterparty is a US person (for the purposes of the CFTC's swap regulations), some of these contracts may be required to be centrally cleared by a regulated US clearinghouse and may be required to be traded on regulated exchanges in the future. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. As in the case of a futures contract, a forward usually only requires a much smaller amount of margin to be

provided relative to the economic exposure which the forward contract provides to the relevant investment; it creates a ‘gearing’ or ‘leverage’ effect. This means that a small margin payment can lead to enhanced losses as well as enhanced gains. It also means that a relatively small movement in the underlying instrument can lead to a much greater proportional movement in the value of the forward contract. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in forward markets, particularly the currency markets, due to unusually high trading volume, political intervention, market dislocations, unanticipated third country events affecting the underlying asset, unscheduled holidays and market closures or other factors. The imposition of controls by governmental authorities might also limit such forward trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of AHL DP Limited. Market illiquidity or disruption could result in major losses to AHL DP Limited.

Execution of Orders

AHL DP Limited’s investment strategies and trading strategies depend on its ability to establish and maintain an overall market position in a combination of financial instruments selected by the Investment Manager. AHL DP Limited’s trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, trading volume surges or systems failures attributable to the Investment Manager, AHL DP Limited’s counterparties, brokers, dealers, agents or other service providers. In such event, AHL DP Limited might only be able to acquire or dispose of some, but not all, of the components of such position, or if the overall position were to need adjustment, AHL DP Limited might not be able to make such adjustment. As a result, AHL DP Limited would not be able to achieve the market position selected by the Investment Manager, which may result in a loss.

Hedging Transactions

AHL DP Limited may utilise financial instruments both for investment purposes and for risk management purposes in order to: (a) protect against possible changes in the market value of AHL DP Limited’s Underlying Assets resulting from fluctuations in the markets and changes in interest rates; (b) protect AHL DP Limited’s unrealized gains in the value of its Underlying Assets; (c) facilitate the sale of any such investments; (d) enhance or preserve returns, spreads or gains on any investment in AHL DP Limited’s Underlying Assets; (e) hedge against a directional trade; (f) hedge the interest rate, credit or currency exchange rate on any of AHL DP Limited’s financial instruments; (g) protect against any increase in the price of any financial instruments AHL DP Limited anticipates purchasing at a later date; or (h) act for any other reason that the Investment Manager deems appropriate. AHL DP Limited will not be required to hedge any particular risk in connection with a particular transaction or its Underlying Assets generally. While AHL DP Limited may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for AHL DP Limited than if it had not engaged in any such hedging transaction. Moreover, it should be noted that the Underlying Assets will always be exposed to certain risks that may not be hedged.

Equities

AHL DP Limited may invest in equity securities and equity derivatives. The value of these financial instruments generally will vary with the performance of the issuer and movements in the equity markets. As a result, AHL DP Limited may suffer losses if it invests in equity instruments of issuers whose performance diverges from the Investment Manager’s expectations or if equity markets generally move in a single direction and AHL DP Limited has not hedged against such a general move. AHL DP Limited also may be exposed to risks that issuers will not fulfil contractual obligations such as, in the case of convertible securities, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

Undervalued Securities

AHL DP Limited may seek to meet its investment objectives by investing in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task and there can be no assurance that such opportunities will be successfully recognised. While investments in undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from AHL DP Limited’s investments may not adequately compensate for the financial risks assumed.

AHL DP Limited may make certain speculative investments in securities which the Investment Manager believes to be undervalued. However, there can be no assurance that the securities purchased will in fact be undervalued. In addition, AHL DP Limited may be required to hold such securities for a substantial period of time before realising their anticipated value.

During this period, a portion of AHL DP Limited's capital would be committed to the securities purchased, thus possibly preventing AHL DP Limited from investing in other opportunities.

Underlying Funds

AHL DP Limited may invest part or all its assets in regulated or unregulated collective investment schemes or other pooled vehicles managed by the Investment Manager and/or other members of the Man Group and/or independent investment managers. The underlying vehicles through which AHL DP Limited directly or indirectly invests may face similar risks or greater risks in regard to their investments as are described in these risk factors as applicable to AHL DP Limited and consequently AHL DP Limited will also bear these risks indirectly. In addition, investors in AHL DP Limited will be subject to fees (except those fees attributable to member of the Man Group) both at the level of AHL DP Limited and at the level of the underlying fund. Should an underlying fund through which AHL DP Limited directly or indirectly invests fail for any reason (including, but not limited to, failures relating to fraud, operations, valuations or the custody of assets) the Net Asset Value per AHL DP Share may reduce accordingly.

AHL DP Limited may be materially affected by the actions of other funds investing in the underlying vehicles through which AHL DP Limited directly or indirectly invests. Consequently, if another fund were to redeem from the underlying vehicle through which AHL DP Limited directly or indirectly invests, the remaining funds, including AHL DP Limited, may experience higher pro rata operating expenses, thereby producing lower returns, and the underlying vehicle through which AHL DP Limited directly or indirectly invests may become less diverse due to a redemption by a larger fund, resulting in increased risk to the Underlying Assets. AHL DP Limited is a single entity and each of its creditors may enforce claims against its assets.

Exchange Traded Funds

AHL DP Limited may invest in ETFs, which are shares of publicly-traded unit investment trusts, open-end funds, or depository receipts that seek to track the performance and dividend yield of specific indexes or companies in related industries. These indexes may be either broad-based, sector, or international. However, ETF shareholders are generally subject to the same risk as holders of the underlying securities they are designed to track. ETFs are also subject to certain additional risks, including, without limitation, the risk that their prices may not correlate perfectly with changes in the prices of the underlying securities they are designed to track, and the risk of trading in an ETF halting due to market conditions or other reasons, based on the policies of the exchange upon which the ETF trades. In addition, AHL DP Limited may bear, along with other shareholders of an ETF, its pro rata portion of the ETF's expenses, including management fees. Accordingly, in addition to bearing their proportionate share of AHL DP Limited's expenses (e.g., the management fee and operating expenses), shareholders may also indirectly bear similar expenses of an ETF, which can have a material adverse effect on the return on capital of AHL DP Limited.

Debt Securities

AHL DP Limited may invest in corporate and government debt securities and instruments and may take short positions in these securities. AHL DP Limited will invest in these securities when they offer opportunities for capital appreciation (or capital depreciation in the case of short positions) and may also invest in these securities for temporary defensive purposes and to maintain liquidity. Debt securities include, among others: bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by a sovereign government; municipal securities; and mortgage-backed securities ("MBS") and asset backed securities ("ABS"), including securities backed by collateralised debt obligations ("CDO"). AHL DP Limited may also be exposed to the underlying credit worthiness of corporations, municipalities and sovereign states (among others) by the use of credit default swaps, as described in "Risk Factors – Risk Factors Relating to the Underlying Assets, the AHL Diversified Programme and the AHL Evolution Programme – Enhanced Regulation of Short Sales and Credit Default Swaps" below. These securities may pay fixed, variable or floating rates of interest, and may include zero coupon obligations.

Debt securities are subject to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations (i.e. credit risk) and are subject to price volatility resulting from, among other things, interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). An economic recession could severely disrupt the market for most of these securities and may have an adverse impact on the value of such instruments. It is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

AHL DP Limited may invest in both investment grade debt securities and non-investment grade debt securities (commonly referred to as junk bonds), as well as unrated debt securities. Non-investment grade debt securities in the lowest rating categories and unrated debt securities may involve a substantial risk of default or may be in default. Adverse changes in economic conditions or developments regarding the individual issuer are more likely to cause price volatility and weaken the capacity of

the issuers of non-investment grade debt securities to make principal and interest payments than issuers of higher grade debt securities. Moreover, the market for lower grade debt securities may be thinner and less active than for higher grade debt securities.

The financial crisis demonstrated that even securities backed by very large pools of assets may be subject to volatility where markets may be subject to volatility levels which are higher than might ordinarily be expected. Pre-crisis, debt securities backed by CDOs were considered to be low-risk instruments, as historical statistics appeared to demonstrate that cash flows from a sufficiently large pool of assets, such as credit card debts or mortgage debts, should be highly stable. Accordingly, ratings agencies frequently assigned investment grade ratings to these securities and, in many cases, “AAA” or equivalent ratings. In spite of such high ratings, during the financial crisis, the holders of many of these debt securities suffered significant losses due, among other factors, to statistically unprecedented levels of defaults by underlying debtors. There can be no assurance that, in comparable markets, MBS or ABS held by AHL DP Limited would not be subject to similar losses.

Where AHL DP Limited invests in MBS and other debt securities secured by real estate, it will be exposed to the fluctuations and cycles in value which are characteristic of real estate markets, as well as specific risks including, among others: adverse changes in national or international economic conditions; changes in supply of or demand for properties; the financial condition of tenants, buyers and sellers of properties; changes in the availability of debt financing; changes in interest rates, exchange rates, real estate tax rates and other operating expenses; and government actions including potential regulations on rent control, environmental laws and regulations, real estate laws and regulations, zoning and planning laws, regulations and other rules and fiscal policies.

Uncertainty of the AHL Evolution Programme

Identification and exploitation of the AHL Evolution Programme involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the allocated assets.

Investment in Emerging Markets

AHL DP Limited may invest its assets in securities or currencies of emerging market countries. Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Such risks may include: (a) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (b) greater social, economic and political uncertainty, including war; (c) higher dependence on exports and the corresponding importance of international trade; (d) greater volatility, less liquidity and smaller capitalisation of markets; (e) greater volatility in currency exchange rates; (f) greater risk of inflation; (g) greater controls on foreign investment and limitations on realisation of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars; (h) increased likelihood of governmental involvement in and control over the economy; (i) governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (k) less extensive regulation of the markets; (l) longer settlement periods for transactions and less reliable clearance and custody arrangements; (m) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (n) certain considerations regarding the maintenance of AHL DP Limited’s financial instruments with non-U.S. brokers and securities depositories.

Repatriation of investment income, assets and the proceeds of sales by foreign investors may require governmental registration and/or approval in some emerging countries. AHL DP Limited could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation or by withholding taxes imposed by emerging market countries on interest or dividends paid on financial instruments held by AHL DP Limited or gains from the disposition of such financial instruments.

In emerging markets, there is often less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers than in other more established markets. Any regulatory supervision which is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary appreciation or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries.

Terrorism and Catastrophe Risks

The Underlying Assets are subject to the risk of loss arising from exposure that they may incur, directly or indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes and other natural disasters, terrorism and other catastrophic events. These risks of loss can be substantial and could adversely affect the Underlying Assets.

Illiquid Positions

AHL DP Limited may make investments in markets that are volatile and/or which may become illiquid. Accordingly, the ability of AHL DP Limited to respond to market movements may be impaired, which may result in significant losses to AHL DP Limited.

A public exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension could render it impossible for AHL DP Limited to liquidate its positions and thereby exposes it to losses. In addition, there is no guarantee that markets will remain liquid enough for AHL DP Limited to close out positions.

Concentration Risk

Except as set forth in the applicable investment objective and the AHL Diversified Programme, AHL DP Limited has no formal guidelines for diversification. As a result, AHL DP Limited's Underlying Assets could become significantly concentrated in a limited number of issues, types of financial instruments, industries, sectors, strategies, countries, or geographic regions, and any such concentration of risk may increase losses suffered by AHL DP Limited. This limited diversity could expose AHL DP Limited to losses disproportionate to market movements in general. Even when the Investment Manager attempts to control risks and diversify the Underlying Assets, risks associated with different assets may be correlated in unexpected ways, with the result that AHL DP Limited faces concentrated exposure to certain risks. In addition, many pooled investment vehicles pursue similar strategies, which creates the risk that many funds would be forced to liquidate positions at the same time, reducing liquidity, increasing volatility and exacerbating losses. Although the Investment Manager attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that these efforts will be effective. Many risk management techniques are based on observed historical market behaviour, but future market behaviour may be entirely different. Any inadequacy or failure in the Investment Manager's risk management efforts could result in material losses for AHL DP Limited.

Systemic Risk

Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which AHL DP Limited interacts on a daily basis.

Ramp-up Periods

During a "ramp-up period" of a new strategy, AHL DP Limited may not be fully invested, in order to avoid impact on the relevant markets, which may result in a reduction in expected investment returns for the duration of this period.

Counterparty Risk

AHL DP Limited will have significant credit and operational risk exposure to its counterparties, which will require AHL DP Limited to post collateral to support its obligations in connection with transactions involving forwards, swaps, futures, options and other derivative instruments. Generally, counterparties will have the right to sell, pledge, re-hypothecate, assign, use or otherwise dispose of the collateral posted by AHL DP Limited in connection with such transactions. Additionally, for example, AHL DP Limited may lend securities on a collateralised and an uncollateralised basis, from its Underlying Assets.

Investments will normally be entered into between AHL DP Limited and brokers as principal (and not as agent). Accordingly, AHL DP Limited is exposed to the risk that brokers may, in an insolvency or similar event, be unable to meet its contractual obligations to AHL DP Limited. The underlying vehicles through which AHL DP Limited directly or indirectly invests may bear similar or greater risks with regard to the brokers utilised. Should any counterparty transacting with AHL DP Limited (or other underlying vehicles through which AHL DP Limited directly or indirectly invests) become insolvent, any claim that AHL DP Limited (or underlying vehicles) may have against such counterparties would ordinarily be unsecured.

Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where AHL DP Limited has concentrated its transactions with a single or small group of counterparties. If there is a default by the counterparty to a transaction, AHL DP Limited will under most normal circumstances have contractual remedies and in some cases collateral pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs which could result in the Net Asset Value of AHL DP Limited being less than if AHL DP Limited had not entered into the transaction.

If one or more of AHL DP Limited’s counterparties that act as custodian, prime broker or broker-dealer for AHL DP Limited were to become insolvent or the subject of liquidation proceedings, there exists the risk that the recovery of AHL DP Limited’s securities and other assets from such custodian, prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to such custodian, prime broker or broker-dealer.

Investors should assume that the insolvency of any AHL DP Limited counterparty would result in a loss to AHL DP Limited, which could be material.

Short Selling

Although AHL DP Limited is prohibited from selling transferable securities if such securities are not owned by AHL DP Limited, it may undertake short selling of other investments. Short selling involves selling securities which are not owned by the short seller, and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the seller to profit from a decline in market price to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which AHL DP Limited engages in short sales will depend upon the Investment Manager’s investment strategy and opportunities. 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 to AHL DP Limited of buying those securities to cover the short position. There can be no assurance that AHL DP Limited will be able to maintain the ability to borrow securities sold short. In such cases, AHL DP Limited can be “bought in” (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Interest Rate and Exchange Rate Risks

Fluctuations in exchange rates could cause the value of investments made by shareholders to increase or decrease. AHL DP Limited and the underlying vehicles through which AHL DP Limited directly or indirectly invests may have exposure to foreign exchange and/or interest rate risks. AHL DP Limited may seek to mitigate its risks through hedging transactions. To the extent these hedging transactions are imperfect or are only placed over a portion of the target investment exposure, the relevant shareholders will realise the resulting benefit or loss.

The investments of AHL DP Limited will be denominated primarily in U.S. dollars and any return of such investments will therefore be in the same currency. However, AHL DP Shares are denominated in Canadian dollars. Therefore, a fluctuation in Canadian dollars against the U.S. dollar could cause the value of the underlying investments (expressed in Canadian dollars) to diminish or increase irrespective of performance. It is, therefore, the intention of AHL DP Limited to hedge this risk through a programme of currency risk management. The cost and related liabilities and/or benefits related to the foreign exchange hedging will be reflected in the Net Asset Value per AHL DP Share. There is no guarantee that it will be possible to remove all currency exposure.

AHL DP Limited may invest in financial instruments denominated in non-U.S. currencies, the prices of which are determined with reference to currencies other than the U.S. dollar. However, AHL DP Limited values its financial instruments in U.S. dollars. AHL DP Limited may or may not seek to hedge its non-U.S. currency exposure by entering into currency hedging transactions, such as treasury locks, forward contracts, futures contracts and cross-currency swaps. There can be no guarantee that financial instruments suitable for hedging currency or market shifts will be available at the time when AHL DP Limited wishes to use them, or that hedging techniques employed by AHL DP Limited will be effective. Furthermore, certain currency market risks may not be fully hedged or hedged at all.

To the extent unhedged, the value of AHL DP Limited’s direct or indirect positions in non-U.S. investments will fluctuate with U.S. dollar exchange rates as well as with the price changes of the investments in the various local markets and currencies. In such cases, an increase in the value of the U.S. dollar compared to the other currencies in which AHL DP Limited makes investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of AHL DP Limited’s financial instruments in their local markets and may result in a loss to AHL DP Limited. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on AHL DP Limited’s non-U.S. dollar investments.

Contracts for Difference (“CFDs”)

A CFD is a contract between two parties, buyer and seller, stipulating that the seller will pay the buyer the difference between the current value of an asset (a security, instrument, basket or index) and its value at contract time. If the difference is negative then, instead, the buyer pays the seller. CFDs allow investors to take synthetic long or synthetic short positions with a variable margin, which, unlike futures contracts, have no fixed expiry date or contract size. Unlike shares, with CFDs the buyer is potentially liable for far more than the amount they paid on margin.

Delay in Receiving Subscription Monies

In the light of the fact that subscription monies in respect of any subscription day of AHL DP Limited are only due after the said subscription day, the adjustment of the investment exposure of AHL DP Limited in anticipation of the payment of said subscription monies is unavoidable. Whilst market practice suggests it to be a remote scenario, there may be circumstances where an investor fails to pay such subscription monies to AHL DP Limited for any reason. The administrator of AHL DP Limited will make reasonable efforts to preclude any such payment failure from happening. However, the performance of AHL DP Limited may be affected (positively or negatively) until the investment exposure can be adjusted. As such the Company may be substantially over-exposed to the investment strategy of AHL DP Limited (depending on the size of the amount of subscription monies in question relative to the Net Asset Value of AHL DP Limited) and whilst the directors of AHL DP Limited have the right to make an adjustment prior to the next subscription day in their sole, absolute discretion, in the ordinary course such adjustment will only be made on the next subscription day. This means that holders of AHL DP Shares will bear the full effects of any over-exposure until such adjustment to the investment exposure is next made and no extraordinary steps will be taken to mitigate this risk. Please note that there is no committed facility in place by which the effects of the failure by an investor to pay outstanding subscription monies would be mitigated. Should a transaction fail to settle, the directors of AHL DP Limited shall at their discretion be entitled to cancel the relevant AHL DP Shares issued in relation to such transaction.

Regulatory Risks of Hedge Funds

Legal, tax and regulatory developments could occur during the term of AHL DP Limited that may adversely affect AHL DP Limited. Securities and futures markets are subject to comprehensive regulation and limitation of statutes, regulatory rules and margin requirements. The United Kingdom Financial Conduct Authority (the “FCA”), other regulators and self-regulatory organisations and exchanges may be authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The regulatory environment for private funds is evolving, and changes in the regulation of private funds may adversely affect the value of investments held by AHL DP Limited and the ability of AHL DP Limited to obtain the leverage it might otherwise obtain or to pursue its trading strategies. There has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry in general. It is impossible to predict what, if any, changes in regulations may occur, but any regulations which restrict the ability of AHL DP Limited to trade in securities or the ability of AHL DP Limited to employ, or brokers and other counterparties to extend, credit in their trading (as well as other regulatory changes that result) could have a material adverse impact on the profit potential of AHL DP Limited.

During July 2013, a Directive aimed at introducing a harmonised regulatory framework for managers of alternative investment funds (the “AIFMD”) came into force. The AIFMD provides for the introduction of a European regulatory and supervisory framework applicable to managers of alternative investment funds as well as the alternative investment funds themselves. According to the preamble of the AIFMD, the AIFMD aims to address a number of risks that have been identified in relation to the activities of the managers of alternative investment funds. The AIFMD aims to address these risks by subjecting the managers of alternative investment funds and, as an indirect consequence, the alternative investment funds themselves to certain regulations that may have the result of restricting the Investment Manager’s operations or increasing the total expense ratio of AHL DP Limited, thereby reducing returns. While the full impact of the implementation of the foregoing cannot currently be fully assessed, AHL DP Limited may become subject to further regulation at an additional cost to investors.

Further, in the United States, the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010 (the “Dodd-Frank Act”) seeks to regulate markets, market participants and financial instruments that have been previously unregulated and substantially alters the regulation of many other markets, market participants and financial instruments. Because many provisions of the Dodd-Frank Act require rule-making by applicable regulators and mandate numerous studies and reports, the final extent and impact of the legislation is yet to be fully determined but it is likely to affect AHL DP Limited and/or the Investment Manager.

Enhanced Regulation of the Derivatives Markets

The European Market Infrastructure Regulation (“EMIR”) seeks comprehensively to regulate the OTC derivatives market in Europe for the first time including, in particular, imposing mandatory central clearing, trade reporting and, for non-centrally

cleared trades, risk management obligations on counterparties, including timely confirmation, portfolio reconstruction, dispute resolution and margining requirements. Similarly, the Dodd-Frank Act includes provisions that substantially increase the regulation of the OTC derivatives markets for the first time. The Dodd-Frank Act will require that a substantial portion of OTC derivatives must be executed in regulated markets and be submitted for clearing to regulated clearinghouses. For example, certain interest rate swaps, including certain foreign exchange forwards defined as swaps by the CFTC, and credit default index swaps are required by the CFTC to be submitted for clearing if traded by US persons. These OTC trades submitted for clearing will be subject to minimum initial and variation margin requirements set by the relevant clearinghouse, as well as margin requirements mandated by the CFTC, SEC and/or federal prudential regulators. OTC derivative dealers also are required to post margin to the clearinghouses through which they clear their customers' trades instead of using such margin in their operations, as they are allowed to do for uncleared OTC trades. This has increased and will continue to increase the dealers' costs, which costs are generally passed through to other market participants in the form of higher upfront and mark-to-market margin, less favourable trade pricing, and the imposition of new or increased fees, including clearing account maintenance fees. The overall impact of EMIR and the Dodd-Frank Act on AHL DP Limited is highly uncertain and it is unclear how the OTC derivatives markets will adapt to these new regulatory requirements.

The U.S. Commodity Futures Trading Commission (the "CFTC") also now requires certain derivatives transactions that were previously executed on a bi-lateral basis in the OTC markets to be executed through a regulated futures or swap exchange or execution facility. The SEC is also expected to impose similar requirements on certain security-based derivatives in the near future, though it is not yet clear when these parallel SEC requirements will go into effect. If AHL DP Limited decides to become a direct member of one or more of these exchanges or execution facilities, AHL DP Limited would be subject to all of the rules of the exchange or execution facility, which would bring additional risks and liabilities, and potential additional regulatory requirements. Similarly, under EMIR, European regulators may require a substantial proportion of such derivatives transactions to be brought on exchange and/or centrally cleared. Such requirements may make it more difficult and costly for investment funds, including AHL DP Limited, to enter into highly tailored or customised transactions. They may also render certain strategies in which AHL DP Limited might otherwise engage impossible or so costly that they will no longer be economical to implement. They may also increase the overall costs for OTC derivative dealers, which are likely to be passed along, at least partially, to market participants in the form of higher fees or less advantageous dealer marks. The overall impact of EMIR and the Dodd-Frank Act on AHL DP Limited is highly uncertain and it is unclear how the OTC derivatives markets will adapt to these new regulatory regimes.

The "Volcker Rule" component of the Dodd-Frank Act materially restricts proprietary speculative trading by banks, "bank holding companies" and other regulated entities. As a result, there has been a significant influx of new portfolio managers into private investment funds who had previously traded institutional proprietary accounts. Such influx can only increase the competition for AHL DP Limited from other talented portfolio managers trading in AHL DP Limited's investment sector.

Market Abuse Regime

The Market Abuse Regulation (Regulation 596/2014) ("MAR") repealed and replaced the previous EU rules on civil market abuse, contained in the Market Abuse Directive (Directive 2003/6/EC) ("MAD") and implementing legislation, with effect from 3 July 2016. The Directive on Criminal Sanctions for Market Abuse (Directive 2014/57/EU) ("CSMAD") was also required to be transposed into the national law of participating member states by 3 July 2016.

MAR has expanded the scope of the civil market abuse regime under MAD to cover, for the first time, different trading systems and financial instruments and takes into account technological developments, notably algorithmic trading and high frequency trading. MAR addresses the interaction between spot markets and derivative markets, including commodity markets, and potential sources of abuse and manipulation between them, including through provisions allowing member states to introduce criminal sanctions for market abuse offences.

Notwithstanding that the operation of a common regulatory framework on civil market abuse in the EU is expected to provide greater legal certainty and consistency across the markets of the member states in which AHL DP Limited operates, the broader scope of the market abuse regime post 3 July 2016 has led to increased operational and compliance requirements and costs for market participants, including AHL DP Limited.

Enhanced Regulation of Short Sales and Credit Default Swaps

Since November 2012, short sales and credit default swaps have been subject to the provisions of the European Union Regulation on Short Selling and certain aspects of Credit Default Swaps (the "Short Selling Regulation"), which was published in the Official Journal of the European Union on March 24, 2012. The Short Selling Regulation introduces restrictions and disclosure requirements for persons taking short positions in European Union ("EU") shares and sovereign bonds, and prohibits

entering into uncovered credit default swaps in relation to EU sovereign debt (i.e., where the investor does not have an exposure that it is seeking to hedge either to the sovereign debt itself or to assets or liabilities whose value is correlated to the sovereign debt). In addition, the Short Selling Regulation permits the competent authorities of EU member states to prohibit or restrict short sales, limit sovereign credit default swaps and impose emergency disclosure requirements, among other things, during times of stressed markets. Competent authorities may also restrict short sales of individual financial instruments which have suffered a significant fall in price in a single day.

Provisions of the Dodd-Frank Act and new rules promulgated by the SEC may increase the costs of short selling, make interactions with the issuers of securities being sold short more difficult and alter the prices or timing of short sales. The Dodd-Frank Act requires broker-dealers to provide notices to their customers that inform them of their right to opt out of allowing broker-dealers to use their fully paid securities for short sales. In the event that many broker-dealer customers opt out of allowing their fully paid shares to be used in short selling, locating shares for pre-borrowing may become more expensive, especially after the adoption of the SEC's 2008 short selling rules, which were targeted at preventing "naked short selling". Moreover, the SEC's "Circuit Breaker Uptick Rule" will limit AHL DP Limited's ability to sell securities short during the day a stock has declined 10% on its listing market and the following day, except for transactions that are at a price that are above the last national best bid.

The provisions of the SEC rules and the Short Selling Regulation may hinder AHL DP Limited's investment programme by preventing it from taking positions that the Investment Manager considers favourable. They may also result in overvaluations of certain financial instruments due to restrictions on market efficiency. In addition, the SEC's "Circuit Breaker Uptick Rule" and the emergency powers granted under the Short Selling Regulation to competent authorities during times of stressed markets and with respect to individual financial instruments, may adversely affect AHL DP Limited by preventing it from taking hedging positions or other positions that the Investment Manager considers to be in its best interests. The imposition of emergency measures under the Short Selling Regulation could, therefore, result in substantial losses to AHL DP Limited.

Position Limits

"Position limits" imposed by various regulators or exchanges may limit AHL DP Limited's ability to effect desired trades. Position limits are the maximum amounts of gross, net long or net short positions that any one person or entity may own or control in a particular financial instrument. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if AHL DP Limited does not intend to exceed applicable position limits, it is possible that the Investment Manager's other clients together with AHL DP Limited may be aggregated. To the extent that AHL DP Limited's position limits were collapsed with an affiliate's position limits, the effect on AHL DP Limited and resulting restriction on its investment activities may be significant. If at any time positions managed by the Investment Manager were to exceed applicable position limits, the Investment Manager would be required to liquidate positions, which might include positions of AHL DP Limited, to the extent necessary to come within those limits. Further, to avoid exceeding the position limits, AHL DP Limited might have to forego or modify certain of its contemplated trades.

In addition, the Dodd-Frank Act significantly expands the CFTC's authority to impose position limits with respect to futures contracts, options on futures contracts, swaps that are economically equivalent to futures or options on futures, swaps that are traded on a regulated US exchange and certain swaps that perform a significant price discovery function. In response to this expansion of its authority, in 2012, the CFTC proposed a series of new speculative position limits with respect to futures and options on futures on so-called "exempt commodities" (which includes most energy and metals contracts) and with respect to agricultural commodities. Those proposed speculative position limits were vacated by a United States District Court, but the CFTC has again proposed a new set of speculative position rules which are not yet finalised (or effective). If the CFTC is successful in this second try, the size or duration of positions available to AHL DP Limited may be severely limited. All accounts owned or managed by the Investment Manager are likely to be combined for speculative position limit purposes. AHL DP Limited could be required to liquidate positions it holds in order to comply with such limits or may not be able to fully implement trading instructions generated by its trading models, in order to comply with such limits. Any such liquidation or limited implementation could result in substantial costs to AHL DP Limited.

MiFID II

Each of the EU's re-cast Markets in Financial Instruments Directive (2014/65/EU) (the "MiFID II Directive"), delegated and implementing EU regulations made thereunder, laws and regulations introduced by Member States of the EU to implement the MiFID II Directive, and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR" and, together with the MiFID II Directive, "MiFID II") impose new regulatory obligations on the Investment Manager. These regulatory obligations

may impact on, and constrain the implementation of, the investment strategy of AHL DP Limited and lead to increased compliance obligations upon and accrued expenses for the Investment Manager and/or AHL DP Limited.

Extension of Pre- and Post-Trade Transparency

MiFID II introduces wider transparency regimes in respect of trading on EU trading venues and with EU counterparties. MiFID II extends the pre- and post-trade transparency regimes from equities traded on a regulated market to cover equity-like instruments, such as depositary receipts, exchange-traded funds and certificates that are traded on regulated trading venues, as well as to cover non-equities, such as bonds, structured finance products, emission allowances and derivatives.

The increased transparency regime under MiFID II, together with the restrictions on the use of “dark pools” and other non-regulated trading venues, may lead to enhanced price discovery across a wider range of asset classes and instruments which could disadvantage AHL DP Limited particularly in the fixed income markets. Such increased transparency and price discovery may have macro effects on trading globally, which may have an adverse effect on the Net Asset Value of AHL DP Limited.

Equities – Mandatory On-Exchange Trading

MiFID II introduces a new rule that an EU regulated firm may execute an equity trade only on an EU trading venue (or with a firm which is a systematic internalizer or an equivalent venue in a third country). The instruments in scope for this requirement are any equities admitted to trading on any EU trading venue, including those with only a secondary listing in the EU. The effect of this rule is to introduce a substantial limit on the possibility of trading off-exchange or OTC in EU listed equities with EU counterparties. The overall impact of this rule on the Investment Manager’s ability to implement AHL DP Limited’s investment objective and investment strategy is uncertain.

OTC Derivatives

MiFID II requires certain standardised OTC derivatives (including all those subject to a mandatory clearing obligation under EMIR) to be executed on regulated trading venues. In addition, MiFID II introduces a new trading venue, the “Organised Trading Facility”, which is intended to provide greater price transparency and competition for bilateral trades. The overall impact of such changes on AHL DP Limited is highly uncertain and it is unclear how the OTC derivatives markets will adapt to this new regulatory regime.

Commodity Position Limits and Reporting

MiFID II introduces position limit and position reporting requirements within the EU for the first time in relation to certain commodity derivatives. The precise implication and scope of these requirements is not yet known as the implementing measures are not yet finalised. However, it is likely that these measures will impose restrictions on the positions that the Investment Manager may hold on behalf of all accounts owned or managed by it in certain commodity derivatives and will require the Investment Manager to more actively monitor such positions. If the Investment Manager’s and/or AHL DP Limited’s positions reach the position limit thresholds, such positions will be required to be reduced in order to comply with such limits.

Changes to Use of Direct Market Access

MiFID II introduces new requirements on EU banks and brokers which offer direct market access (“DMA”) services to allow their clients to trade on EU trading venues via their trading systems. EU DMA providers will be required to impose trading and credit thresholds on their clients, and to have the benefit of monitoring rights. It will also be necessary for the EU DMA provider to enter into a binding written agreement with its clients, which deals with compliance with MiFID II and the trading venue rules. These changes may affect the implementation of AHL DP Limited’s investment strategy.

Changes to Policies and Procedures and Costs of Compliance

MiFID II requires significant changes to a number of policies and procedures, including in respect of best execution, payment for and access to research, algorithmic trading, high frequency trading and conflicts of interest, which may apply to the Investment Manager. There is no guarantee that these changes will not adversely impact AHL DP Limited’s investment strategy. Compliance with these requirements is likely to have a significant cost implication and it is possible that AHL DP

Limited may bear, directly or indirectly, a certain proportion of the Investment Manager's costs of compliance with MiFID II, which are relevant to AHL DP Limited.

Litigation

With regard to certain of AHL DP Limited's investments, it is a possibility that the Investment Manager and/or AHL DP Limited may be plaintiffs or defendants in civil proceedings. The expense of prosecuting claims, for which there is no guarantee of success, and/or the expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would generally be borne by AHL DP Limited and would reduce net assets or may, pursuant to applicable law, require holders of AHL DP Shares to return to AHL DP Limited distributed capital and earnings.

Legal Risk in Emerging Markets

Many of the laws that govern private and foreign investment, financial instruments transactions, creditors' rights and other contractual relationships in emerging markets are new and largely untested. As a result, AHL DP Limited may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets, and lack of enforcement of existing regulations.

Regulatory controls and corporate governance of companies in developing countries may confer little protection on investors. Anti-fraud and anti-insider trading legislation is often rudimentary. The concept of fiduciary duty is also limited when compared to such concepts in developed countries. In certain instances, management may take significant actions without the consent of investors. This difficulty in protecting and enforcing rights may have a material adverse effect on AHL DP Limited and its operations. Furthermore, it may be difficult to obtain and enforce a judgment in certain of emerging market countries in which assets of AHL DP Limited are invested. This difficulty in protecting and enforcing rights may have a material adverse effect on AHL DP Limited and its operations.

Segregation of Assets.

Currently, when AHL DP Limited's assets are transferred to a prime broker, the prime broker does not segregate AHL DP Limited assets from other client assets, including non-alterative investment fund assets. There is a risk that the European Securities and Markets Authority or such other regulator, including but not limited to the FCA, may determine that prime brokers are incorrect in not segregating alternative investment fund clients' assets from non-alternative investment fund client assets. If such a determination were to be made, AHL DP Limited may require that AHL DP Limited assets held by the prime broker be returned to AHL DP Limited, which may incur losses for AHL DP Limited. AHL DP Limited could also be exposed to the risk of loss should the prime broker default on its obligation to return AHL DP Limited assets, particularly as there may be practical or timing problems associated with enforcing AHL DP Limited's rights to its assets in these circumstances.

Limitation of Auditor Liability

Cayman Islands law does not restrict the ability of auditors to limit their liability and the engagement letter or agreement AHL DP Limited has entered into with the auditors may contain exculpation provisions and provisions requiring AHL DP Limited to indemnify the auditors under certain circumstances.

Orderly Liquidation

If the directors of AHL DP Limited, in consultation with the Investment Manager, decide that the investment strategy of AHL DP Limited is no longer viable, they may resolve that AHL DP Limited be managed with the objective of realising assets in an orderly manner and distributing the proceeds to holders of AHL DP Shares in such manner as they determine to be in the best interests of AHL DP Limited, in accordance with the terms of the Articles. This process is integral to the business of AHL DP Limited and may be carried out without recourse to a formal liquidation under the Companies Law or any other applicable bankruptcy or insolvency regime but shall be without prejudice to the right of the holder of the Management Shares to place AHL DP Limited into liquidation.

DISTRIBUTION POLICY

The Fund does not anticipate making regular distributions to Unitholders. If the Fund does have income, in order to ensure that the Fund will not generally be liable for income tax under Part I of the Tax Act, the Declaration of Trust provides that a special distribution (the "Special Distribution") will, if necessary, be automatically payable in each year to Unitholders. The Special

Distribution may be necessary where the Fund realizes income for tax purposes which is in excess of any distributions paid or made payable to Unitholders during the year and the net realized capital gains of the Fund, the tax on which would be recovered by the Fund in the year by reason of the capital gains refund provisions of the Tax Act. The Fund may make a Special Distribution, in whole or in part, through the issuance of Units having a value equal to such Special Distribution or part thereof. Immediately following any such Special Distribution, the number of Units outstanding will automatically be consolidated such that the number of Units outstanding after the Special Distribution will be equal to the number of Units outstanding immediately prior to the Special Distribution, except in the case of a non-resident Unitholder to the extent tax was required to be withheld in respect of the distribution. Any such Special Distribution and consolidation will increase the aggregate adjusted cost base of Units to Unitholders.

Distributions in additional Units will not relieve participants of any income tax applicable to such distributions. Net income and net realized capital gains paid or payable to a Unitholder will be required to be included in computing the Unitholder's income in the year the amount is paid or becomes payable. The Fund intends that the aggregate distributions of net income and net realized capital gains made each year will be sufficient to ensure that the Fund will not be subject to tax thereon under Part I of the Tax Act. The costs of distributions, if any, will be paid by the Fund.

PURCHASES OF SECURITIES

Issuances of Units

The Fund currently offers seven classes of Units: Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units. All classes of Units are denominated in Canadian dollars. Units are available for purchase on both an upfront selling commission basis and a deferred sales charge basis, depending upon the class of Units purchased. The class of Units selected affects both the fees that are payable by an investor, the management fees payable by the Fund and the compensation that a dealer receives in respect of the sale Units. The return to the holders of Class A Units, Class F Units, Class H Units, Class L Units and Class M Units is referable to the Class A CAD Shares issued by AHL DP Limited. The return to the holders of Class J Units and Class K Units is referable to the Class C CAD Shares issued by AHL DP Limited. Other than with respect to the management fee of the Investment Manager, the rights and attributes of the Class A CAD Shares and Class C CAD Shares are identical. See "Fees and Expenses – Fees and Expenses of AHL DP Limited – Investment Manager's Fees".

All of the classes of Units have the same investment strategy and restrictions but differ with respect to one or more of their features, such as management fees, expenses, redemption fees or commissions as set out in this prospectus. The Net Asset Value per Unit of each class will not be the same as a result of the different fees and expenses allocable to each class of Units.

Units of the Fund are not designed to provide regular distributions to investors. Class A Units and Class J Units are intended primarily for individual investors and may carry an upfront commission at the time of purchase of the Units. Class F Units and Class K Units are intended primarily for investors who are enrolled in fee-based programs through their broker, dealer or adviser. Class H Units are available to investors who are enrolled in select fee-based programs through their broker, dealer or adviser. Class L Units and Class M Units are intended primarily for institutional investors and are subject to a minimum initial investment of \$2 million, or such other amount as the Manager may determine.

The Fund and the Manager do not charge a fee or commission when investors purchase Units of the Fund. An authorized broker, dealer or adviser may charge investors an upfront selling commission of up to 3.00% at the time of purchase of Class A Units, Class J Units and Class L Units, which will reduce the amount of money invested in the Class A Units, Class J Units and Class L Units of the Fund.

Brokers, dealers and advisers may be paid a Service Fee by the Manager for assets that their sales representatives place in the Class A Units, Class J Units and Class L Units. The service fee is calculated as a percentage of assets each broker, dealer or adviser has placed in Class A Units, Class J Units and Class L Units of the Fund. The Service Fee is calculated based on the aggregate net asset value of client accounts for each calendar quarter. See "Fees and Expenses – Fees and Expenses of the Fund – Manager's Fee and Service Fees to Registered Dealers".

Units of the Fund are offered for sale on a continuous basis and may be purchased through authorized dealers. Purchases of Units may only be effected through the settlement network operated by FundSERV Inc. ("FundSERV"). To purchase the Units, purchasers, through their dealers, must initiate an irrevocable purchase order to purchase the Units in accordance with the then established procedures of FundSERV. Purchase orders must be received before 4:00 p.m. (Toronto time) on the third Business Day immediately preceding a Valuation Date in order to process the order at the Unit price calculated as at the next Valuation Date. Units offered hereby may not be purchased by nor transferred to U.S. Persons, as defined in Regulation S under the U.S. *Securities Act of 1933*, as amended.

Units are offered on a continuous basis at a subscription price equal to the Net Asset Value per Unit on the Valuation Date upon which the Units are purchased. A separate Net Asset Value is maintained for each class of Units.

The NAV per Unit for each class of Units is determined in accordance with industry practice as at 4:00 p.m. (Toronto time) on each Valuation Date. The NAV per Unit of each class of Units is based on the value of the proportionate share of the NAV of the Fund attributable to the particular class of Units less the liabilities of the Fund attributed only to that class of Units and the proportionate share of the common liabilities of the Fund allocated to that class of Units.

The Manager may reject a purchase order within two Business Days of receiving it. Any monies sent with an order will be returned immediately.

The minimum subscription for an initial and subsequent investment in the Class A Units, Class F Units, Class H Units, Class J Units and Class K Units is currently \$5,000. If the book value of the Units held in the Fund by an investor drops below \$5,000, the Manager has the right to cause an investor's Units in the Fund to be redeemed, but the Manager will give the investor at least 30 days' prior notice before exercising this right, to give the investor an opportunity to purchase additional Units in the Fund to meet these minimum balance requirements. Class L Units and Class M Units are subject to a minimum initial investment of \$2 million, or such other amount as the Manager may determine.

Payment for Units must be made within one Business Day following the scheduled settlement date. If the payment for Units purchased is not received from an investor within one Business Day following the scheduled settlement date, the Manager will redeem the Units issued to the investor on the next Valuation Date. If the proceeds from the redemption are greater than the amount of the payment owing, the Fund will keep the difference. If the proceeds are less than the payment owing, the investor or his, her or its dealer must pay the difference, and the Fund or the dealer will collect this amount plus expenses and interest from the investor.

Initial Investment in the Fund

The Fund has obtained relief from the Canadian securities regulatory authorities from certain restrictions relating to the "seed capital" investment in a commodity pool so as to relieve the Manager from the requirements to (i) invest at least \$50,000 in securities of the Fund, as required under paragraph 3.2(1)(a) of NI 81-104; and (ii) to maintain the investment in the Fund at all times, as required under paragraph 3.2(2)(a) of NI 81-104. See "Exemptions and Approvals".

REDEMPTION OF UNITS

Units of each class may be redeemed on a weekly basis on each Valuation Date or, if not a Business Day, on the following Business Day (a "Redemption Date") for a redemption price equal to the Net Asset Value per Unit of that class as at the Valuation Date upon which the Units are redeemed less, if applicable, the redemption fee payable in connection with early redemptions of Units (the "Redemption Price"), subject to the Fund's right to suspend redemptions in certain circumstances. The NAV per Unit of each class of Units will vary depending on the performance of the Underlying Assets. Any redemptions from the Fund will be in the currency of the class of Units selected by the Unitholder at the time of purchase.

Redemptions of Units may only be effected through the settlement network operated by FundSERV. Notice of redemption must be received before 4:00 p.m. (Toronto time) on the third Business Day immediately preceding a Redemption Date in order to receive the Redemption Price in effect as at the next Redemption Date. If the request for a redemption is received after this time, then the Redemption Price applicable to the redemption of Units will be determined on the following Redemption Date. Payment for the Units so redeemed will be made by the Fund within ten Business Days after the date of calculation of the Net Asset Value per Unit used in establishing the Redemption Price in effect as at a Redemption Date, provided all required redemption documentation has been submitted.

If the Unitholder does not deliver all documentation to the Manager necessary to process the redemption request within 10 Business Days, the Fund will purchase on the next Valuation Date the number of Units redeemed. If the purchase price of the Units is less than the redemption proceeds, the Fund will keep the difference. If the purchase price of the Units is greater than the redemption proceeds, the Unitholder must pay the difference and the Fund will collect this amount plus expenses and interest from the Unitholder.

Any unpaid distribution declared on or before a Redemption Date in respect of Units redeemed on such Redemption Date will be paid to the Unitholder redeeming such Units on the applicable date on which such distribution is payable to Unitholders. It is intended that any capital gain or income realized by the Fund to fund redemptions will generally be allocated to the redeeming Unitholders.

Units acquired on distributions through issuances of additional Units will not be subject to redemption charges.

Suspension of Redemptions

The redemption of Units may be suspended by the Manager for the whole or any part of a period during which normal trading is suspended on any stock exchange, options exchange or futures exchange on which securities are listed and traded, or on which specified derivatives are traded, which represent more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Fund, or otherwise with the approval of securities regulatory authorities. In addition, the redemption of Units may be suspended by the Manager during any period in which redemptions of the AHL DP Shares are suspended or postponed. See “Man AHL DP Limited and the Underlying Assets – Suspension of Redemptions of the AHL DP Shares”.

The suspension will apply to all requests for redemption received prior to the suspension, but in respect of which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders who have requested redemptions shall be advised that they have and shall have the right to withdraw their redemption requests. The suspension will terminate in any event on the first Business Day on which the condition giving rise to the suspension has ceased to exist provided that no other condition under which a suspension is authorized then exists. Redemptions following the termination of a suspension of redemptions will be made utilizing the Redemption Price next applicable to redemptions, and payment to the redeeming Unitholders will be made within ten Business Days thereafter. To the extent not inconsistent with rules and regulations promulgated by any government body having jurisdiction over the Fund, any declaration of suspension made by the Manager shall be conclusive.

Short-term Trading

Where investors make short-term trades in mutual fund securities, buying such securities one day and selling them a short time thereafter, there can be adverse effects on the other investors in the mutual fund. The mutual fund may incur additional trading costs in first purchasing portfolio securities with the short-term investor’s subscription funds, and then in selling portfolio securities to pay the proceeds of redemption to that investor, depending upon the mutual fund’s cash position. Further, such an investor may enjoy the benefits of any capital appreciation incurred in the mutual fund without that investor’s contribution actually being invested in time to contribute to that appreciation.

Short-term trading will be considered inappropriate if it is evident to the Manager, in its discretion, that it is detrimental to other securityholders of the Fund. The Manager has in place procedures to detect, identify and deter inappropriate short-term trading and may alter them from time to time, without notice. The Manager monitors trading activity and prepares short-term trading reports for senior management to review. If inappropriate short-term trading is detected, the Manager will take such action as it considers appropriate to deter the continuance of such activity. Such action may include rejection of future purchase orders.

INCOME TAX CONSIDERATIONS

In the opinion of McMillan LLP, counsel to the Fund and the Manager, the following is, as of the date hereof, a summary of certain of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this prospectus. This summary is applicable to a Unitholder who is an individual (other than a trust) and who, for the purposes of the Tax Act and at all material times, is resident in Canada, deals at arm’s length and is not affiliated with the Fund and holds Units as capital property.

Generally, Units will be considered to be capital property to a holder provided the holder does not hold the Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have their Units, and all other “Canadian securities” owned or subsequently owned by such Unitholders, treated as capital property by making an irrevocable election in accordance with subsection 39(4) of the Tax Act. Unitholders should consult their own tax advisors in this regard.

This summary assumes that no Unitholder has entered or will enter into a “derivative forward agreement” (as that term is defined in the Tax Act) with respect to the Units. This summary also assumes that, at all times, AHL DP Limited will not be and will not be deemed to be a “controlled foreign affiliate” of the Fund within the meaning of the Tax Act.

This summary is based on the facts set out in this prospectus, a certificate of the Manager regarding certain factual matters, the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”), and counsel’s understanding of the current published administrative policies and assessing practices of the CRA. This summary is not exhaustive of all possible Canadian

federal income tax considerations and, except as mentioned above, does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire Units. The income and other tax consequences of acquiring, holding or disposing of Units will vary depending on an investor's particular circumstances including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Units, based on their particular circumstances.

Status of the Fund

This summary is based on the assumption that the Fund will qualify at all times as, a “mutual fund trust” within the meaning of the Tax Act.

To qualify as a mutual fund trust, (i) the Fund must be a Canadian resident “unit trust” for purposes of the Tax Act, (ii) the only undertaking of the Fund must be (a) the investing of its funds in property (other than real property or interests in real property or immovables or real rights in immovables), (b) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the Fund, or (c) any combination of the activities described in (a) and (b), and (iii) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Units. The Manager has advised counsel that, as of the date hereof, the Fund meets the requirements necessary for it to qualify as a mutual fund trust.

An additional condition to qualify as a mutual fund trust for the purposes of the Tax Act is that the Fund may not be established or maintained primarily for the benefit of non-resident persons unless, at all times, substantially all of its property consists of property other than “taxable Canadian property” within the meaning of the Tax Act (if the definition of that term were read without reference to paragraph (b) of that definition).

Provided that the Fund qualifies, and continues at all times to qualify, as a “mutual fund trust” for the purposes of the Tax Act, Units offered hereby are qualified investments under the Tax Act for a trust governed by a tax-free savings account (“TFSA”), a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a deferred profit sharing plan, a registered education savings plan (“RESP”), and a registered disability savings plan (“RDSP”) (each, a “Plan”). For certain tax consequences of holding Units in a Plan, see “Income Tax Considerations – Taxation of Registered Plans”.

If the Fund were not to qualify or continue to qualify as a mutual fund trust at all times, the income tax considerations described below would in some respects be materially and adversely different.

This summary is also based on the assumption that the Fund will at no time be a “SIFT trust” as defined in the rules in the Tax Act relating to SIFT trusts and SIFT partnerships. This, in turn, is based on the assumption that the Units will at no time be listed or traded on a stock exchange or other public market. For the purpose of such rules, the redemption mechanism does not result in the Units being considered to be traded on a public market.

AHL DP Limited will be a “foreign affiliate” of the Fund within the meaning of the Tax Act. As a result, the Fund will be required to file an annual information return and provide detailed information relating to AHL DP Limited and the Fund's holdings in AHL DP Limited.

Taxation of the Fund

The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, interest income and dividends received in the year on shares of corporations, less the portion thereof that it claims in respect of amounts paid or payable to Unitholders (whether in cash or in Units) in the year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Fund or the Unitholder is entitled in that year to enforce payment of the amount. The Fund makes sufficient distributions in each year of its net income and net capital gains for tax purposes, thereby permitting the Fund to deduct sufficient amounts so that the Fund will generally not be liable in such year for non-refundable income tax under Part I of the Tax Act.

The Fund will be entitled for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the

Tax Act based on the redemptions of Units during the year (the “Capital Gains Refund”). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of the Fund for such taxation year which may arise upon the disposition of AHL DP Shares in connection with the redemption of Units and Fund distributions.

In determining the income of the Fund, gains or losses realized upon dispositions (including redemptions) of AHL DP Shares will constitute capital gains or capital losses of the Fund in the year realized unless the Fund is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Fund has acquired the securities in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Manager has advised counsel that the Fund will purchase AHL DP Shares with the objective of earning dividends and participating in the long-term capital appreciation of the AHL DP Shares and will take the position that gains and losses realized on the disposition of the AHL DP Shares are capital gains and capital losses. One-half of the amount of any capital gain (a “taxable capital gain”) realized by the Fund in a taxation year must be included in computing the Fund’s income for the year, and one-half of the amount of any capital loss (an “allowable capital loss”) realized by the Fund in a taxation year may be deducted against any taxable capital gains realized by the Fund in the year. Any excess of allowable capital losses over taxable capital gains for a taxation year may be deducted against taxable capital gains realized by the Fund in any of the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances described in the Tax Act.

The Tax Act contains rules which may require a taxpayer, including the Fund, to include in income in each taxation year an amount in respect of the holding of an “offshore investment fund property”. The offshore investment fund property rules may apply to the Fund in respect of the acquisition and holding of the AHL DP Shares if, but only if: (a) the value of such AHL DP Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in (i) shares of the capital stock of one or more corporations, (ii) indebtedness or annuities, (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities, (iv) commodities, (v) real estate, (vi) Canadian or foreign resource properties, (vii) currency of a country other than Canada, (viii) rights or options to acquire or dispose of any of the foregoing, or (ix) any combination of the foregoing (“Investment Assets”); and (b) it may reasonably be concluded, having regard to all the circumstances, that one of the main reasons for the Fund acquiring, holding or having an interest in the AHL DP Shares was to derive a benefit from portfolio investments in any Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Fund.

If applicable, these rules would generally require the Fund to include in its income for each taxation year in which the Fund owns AHL DP Shares the amount, if any, by which (i) an imputed return from the taxation year computed on a monthly basis and calculated as the product obtained when the Fund’s “designated cost” (within the meaning of the Tax Act) of such shares at the end of a month, is multiplied by 1/12th of the sum of the applicable prescribed rate plus two percent, exceeds (ii) the Fund’s income for the year (other than a capital gain) in respect of such interests determined without reference to these rules. The prescribed rate for this purpose is a quarterly rate based on the average equivalent yield of Government of Canada 90-day treasury bills sold during the first month of the immediately preceding quarter. Any amount required to be included in computing the Fund’s income in respect of an offshore investment fund property would be added to the adjusted cost base to the Fund of the AHL DP Shares.

In computing its income, the Fund may deduct reasonable administrative and other expenses incurred to earn income and such other expenses as permitted by the Tax Act. Any losses incurred by the Fund may not be allocated to Unitholders but may generally be carried forward and back and deducted in computing the taxable income of the Fund in accordance with the detailed rules and limitations in the Tax Act.

The Fund is required to compute all relevant amounts, including interest, the cost of property and proceeds of disposition, in Canadian dollars for purposes of the Tax Act. As a consequence, the amount of income, expenses and capital gains or capital losses for of the Fund may be affected by changes in the value of a foreign currency relative to the Canadian dollar.

The Fund may be subject to alternative minimum tax in any taxation year throughout which the Fund is not a “mutual fund trust” for the purposes of the Tax Act.

Taxation of Unitholders

A Unitholder will generally be required to include in computing income for a taxation year the amount of the Fund’s net income for the taxation year, including net realized taxable capital gains, paid or payable to the Unitholder (whether in cash or in Units) in the taxation year including any portions of amounts paid on redemption treated as distributions of income or gains by the Fund. The non-taxable portion of the Fund’s net realized capital gains paid or payable to a Unitholder in a taxation year will not be included in the Unitholder’s income for the year. Any other amount in excess of the Fund’s net income for a taxation year paid or payable to the Unitholder in the year will not generally be included in the Unitholder’s income. Such amount,

however, will generally reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base will be increased by the amount of such deemed capital gain. The holders of certain classes of Units bear higher management fees than holders of other classes in respect of their investment in the Fund. As a result, to the extent that there are distributions on the Units, the tax characterization of such distributions will vary between the classes such that for holders of classes with higher fees a higher percentage of the distribution to those holders will be characterized as return of capital rather than income (including net realized taxable capital gains). Any losses of the Fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Unitholder.

Provided that appropriate designations are made by the Fund, such portion of the net realized taxable capital gains of the Fund as is paid or payable to a Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act.

Under the Tax Act, the Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions for the year. This will enable the Fund to utilize, in a taxation year, losses from prior years. The amount distributed to a Unitholder but not deducted by the Fund will not be included in the Unitholder's income. However, the adjusted cost base of the Unitholder's Units will be reduced by such amount.

On the disposition or deemed disposition of a Unit, including on a redemption, the Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (other than any amount payable by the Fund which represents an amount that is otherwise required to be included in the Unitholder's income as described above) exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all identical Units owned by the Unitholder as capital property immediately before that time. The cost of Units acquired as a distribution of income or capital gains will generally be equal to the amount of the distribution. A consolidation of Units following a distribution paid in the form of additional Units will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base to a Unitholder of Units.

One-half of any capital gain realized on the disposition of Units will be included in the Unitholder's income and one-half of any capital loss realized may be deducted from taxable capital gains in accordance with the provisions of the Tax Act. In general terms, taxable capital gains realized on the disposition of Units as well as net income of the Fund paid or payable to the Unitholder that is designated as net realized taxable capital gains may increase the Unitholder's liability for alternative minimum tax.

The Net Asset Value per Unit will reflect any income and gains of the Fund that have accrued or have been realized but have not been made payable at the time the Units are acquired. Accordingly, a Unitholder who acquires Units may become taxable on the Unitholder's share of income and gains of the Fund that accrued before the Units were acquired, notwithstanding that such amounts will have been reflected in the price paid by the Unitholder for the Units.

Taxation of Registered Plans

Amounts of income and capital gains included in a Plan's income are generally not taxable under Part I of the Tax Act, provided that the Units are qualified investments for the Plan. See "Income Tax Considerations – Status of the Fund". Unitholders should consult their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

Notwithstanding the foregoing, if the Units are "prohibited investments" for a TFSA, RRSP or RRIF (or, pursuant to proposed amendments released by the Minister of Finance (Canada) on March 22, 2017, an RDSP or RESP), the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF, or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Units will not be a "prohibited investment" for a TFSA, RRSP, RDSP, RESP or RRIF unless the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF, or the subscriber of the RESP, as applicable, (i) does not deal at arm's length with the Fund for purposes of the Tax Act, or (ii) has a "significant interest" as defined in the Tax Act in the Fund. Generally, a holder, annuitant or subscriber, as the case may be, will not have a significant interest in the Fund unless the holder, annuitant or subscriber, as the case may be, owns interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which the holder or annuitant, as the case may be, does not deal at arm's length. In addition, the Units will not be a "prohibited investment" if such Units are "excluded property" as defined in the Tax Act for a TFSA, RRSP, RDSP, RESP or RRIF.

Holders of TFSAs or RDSPs, annuitants of RRSPs and RRIFs, and subscribers of RESPs should consult with their own tax advisers regarding the “prohibited investment” rules based on their particular circumstances.

Tax Implications of the Fund’s Distribution Policy

If the Fund does have income for tax purposes for a taxation year which is in excess of any distributions paid or made payable to Unitholders during the year and the net realized capital gains of the Fund, the tax on which would be recovered by the Fund in the year by reason of the capital gains refund provisions of the Tax Act, in order to ensure that the Fund will not generally be liable for income tax under Part I of the Tax Act, the Declaration of Trust provides that a Special Distribution will, if necessary, be automatically payable in the year to Unitholders. Unitholders that receive a distribution of Units from the Fund will be liable to tax in respect of any such distribution without having received cash from the Fund to discharge any resulting tax liability.

International Tax Reporting

On December 15, 2016, Part XIX of the Tax Act was enacted, which came into force on July 1, 2017, and which implements the CRS. Pursuant to Part XIX of the Tax Act, “Canadian financial institutions” that are not “non-reporting financial institutions” (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the “controlling persons” of which are resident in a foreign country, and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, Unitholders are required to provide certain information regarding their investment in the Fund for the purpose of such information exchange (which information exchange is expected to occur beginning in May 2018), unless the investment is held within certain Plans.

U.S. Foreign Account Tax Compliance

In March 2010, the U.S. enacted FATCA, which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an IGA which establishes a framework for cooperation and information sharing between the two countries and may provide relief from the tax imposed in respect of FATCA under U.S. tax law for Canadian entities such as the Fund, provided that (i) the Fund complies with the terms of the IGA and Part XVIII of the Tax Act and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, Unitholders of the Fund are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of “Specified U.S. Persons” or certain non-U.S. entities controlled by “Specified U.S. Persons”, will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the U.S. Internal Revenue Service. The Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation. Any such FATCA Tax in respect of the Fund would reduce the Fund’s distributable cash flow and net asset value.

Eligibility for Investment

Provided that the Fund qualifies as a “mutual fund trust” for the purposes of the Tax Act at all times, Units offered hereby will be “qualified investments” under the Tax Act for Plans. Notwithstanding the foregoing, and the above discussion with respect to Plans, if Units are a “prohibited investment” (for the purposes of the Tax Act) for a Plan, the holder, annuitant, or subscriber of such Plan, as the case may be, may be subject to a penalty tax as set out in the Tax Act. Prospective Unitholders should consult with their own tax advisers as to whether Units of the Fund would be “prohibited investments” for a Plan for the purposes of the Tax Act.

Tax Loss Restriction/Suspended Loss Rules

There are tax loss restriction rules in the Tax Act that apply to a trust, including the Fund, each time the trust experiences a “loss restriction event” for tax purposes, which generally occurs each time a person (or partnership) becomes a “majority-interest beneficiary” of the trust. A Unitholder will be a majority-interest beneficiary of the Fund at any time when Units held by that Unitholder and all persons with whom that Unitholder is affiliated are beneficially entitled to greater than 50% of the capital or income the Fund. A Unitholder may become a majority-interest beneficiary of the Fund because the Unitholder either alone or with its affiliates acquires Units of the Fund or because another person redeems Units.

Furthermore, the Fund may be subject to the “suspended loss” rules contained in the Tax Act, which would generally apply where the Fund disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition, and the Fund continues to own the reacquired or newly-acquired property following that period. Where the “suspended loss” rules apply, any losses arising from the initial disposition of property would be denied but may be realized at a future point in time in accordance with the rules in the Tax Act.

ORGANIZATION AND MANAGEMENT DETAILS OF THE FUND

The Manager

The Manager is responsible for the day-to-day business of the Fund, including providing or arranging for the provision of certain administrative services required by the Fund. The Manager also acts as the investment manager of the Fund. The Manager was incorporated on March 22, 2006 pursuant to the *Canada Business Corporations Act* under the name “Man Investments Canada Corp.” On June 5, 2014, the name of the Manager was changed to “Next Edge Capital Corp.” The Manager is registered as an investment fund manager with the Ontario Securities Commission, the Autorité des marchés financiers (Québec) and the Office of the Superintendent of Securities, Service Newfoundland and Labrador. The Manager is also registered as a portfolio manager and an exempt market dealer with the Ontario Securities Commission and the Alberta Securities Commission and as an exempt market dealer with the other provincial securities regulatory authorities except Newfoundland and Labrador and Prince Edward Island. The principal office of the Manager is located at 1 Toronto Street, Suite 200, Toronto, Ontario M5C 2V6.

Officers and Directors of the Manager

The name, municipality of residence, position with the Manager and principal occupation during the five preceding years of each of the directors and officers of the Manager are set out below. The directors of the Manager will hold office until their successors are duly elected or appointed.

Name and Municipality of Residence	Position with the Manager	Director Since	Principal Occupation
Toreigh N. Stuart Gravenhurst, Ontario	Managing Director, Ultimate Designated Person, Chief Executive Officer, Chief Compliance Officer and Director	March 22, 2006	Managing Director, Chief Executive Officer of the Manager
David A. Scobie Toronto, Ontario	Managing Director, Chief Operating Officer and Director	November 30, 2012	Managing Director, Chief Operating Officer of the Manager
Robert H. Anton Oakville, Ontario	Managing Director, Head of Sales and Product Development and Director	June 5, 2014	Managing Director, Head of Sales and Product Development of the Manager

The following is a brief description of the background of the directors and officers of the Manager:

Toreigh N. Stuart, B.A., CFA, CAIA, Managing Director, Chief Executive Officer, Chief Compliance Officer and Director

Mr. Stuart is the Managing Director, Chief Executive Officer and Chief Compliance Officer of the Manager. Toreigh’s main role is assessing and structuring investment opportunities in an efficient manner – with a focus on ideas which emphasize increased risk-adjusted returns with low levels of correlation to traditional stocks and bonds. Toreigh is a Director and founding partner of the Manager.

Prior to the formation of Next Edge Capital Corp. through a management spin-off of the business, Mr. Stuart was the Chief Executive Officer of Man Investments Canada Corp., responsible for building the firm’s distribution channels and joint venture relationships, as well as guiding the daily management and overall supervision of the Canadian sales operation.

In 1992, Mr. Stuart joined Richardson Greenshields of Canada as an Investment Manager. In 1997, Mr. Stuart joined TD Evergreen (now TD Waterhouse) in the role of Investment Manager and Supervising Portfolio Manager. Subsequently, Mr. Stuart held the position of President and Chief Executive Officer of BluMont Capital Corp., a Toronto-based hedge fund company, which, under his leadership, saw significant growth from 2000 through 2006. During his time at BluMont Capital Corp., Mr. Stuart established the successful joint venture relationship with Man Group.

Mr. Stuart earned his Bachelor of Arts degree in Economics from University of Toronto and is a holder of the Chartered Financial Analyst Charter and a Chartered Alternative Investment Analyst.

David A. Scobie, Managing Director, Chief Operating Officer and Director

Mr. Scobie is a Managing Director and Chief Operating Officer of the Manager. David is responsible for the day-to-day operations of the firm. David is a Director and founding partner of the Manager.

Prior to the formation of Next Edge Capital Corp. through a management spin-out of Man Investments Canada Corp., Mr. Scobie was a managing director and a director of Man Investments Canada Corp., and was responsible for the day-to-day operations of the Canadian office of Man Group plc. Mr. Scobie joined Man Investments Canada Corp. in 2009.

Prior to joining Man Investments Canada Corp., Mr. Scobie held numerous positions from 2000 to 2009 in the sales, operations and client service departments of BluMont Capital Corp. culminating in his appointment as a managing director in 2005 and as the Chief Operating Officer and a director in 2007.

Prior to joining BluMont Capital Corp., Mr. Scobie spent five years with the Toronto-Dominion Bank Financial Group. Mr. Scobie has a B.A. and a B.Ed. from Acadia University.

Robert H. Anton, Managing Director, Head of Sales and Product Development and Director

Mr. Anton is a Managing Director and Head of Sales and Product Development of the Manager. Robert spends a lot of his time speaking to the firm's clients from coast to coast in addition to searching the globe for unique, underrepresented ideas to bring to Canadians. Robert is a Director and founding partner of the Manager.

Prior to the formation of Next Edge Capital Corp. through a management spin-out of the business, Mr. Anton was the Executive Vice President, Sales for Man Investments Canada Corp., responsible for the distribution of the firm's hedge fund products through various channels and joint venture relationships in Canada. Mr. Anton was also responsible for a variety of sales management functions. Robert joined Man Investments Canada Corp. in March of 2006 to aid in the set-up of the Canadian office. Robert was also active as a member of the Man Investments Canada Corp. charity board in addition to sitting on outside charity committees.

Prior to joining Man Investments Canada Corp., he held the position of Executive Vice President, National Sales Manager of BluMont Capital Corp., a Toronto-based hedge fund company. Having joined the company in 2001 as a start-up operation, the company saw significant asset growth until his departure in 2006.

In 1993, Mr. Anton entered the financial business joining Richardson Greenshields of Canada Ltd. and shortly thereafter became an Investment Advisor. He continued his Investment Advisor role at RBC Dominion Securities Inc. and Goepel McDermid Securities Ltd.

In 1991, Mr. Anton earned his Bachelor of Arts degree from Wilfrid Laurier University in Waterloo. He also holds a Chartered Alternative Investment Analyst (CAIA) designation, has been an instructor for the Canadian Securities Institute and taught the Due Diligence on Hedge Funds course from 2007 to 2009.

Duties and Services Provided by the Manager

Pursuant to the Declaration of Trust, the Manager has full authority and responsibility to manage and direct the undertaking and affairs of the Fund, to make all decisions regarding the undertaking of the Fund and to bind the Fund. The Manager may delegate its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so. The Manager is required to exercise its powers and discharge its duties honestly, in good faith, and in the best interests of the Fund and to exercise the care, diligence and skill that a reasonably prudent person would exercise in similar circumstances. The Declaration of Trust provides that the Manager will not be liable to the Fund or to any Unitholder or any other person for any loss or damage relating to any matter regarding the Fund, including any loss or diminution of value of the assets of the Fund if it has satisfied its standard of care set forth above.

The Manager's duties include negotiating contracts with certain third-party service providers, including, but not limited to, investment managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the Fund; maintaining accounting records for the Fund; preparing the reports to Unitholders and to the applicable securities regulatory authorities; calculating the amount and determining the frequency of distributions by the Fund; preparing financial statements, income tax returns and financial and accounting information as required by the Fund; ensuring that Unitholders are provided with financial statements and other reports as are required from time to time by

applicable law; ensuring that the Fund complies with all other regulatory requirements including the continuous disclosure obligations of the Fund under applicable Canadian securities laws; administering purchases, redemptions and other transactions in Units; arranging for any payments required upon termination of the Fund; and dealing and communicating with Unitholders. The Manager provides office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the Fund. The Manager also monitors the investment strategies of the Fund to ensure that the Fund complies with its investment objective, investment strategies and investment restrictions.

The Manager and each of its directors, officers, employees and agents may be indemnified out of the assets of the Fund from and against all claims whatsoever, including costs, charges and expenses in connection therewith, brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done or omitted in or in relation to the execution of its duties to the Fund as long as the person acted honestly and in good faith with a view to the best interests of the Fund.

The Manager may resign upon 90 days' written notice to the Trustee. The Manager may also be removed by the Trustee on at least 90 days' written notice to the Manager. The Trustee shall make every effort to select and appoint a successor manager prior the effective date of the Manager's resignation. If no successor manager is appointed the Fund shall be terminated.

The administration and management services of the Manager under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents the Manager, or any affiliate thereof, from providing similar administrative and management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Fund) or from engaging in other activities.

The Manager is entitled to fees for its services as manager under the Declaration of Trust as described under "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of the Fund. The Manager may, in its discretion, terminate the Fund without the approval of Unitholders if, in its opinion, it is no longer economically feasible to continue the Fund and/or it would otherwise be in the best interests of Unitholders to terminate the Fund.

Conflicts of Interest

The services of the Manager and its affiliates are not exclusive to the Fund and nothing in the Declaration of Trust prevents the Manager or any of its affiliates from providing similar services to other investment funds and other clients (whether or not their investment objectives, strategies or criteria are similar to those of the Fund) or from engaging in other activities.

The Declaration of Trust acknowledges that the Manager may provide services to the Fund in other capacities, provided that the terms of any such arrangements are no less favourable to the Fund than those which would be obtained from arm's length parties for comparable services.

The Manager has a pre-existing formalized arrangement with the Investment Manager in respect of the organization and sale to individual investors in Canada of jointly developed and co-branded structured and open-end hedge fund products. Other than the management fees, the Manager will not receive any other compensation from the Fund for management services rendered to the Fund. See "Fees and Expenses".

Securities held indirectly by the Fund may also be held by other funds or clients for which the Manager or its affiliates provide investment advice. Because of different investment objectives or other factors, a particular security may be bought for one or more funds or clients when one or more other funds or clients are selling the same security. If opportunities for purchase or sale of securities by the Manager for the Fund or for other funds or clients for which the Manager renders investment advice arise for consideration at or about the same time, transactions in such securities will be effected, insofar as feasible, for the respective funds or clients on an equitable basis, in accordance with the Manager's trade allocation policy in effect from time to time.

The Investment Manager has conflicts of interest policies and procedures that seek to identify, prevent and mitigate potential and actual conflicts of interest applicable to its business and to its provision of services to AHL DP Limited and to its Other Accounts (as defined below), a summary of certain of which are included in this Section. Some conflicts are inherent in the way that the Investment Manager does business and may not be completely mitigated, even with the Investment Manager's best efforts to do so.

Man Group Persons Generally

AHL DP Limited is subject to a number of actual and potential conflicts of interest involving the Investment Manager, the services manager of AHL DP Limited, the Marketing Advisor and other Man Group persons, the “Man Group Persons”. Any Man Group Person may from time to time act as director, investment manager, marketing adviser, trustee, adviser or sub-adviser in relation to, or be otherwise involved in or provide services to, other funds or client accounts managed by the Investment Manager and/or another Man Group Person (each an “Other Account”, and AHL DP Limited and Other Accounts together being an “Account”). Each Man Group Person will endeavour to ensure that any conflicts arising are identified and resolved or mitigated, as reasonably practical, fairly and in accordance with the obligations applicable to such party. In addition, subject to applicable law, Man Group Persons may acquire, hold, dispose of or otherwise deal in the assets of AHL DP Limited, as principal or agent, provided that such dealings are carried out as if they were effected on normal commercial terms and negotiated on an arm’s length basis. Man Group Persons may on occasion hold a significant percentage of ownership in AHL DP Limited and/or in Other Accounts which utilise an investment strategy substantially similar to the investment strategy of AHL DP Limited.

The Marketing Advisor may provide structuring services, and in this capacity may propose that AHL DP Limited enter into agreements with the Marketing Advisor, affiliated entities or third parties with which the Marketing Advisor or its affiliates have a broader commercial relationship for the provision of various services, including in respect of financing arrangements, and brokerage services in respect of which they may receive fees, spreads and other compensation. The final decision as to which service provider is chosen is made by the directors of AHL DP Limited.

The Investment Manager

- *Transactions with Other Funds:* The Investment Manager may invest AHL DP Limited’s assets in funds, which are managed by a Man Group Person. Such investments may provide the capital necessary for such Man Group Person to start or continue the operations of a fund, as a viable investment fund. When AHL DP Limited invests in a fund for which the Investment Manager or an affiliate acts as the general partner, manager or investment manager, fees associated with such investments will be waived at the underlying fund level to prevent a layering of fees. When AHL DP Limited invests in such a fund, AHL DP Limited’s investment may make that fund more attractive to other investors and so increase the capital managed by the relevant Man Group Person (and therefore the fees earned by the Man Group). In addition, the Investment Manager’s dealings with Man Group Persons (e.g. capital investment decisions, redemption decisions and fee negotiations) will not be conducted at arm’s length. Although the Investment Manager may be in a better position to monitor the activities of a Man Group Person the Investment Manager has a conflict of interest in determining whether to make or maintain an investment in a relevant fund on behalf of AHL DP Limited.
- *Side-by-Side Management:* The Investment Manager may provide discretionary investment management services to Other Accounts which may give rise to conflicts of interest. By way of example, the Investment Manager may manage Other Accounts which have substantially similar investment objectives and strategies to those of AHL DP Limited. Such Other Accounts may have more favourable liquidity terms than AHL DP Limited, which could adversely impact AHL DP Limited in certain market conditions and may also have different fee and/or other terms than that of AHL DP Limited (which might mean that the Investment Manager and its personnel may have financial and other incentives to favour such Other Accounts over AHL DP Limited). The Investment Manager may make different investment decisions on behalf of AHL DP Limited and such Other Accounts, notwithstanding that they have same or similar investment objectives and strategies
- *Order Aggregation and Trade Allocation:* The Investment Manager may aggregate orders relating to the same financial instrument that is traded on or around the same time for AHL DP Limited and/or one or more Other Accounts. Any aggregated orders are generally allocated pro rata, either on a fill-by-fill basis or on an average price basis. When aggregating orders, the Investment Manager will seek to mitigate any potential disadvantage that order aggregation may have on an Other Account. However, there is no guarantee that a benefit will be derived from order aggregation and it is possible that one or more Accounts, including AHL DP Limited, may be disadvantaged as a result of order aggregation and pro rata trade allocation.
- *Use of Affiliates:* Subject to applicable law, the Investment Manager may utilise certain investment management and/or order handling and trading capabilities of one or more of its affiliates. When delegating certain investment management and/or execution authority to an affiliate, the Investment Manager will not compensate the respective affiliate with any commissions. In such instances, the affiliate may also be providing similar services to Other Accounts and accordingly conflicts of interest may arise when providing such services to AHL DP Limited. In particular, orders which are executed by an Investment Manager’s

affiliate on the instruction of the Investment Manager may not be aggregated by the Investment Manager's affiliate in connection with such affiliate's management of Other Accounts.

- *Proprietary Investment Activities:* Any of the Man Group Persons may buy, hold and redeem shares in AHL DP Limited in the normal course of their business and may on occasion hold a significant percentage of AHL DP Limited's issued shares of one or more classes or series. Certain Man Group Persons are major participants in equity, fixed-income, global currency, commodity, derivative and other financial markets. As such, Man Group Persons may be actively involved in transactions in the same financial instruments in which AHL DP Limited may invest. Man Group Persons may compete with AHL DP Limited for appropriate investment opportunities (and, for the avoidance of doubt, may be deemed Other Accounts that are allocated investment opportunities along with AHL DP Limited pursuant to the Investment Manager's allocation policies). Man Group Persons are under no obligation to share any investment opportunity, idea or strategy with AHL DP Limited.
- *Investment in AHL DP Limited by Other Accounts:* Other Accounts, including those managed by the Investment Manager, may invest in AHL DP Limited. Serving in these capacities may give rise to certain conflicts of interest for the Investment Manager, particularly because the Investment Manager has actual knowledge of the portfolio positions of AHL DP Limited. For example, any redemption of shares by the Investment Manager on behalf of Other Accounts could operate to the detriment of other shareholders. Notwithstanding the foregoing, the Investment Manager will at all times endeavour to act in accordance with its fiduciary obligations to its clients (including AHL DP Limited and the Other Accounts)..
- *Principal Trades and Cross Trades:*

A "Principal Trade" is a transaction in which a Man Group Person enters into a "principal transaction" (including a swap) with AHL DP Limited in which any Man Group Person acts as principal for its own account with respect to the sale of a security (or other asset) or purchase of a security (or other asset) from AHL DP Limited. The Investment Manager currently anticipates that substantially all Principal Trades, if any, in which a Man Group Person transacts as principal with AHL DP Limited will be in circumstances where a Man Group Person holds a sufficiently large interest in an Other Account that such Other Account is deemed to be a proprietary account of a Man Group Person (i.e., a Man Group Person has a greater than 25% proprietary investment in such Other Account) (a "Principal Account"). These types of Principal Trades can occur when the Investment Manager organises a new fund that is expected to raise capital but during its "ramp-up" period has solely or significant proprietary capital, such as in connection with a Man Group Person seeding a new Other Account. Any Principal Trade will only be done in compliance with applicable law. Section 206(3) of the Advisers Act requires prior disclosure to and consent from clients for Principal Trades, but Section 206(3) of the Advisers Act (i) only applies with respect to Principal Trades involving the purchase or sale of securities (and not, for the avoidance of doubt, commodities, currencies or other financial instruments in which AHL DP Limited may trade) and (ii) does not apply to Principal Trades effected between a non-US registered investment adviser such as the Investment Manager and a non-US fund such as AHL DP Limited.

A "Cross Trade" is a transaction where the Investment Manager or any of its affiliates effects a purchase or sale transaction (or engages in other transactions) between AHL DP Limited and an Other Account when the Investment Manager, exercising its judgment in good faith, determines that a such a transaction is mutually beneficial to AHL DP Limited and that Other Account and is fair and equitable. In certain cases, Cross Trades may also be considered Principal Trades if an Other Account is deemed to be a Principal Account, as discussed above. The Investment Manager may also cause AHL DP Limited to purchase or sell an investment that is being sold or purchased, respectively, at the same time by the Investment Manager, an affiliate or an Other Account.

In addition, the Investment Manager may cause AHL DP Limited to purchase or redeem shares in a fund at the same time that an Other Account is redeeming or purchasing shares in the same fund. Although such transactions are independent of each other (i.e. AHL DP Limited and the Other Account are not transacting with each other), they are "related transactions" because AHL DP Limited may be obtaining access to that fund because the Other Account is redeeming, or vice versa. For example, to finance redemptions of shares, AHL DP Limited may have to redeem from a fund that is closed to new investors because of a capacity constraint. In that instance, the Man Group Persons of that fund may offer the capacity that AHL DP Limited gave up to Other Accounts in accordance with Man Group policies, and the Investment Manager and/or another Man Group Person may elect to make the investment on behalf of one or more Other Accounts as part of their portfolio allocation process and in accordance with their policies. Although these "related

transactions” are not Cross Trades, the Investment Manager will only engage in these “related transactions” when it believes the transactions are appropriate and in the best interests of AHL DP Limited and the Other Accounts involved.

In relation to Principal Trades, Cross Trades and other “related transactions”, the Investment Manager may have a conflict between acting in the best interests of AHL DP Limited and assisting itself and other Man Group Persons (including Principal Accounts by selling or purchasing a particular security (or other asset)). However, the Investment Manager believes that it has controls in place to mitigate such conflicts such that AHL DP Limited and the Other Accounts (including Principal Accounts) are treated on a fair and equitable basis.

- *Devotion of Time:* Man Group Persons (including the Investment Manager) will devote as much of their time to the activities of AHL DP Limited as they deem necessary and appropriate and will not be devoted exclusively to AHL DP Limited. The provision of services to Other Accounts may involve substantial time and resources and the Man Group Persons may have conflicts of interest in the allocation of their time among AHL DP Limited and the Other Accounts.
- *Voting Rights:* AHL DP Limited may have the right to exercise voting rights in respect of certain of its investments. The Investment Manager may exercise voting rights on behalf of AHL DP Limited (usually by way of a proxy vote) and will generally seek to vote in the best interests of AHL DP Limited, as determined in good faith by the Investment Manager given the totality of the circumstances. The Investment Manager will seek to address material conflicts that may arise between the Investment Manager’s interests (or those of Other Accounts) and those of AHL DP Limited before voting on behalf of AHL DP Limited. The Investment Manager may abstain from voting if the Investment Manager determines that doing so is unnecessary or unwarranted for any other reason. The Investment Manager has contracted with an independent third-party provider who provides voting agent and advisory service related to proxies.
- *Selection of Brokers and Trading Counterparties:* The Investment Manager or other Man Group Persons may be subject to conflicts of interest relating to their selection of brokers and trading counterparties on behalf of AHL DP Limited. The Investment Manager will consider a number of factors when determining what broker or trading counterparty to use to execute an order or set of orders on behalf of AHL DP Limited and Other Accounts. Such factors include a broker or counterparty’s ability to effect the transactions, its ability to seek best execution as well as such broker or counterparty’s facilities, reliability and financial responsibility. In certain circumstances a broker or trading counterparty may provide other services that are beneficial to the Investment Manager and/or other Man Group Persons, but not necessarily beneficial to AHL DP Limited, including capital introduction, marketing assistance, financing, consulting with respect to technology, operations or equipment and other services or items. Such services are only accepted where permitted under applicable laws and regulations.
- *Service Providers:* The administrator of AHL DP Limited, the custodian and/or any service provider to AHL DP Limited, and their respective affiliates may from time to time act as prime broker, dealer, custodian, depository, registrar, administrator or distributor, in relation to, or be otherwise involved in, Other Accounts or other funds, vehicles or accounts established by parties other than the Investment Manager, which may have similar investment objectives and strategies to those of AHL DP Limited. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with AHL DP Limited. Each will, at all times, have regard in such event to its obligations to AHL DP Limited and will endeavour to ensure that such conflicts are resolved fairly. The administrator of AHL DP Limited, the custodian and/or any service provider to AHL DP Limited, and their respective officers, employees and affiliates may from time to time provide other services to Man Group Persons and/or be involved in other financial, investment or professional activities which may give rise to conflicts of interest with AHL DP Limited, or which may conflict with the investment strategy being pursued by AHL DP Limited. The administrator of AHL DP Limited, which has been appointed to calculate the Net Asset Value of AHL DP Limited, faces a potential conflict of interest because its fee is based on the Net Asset Value of AHL DP Limited.
- *The Directors:* A director of AHL DP Limited may be a party to, or otherwise interested in, any transaction or arrangement with AHL DP Limited or in which AHL DP Limited is interested, provided that he or she has disclosed to the other directors of AHL DP Limited prior to the conclusion of any such transaction or arrangement the nature and extent of any material interest of his or hers in that transaction or arrangement. Unless the directors of AHL DP Limited determine otherwise, a director may vote in respect of any such arrangement or proposal, having first disclosed such interest. As at the date of the offering memorandum of AHL DP Limited, no director of AHL DP Limited or person connected to any such director has any interest,

beneficial or non-beneficial, in the share capital of AHL DP Limited or any material interest in AHL DP Limited or in any agreement or arrangement with AHL DP Limited other than the agreements disclosed in the offering memorandum of AHL DP Limited. The directors of AHL DP Limited may also be directors of other funds to which Man Group Persons provide services. The directors of AHL DP Limited will endeavour to ensure that any conflicts of interest are resolved fairly.

- *Conflicts of Interest Affecting Funds Generally:* The conflicts of interest that apply to AHL DP Limited in respect of the Investment Manager, its other service providers and the Directors, as described above, will generally also apply to each fund which is managed by a Man Group Person, its other service providers and its directors or other governing body.

Market quotations regarding certain investments by a fund managed by a Man Group Person, may not always be available. In such cases, those investments may be valued by the relevant Man Group Person. The Man Group Person will have a conflict of interest in making such a valuation, because the valuation affects the relevant fund's net asset value and, consequently, the incentive compensation and the management fees that the Man Group Person would receive for its services.

Independent Review Committee

National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107"), which came into force on November 1, 2006, requires all publicly offered investment funds, such as the Fund, to establish an independent review committee ("IRC"). The Manager must refer all conflict of interest matters for review or approval to the IRC. NI 81-107 also requires the Manager to establish written policies and procedures for dealing with conflict of interest matters, to maintain records in respect of these matters and to provide the IRC with guidance and assistance in carrying out its functions and duties. According to NI 81-107, the IRC must be comprised of a minimum of three independent members and is subject to requirements to conduct regular assessments of its members and provide reports, at least annually, to the Fund and to its Unitholders in respect of those functions.

The IRC:

- reviews and provides input on the Manager's written policies and procedures that deal with conflict of interest matters;
- reviews conflict of interest matters referred to it by the Manager and makes recommendations to the Manager regarding whether the Manager's proposed actions in connection with the conflict of interest matter achieves a fair and reasonable result for the Fund;
- considers and, if deemed appropriate, approves the Manager's decision on a conflict of interest matter that the Manager refers to the IRC for approval; and
- performs such other duties as may be required of the IRC under applicable Canadian securities laws.

Biographies of each of the members of the IRC are set out below.

Eamonn McConnell – Mr. McConnell is currently a Managing Director and Chief Investment Officer of Kensington Capital Partners. For over 25 years, Mr. McConnell has been involved in investment banking and the global fund management business. He has worked in Canada, the UK and Asia during his career. He has worked for many large international institutions including Barclays Global Investors, Deutsche Bank and Merrill Lynch. In the late nineties through 2002 he was an MD at Deutsche Bank responsible for the pricing, underwriting and risk management of Deutsche Bank's debt new issue business (Asia and Europe). His areas of activity have ranged from capital markets work in both debt and equity products, the establishment of a mutual fund investment management company and the subsequent launch of several funds, to the establishment of a private equity fund investment management company. Mr. McConnell served as the Deputy Chairman of the Alternative Investment Management Association Canada from 2008-2013. Mr. McConnell has an MBA from McGill University and HEC France, and the CAIA designation. Mr. McConnell has been an active investor in all types of assets and the management of risk products and is currently a director of Independent Review Inc.

W. William Woods – Mr. Woods is a lawyer, admitted to practice in Bermuda, England, Wales and Hong Kong. He was a solicitor with Linklaters & Paines in Hong Kong where he specialized in corporate finance work. For three years he acted as Legal Counsel to the Stock Exchange of Hong Kong. He then co-founded the International Securities Consultancy, a consulting group based in Hong Kong and London that specializes in advising on the development of both emerging and mature securities markets. From August 1995 to December 2001 he was the CEO of the Bermuda Stock Exchange. He is currently the CEO of

Independent Review Inc. based in Toronto, Canada. Mr. Woods serves as an independent director on the boards of a number of hedge funds.

Geoff Salmon – Mr. Salmon began working with Independent Review Inc. (IRI) in February of 2008. He is currently the Managing Director for IRI. Responsible for providing secretariat services to over 20 Independent Review Committees which includes providing advice to the IRCs and the Managers of the fund groups. These groups range in size from a few funds to fund groups like, Ninepoint, O’Leary and Northwest and Ethical Funds. He has reviewed and provided advice on numerous conflict matters referred to IRI over the past six years that he has been with IRI. Prior to IRI Geoff Salmon’s corporate finance experience spans over 14 years. He spent six years at a seed capital fund, Innovation Ontario, investing in early stage businesses and seven years in corporate finance with Trinity Capital and Northern Securities. Geoff has a law degree from Western Ontario and practiced law in Ontario from 1978 to 1983.

These individuals also serve on the IRC of the other investment funds managed by the Manager. Members of the IRC currently receive aggregate annual compensation of approximately \$30,000 plus reimbursement of expenses, and all such fees and expenses of the IRC will be paid by those funds *pro rata* based on the amount of time spent on each fund’s business.

The IRC will conduct regular assessments and provide reports to the Manager and to Unitholders on an annual basis. Annual reports to Unitholders, in respect of its activities on behalf of the Fund, are available at the time the annual financial statements of the Fund are made public. The Annual Reports to Unitholders are required to be filed electronically on SEDAR (System for Electronic Document Analysis and Retrieval, found at www.sedar.com) and on the Manager’s website at www.nextedgcapital.com. The report prepared by the IRC will be available on the Manager’s website at www.nextedgcapital.com, or at a Unitholder’s request at no cost, by contacting the Fund at 1 Toronto Street, Suite 200, Toronto, Ontario M5C 2V6; telephone: 416-775-3600; toll-free at 1-877-860-1080; fax: 416-775-3601.

Trustee

Next Edge Capital Corp. is also the Trustee of the Fund pursuant to the provisions of the Declaration of Trust. The Trustee or any successor trustee may resign and be discharged from all further duties under the Declaration of Trust upon 90 days’ prior written notice to the Manager or upon such lesser notice as the Manager may accept. The Manager shall make every effort to select and appoint a successor trustee prior to the effective date of the Trustee’s resignation. If the Manager fails to appoint a successor trustee within 90 days after notice is given or a vacancy occurs, the Manager shall call a meeting of Unitholders within 60 days thereafter for the purpose of appointing a successor trustee. If there is no manager, five Unitholders may call a meeting of Unitholders of the Fund within 31 days after notice is given or a vacancy occurs for the purpose of appointing a successor trustee. In each case, if, upon the expiry of a further 30 days, neither the Manager nor the Unitholders of the Fund have appointed a successor trustee, the Fund shall be terminated and the property of the Fund shall be distributed in accordance with the terms of the Declaration of Trust. The Trustee (or any replacement thereof) must at all times be a resident of Canada for the purposes of the Tax Act.

The Trustee is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Fund, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Trustee will not be liable in carrying out its duties under the Declaration of Trust as long as the Trustee has adhered to its standard of care set out above. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out its duties.

The Trustee will not receive any fees from the Fund but will be reimbursed for all expenses and liabilities that it properly incurs in carrying out activities on behalf of the Fund.

Custodian

RBC Investor Services Trust (the “Custodian”) is the custodian of the Fund’s assets pursuant to the custodian agreement between the Manager and the Custodian (the “Custodian Agreement”). The Custodian provides custodial services to the Fund from its offices in Toronto, Ontario. The Custodian may employ sub-custodians as considered appropriate in the circumstances.

The Manager or the Custodian may terminate the Custodian Agreement without any penalty: (a) upon at least 90 days’ written notice or such lesser notice as the other may agree to, or (b) immediately, if (i) either party is declared bankrupt or shall be insolvent, (ii) the assets or the business of either party shall become liable for seizure or confiscation by any public or governmental authority, or (iii) the Manager’s powers and authorities to act on or on behalf of or represent the Fund have been revoked or terminated.

The Custodian shall exercise the same degree of care, diligence and skill in the safekeeping of the Fund's accounts and providing the services described under the Custodian Agreement that a reasonably prudent person would exercise in the circumstances, or, if higher, the degree of care, diligence and skill that the Custodian uses in respect of its own property of a similar nature in its custody (for the purposes of this section, the "Standard of Care").

The Custodian shall indemnify and hold harmless the Manager, on behalf of the Fund, in respect of all direct loss, damage or expense arising out of any breach of the Standard of Care by the Custodian, and the Custodian shall assume liability for such loss directly and shall reimburse the Fund accordingly.

In addition to and without derogation from any other indemnity afforded to any of them under the Custodian Agreement or otherwise by law, the Manager shall indemnify and hold harmless the Custodian, from any loss, damage or expense, including reasonable counsel fees and expenses, arising in connection with the Custodian Agreement, except to the extent caused by a breach of the Standard of Care.

Administrative Services, Registrar and Valuation Agent

Pursuant to an administrative services agreement effective as of October 29, 2015, as amended May 7, 2016 (the "Administrative Services Agreement"), between the Manager and RBC Investor Services Trust (the "Valuation Agent"), the Valuation Agent, among other things, provides valuation and financial reporting services to the Fund and calculate the Net Asset Value per Unit of each class of Units on each Valuation Date. The Valuation Agent is responsible for certain aspects of the day-to-day administration of the Fund. The Valuation Agent has been appointed as the registrar and transfer agent for the Fund. The Valuation Agent provides services to the Fund from its offices in Mississauga, Ontario.

Auditors

The auditors of the Fund are Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants. Ernst & Young LLP is independent of the Fund, as defined by the auditors' rules of professional conduct of the Chartered Professional Accountants of Ontario.

Promoter

The Manager has taken the initiative in founding and reorganizing the Fund and accordingly may be considered to be a "promoter" of the Fund within the meaning of the securities legislation of certain provinces of Canada. The Manager receives fees from the Fund and will be entitled to reimbursement of expenses incurred in relation to the Fund as described under "Fees and Expenses".

Accounting and Reporting

The Fund's fiscal year-end will be the end of the calendar year or such other fiscal period permitted under the Tax Act as the Fund elects. The annual financial statements of the Fund shall be audited by the Fund's auditors in accordance with Canadian generally accepted auditing standards ("GAAS"). The auditors will be asked to report on the fair presentation of the annual financial statements in accordance with international financial reporting standards ("IFRS"). The Manager will arrange for the Fund's compliance with all applicable reporting and administrative requirements, including preparing and issuing unaudited interim financial statements.

The Manager will keep, or arrange for the keeping of, adequate books and records reflecting the activities of the Fund. A Unitholder or his, her or its duly authorized representative will have the right to examine the books and records of the Fund during normal business hours at the offices of the Manager or such other location as the Manager shall determine. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the Fund.

CALCULATION OF NET ASSET VALUE

Valuation of Assets

The Valuation Agent as of each Monday of each week, or such other day or days of each week as determined from time to time by the Manager (each such day a "Valuation Date"), will calculate the value of the Fund's total assets as set forth below. The assets of the Fund include the AHL DP Shares. Since the value of the AHL DP Shares are determined by reference to the value of the Underlying Assets to which the Fund is exposed, the NAV is linked to the value of the Underlying Assets. The Manager will review and, if satisfactory, approve the valuation and will, from time to time, consider the appropriateness of the valuation policies adopted by the Fund, as such policies are modified from time to time in the discretion of the Manager, acting reasonably, and in the best interests of Unitholders.

Net Asset Value

The NAV will be calculated on each Valuation Date by the Valuation Agent. The NAV per Unit for each class of Units of the Fund is determined by the Valuation Agent as at 4:00 p.m. (Toronto time) on each Valuation Date. The last Valuation Date of the calendar year may be used for the purposes of the distribution of net income and net realized capital gains of the Fund to Unitholders. The Net Asset Value of the Fund and of each class are also calculated as of any such other day or days as determined from time to time by the Manager. In discharging its valuation duties, the Valuation Agent shall be entitled to rely on reports prepared by the Manager.

The Net Asset Value per Unit of any class of Units of the Fund on a Valuation Date will be obtained by dividing (i) the then fair market value of the assets of the Fund less the aggregate amount of its accrued liabilities, including any income, net realized capital gains or other amounts made payable to Unitholders on or before such Valuation Date, in each case attributable to that class of Units, by (ii) the total number of Units of the class outstanding at the time the calculation is made on the Valuation Date. The estimated operating expenses shall be accrued to the date as of which the NAV is being determined. The result is adjusted to a maximum of four decimal places.

Valuation Policies and Procedures of the Fund

The fair market value of the assets and the amount of the liabilities of the Fund shall be calculated in such manner as the Valuation Agent in its sole discretion shall determine from time to time and the following (as applicable):

- (a) the value of any cash on hand, deposit or call, prepaid expenses, cash dividends declared and interest accrued but not yet received, shall be deemed to be the face amount thereof, unless the Valuation Agent determines that any such deposit or call loan is not worth the face amount thereof, in which event, the value thereof shall be deemed to be such value as the Valuation Agent determines to be the reasonable value thereof;
- (b) short-term investments including notes and money market instruments shall be valued at cost plus accrued interest which approximates their fair value;
- (c) the value of any security, or index options thereon which is listed on any recognized exchange shall be determined by the closing sale price at the Valuation Date or, if there is no closing sale price, the average between the closing bid and the closing asking price on the Valuation Date, as reported by any report in common use or authorized as official by a recognized stock exchange or any other period-end market quotation that is deemed appropriate, unless this average is greater than a 10% price variance from the last sale price in which case the last sale price will be used, provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;
- (d) the value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by the Valuation Agent;
- (e) the value of a futures contract, or a forward contract, shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- (f) all Fund property valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the Valuation Agent;
- (g) all expenses or liabilities (including fees payable to the Manager) of the Fund shall be calculated on an accrual basis; and
- (h) the value of any security or property to which, in the opinion of the Valuation Agent, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Valuation Agent from time to time provides.

Pursuant to NI 81-106, investment funds calculate their net asset value using fair value for purposes of securityholder transactions. The Net Asset Value per Unit is calculated in accordance with the rules and policies of the Canadian securities regulators or in accordance with any exemption therefrom that the Fund may obtain.

Reporting of Net Asset Value

The NAV per Unit of each class of Units of the Fund as at each Valuation Date will be made available through FundSERV and to the financial press for publication on a weekly basis and will be quoted in Canadian or U.S. dollars, as applicable. Such prices will also be available on the Manager's website at www.nextedgecapital.com. The Manager will also provide such information at no cost to Unitholders who so request by calling (844) 656-2321.

From time to time the Manager or Investment Manager may, at its discretion, communicate the NAV per Unit of each class of Units to data vendors or other relevant parties. The NAV per Unit will not be reported on any publicly available system such as Bloomberg or Reuters.

Suspension of Calculation of Net Asset Value

The Manager may suspend the calculation of the Net Asset Value of the Fund and the Net Asset Value per Unit of each class of Units, subject to approval of securities regulatory authorities, for the whole or any part of a period during which the determination of the net asset value of the Underlying Assets or the AHL DP Shares is suspended. In the event of a temporary suspension in the determination of the net asset value of the Underlying Assets or the AHL DP Shares, subject to approval of securities regulatory authorities, all redemptions of Units will be immediately suspended until such time as the calculation of the net asset value of the Underlying Assets and the AHL DP Shares resumes.

ATTRIBUTES OF THE UNITS

Description of the Units Offered

The Fund may have an unlimited number of classes of Units and an unlimited number of Units of each class. The money that investors pay to purchase Units is tracked on a class-by-class basis in each Fund, but the assets of all classes of the Fund are combined into a single pool to create one portfolio for investment purposes. Currently, the beneficial interest in the net assets and net income of the Fund is divided into trust units of seven classes of redeemable, transferable Units of the Fund called Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units. All classes of Units are denominated in Canadian dollars. Units of each class are redeemable on a weekly basis. See "Redemption of Units".

All Units of the Fund have equal rights and privileges and are substantially the same except for the management fees, sales and redemption charges associated with a particular class. Each Unit of a class entitles the holder to one vote at meetings of all Unitholders of the Fund generally and at meetings of the Unitholders of that class but does not entitle the holder to vote at meetings at which only the holders of another class of Units are entitled to vote separately as a class. As each class of Units is entitled to its proportionate share of the net income and net capital gains of the Fund after deducting management fees and class-specific expenses, the amount of distributions of net income and net capital gains for each class of Units of the Fund will likely be different. Units are issued only as fully paid and are non-assessable. The holders of each class of Units of the Fund rank equally with the holders of all other classes of Units on a liquidation, dissolution or winding-up of the Fund based on the relative net asset values of each class of Units of the Fund.

Class A Units, Class F Units, Class H Units, Class J Units, Class K Units, Class L Units and Class M Units are offered on a continuous basis at a subscription price equal to the Net Asset Value per Unit on the Valuation Date upon which the Units are purchased. All of the classes of Units have the same investment strategy and restrictions but differ with respect to one or more of their features, such as management fees, expenses, redemption fees, or commissions, as described under "Fees and Expenses". The Net Asset Value per Unit of each class will not be the same as a result of the different fees and expenses allocable to each class of Units. The NAV and NAV per Unit of each class will be calculated as described under "Calculation of Net Asset Value". The return to the holders of Class A Units, Class F Units, Class H Units, Class L Units and Class M Units is referable to the Class A CAD Shares issued by AHL DP Limited. The return to the holders of Class J Units and Class K Units is referable to the Class C CAD Shares issued by AHL DP Limited. Other than with respect to the management fee of the Investment Manager, the rights and attributes of the Class A CAD Shares and Class C CAD Shares are identical. See "Fees and Expenses – Fees and Expenses of AHL DP Limited – Investment Manager's Fees".

Units of the Fund are not designed to provide regular distributions to investors. Class A Units and Class J Units are intended primarily for individual investors and may carry an upfront commission at the time of purchase of the Units. Class F Units and Class K Units are intended primarily for investors who are enrolled in fee-based programs through their broker, dealer or adviser. Class H Units are available to investors who are enrolled in select fee-based programs through their broker, dealer or adviser. Class L Units and Class M Units are intended primarily for institutional investors and are subject to a minimum initial investment of \$2 million, or such other amount as the Manager may determine.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any act, default, obligation or liability of the trust if, when the act or default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of Ontario. The Fund is a reporting issuer under the *Securities Act* (Ontario) and the Fund is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

The Declaration of Trust provides that the Fund will only issue additional Units following the initial Offering of Units of each class: (i) for net proceeds per Unit of a class of not less than 100% of the NAV per Unit of that class; (ii) by way of Unit distributions; (iii) with the approval of Unitholders voting together and voting separately as a class by Extraordinary Resolution (defined below under “Unitholder Matters – Matters Requiring Unitholder Approval”); or, (iv) pursuant to a distribution reinvestment plan. Immediately after a *pro rata* distribution of Units of a class to all Unitholders of that class in satisfaction of any non-cash distributions allocable *pro rata* to that class, the number of outstanding Units of that class will be consolidated such that each Unitholder will hold, after the consolidation, the same number of Units of that class as the Unitholder held before the non-cash distribution, except in the case of a non-resident Unitholder to the extent tax was required to be withheld in respect of the distribution. Subject to the foregoing, the Fund may allot and issue additional Units and additional classes of units and other securities of the Fund at such time or times, and in such manner, as the Manager in its sole discretion shall determine.

UNITHOLDER MATTERS

Meetings of Unitholders

The Trustee may, at any time, convene a meeting of the Unitholders of the Fund and will be required to convene a meeting on receipt of a request, in writing, by the Manager or by Unitholders holding in aggregate 10% or more of the outstanding Units. The Trustee will convene such meeting within 60 days of receipt of said request and will provide Unitholders with not less than 21 days' and not more than 50 days' written notice of any such meeting.

Two or more Unitholders or, if there is only one Unitholder of the Fund then one Unitholder, present in person or by proxy shall constitute a quorum for any meeting of Unitholders. A person designated by the Trustee shall be chairman of any meeting of Unitholders. If no chairman is appointed by the Trustee, the Unitholders present in person or represented by proxy at the meeting shall appoint a chairman.

The Fund does not intend to hold annual meetings of Unitholders.

Any matter to be considered at a meeting of Unitholders, other than certain matters requiring the approval of Unitholders by Extraordinary Resolution (as defined below) or unanimous approval of Unitholders, as discussed under “Unitholder Matters – Amendments to the Declaration of Trust” below, will require the approval of Unitholders by a resolution passed by holders of not less than a majority of the Units voting thereon at a meeting duly convened for the consideration of such matter.

Matters Requiring Unitholder Approval

Certain matters will require the approval of Unitholders by extraordinary resolution (an “Extraordinary Resolution”). An Extraordinary Resolution is a resolution passed by holders of not less than 66% of the Units voting thereon at a meeting duly convened for the consideration of such matter. Subject to those amendments to the Declaration of Trust that do not require Unitholder approval as discussed under “Unitholder Matters – Amendments to the Declaration of Trust” below, the following matters may be undertaken only with the approval of Unitholders by an Extraordinary Resolution:

- (a) any change in the investment objective as described under “Investment Objectives of the Fund”, unless such changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (b) any change in the investment restrictions as described under “Investment Restrictions of the Fund”, unless such changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (c) a change of the manager of the Fund, other than a change resulting in an affiliate of such person assuming such position, or a change in the trustee of the Fund, other than a change resulting in an affiliate of such person assuming such position;
- (d) any material amendment to the Declaration of Trust, subject to those amendments that require unanimous Unitholder approval or the consent of the Manager as discussed under “Unitholder Matters – Amendments to the Declaration of Trust” below;

- (e) any change in the basis of calculating fees or other expenses that are charged to the Fund which could result in an increase in charges to the Fund other than a fee or expense charged by a person or company that is at arm's length to the Fund;
- (f) the introduction of a fee or expense, to be charged to the Fund, or directly to Unitholders by the Fund or the Manager, in connection with the holding of Units of the Fund that could result in an increase in charges to the Fund or its Unitholders;
- (g) a reorganization with, or transfer of assets to, a mutual fund trust, if
 - (i) the Fund ceases to continue after the reorganization or transfer of assets; and
 - (ii) the transaction results in Unitholders becoming securityholders in the mutual fund trust;
- (h) a reorganization with, or acquisition of assets of, a mutual fund trust, if
 - (i) the Fund continues after the reorganization or acquisition of assets;
 - (ii) the transaction results in the securityholders of the mutual fund trust becoming Unitholders of the Fund; and
 - (iii) the transaction would be a significant change to the Fund;
- (i) any amendment, modification or variation in the provisions or rights attaching to the Units;
- (j) the removal of the Trustee; and
- (k) the termination of the Fund in certain circumstances.

Amendments to the Declaration of Trust

Unless all of the Unitholders consent thereto, no amendment can be made to the Declaration of Trust which would have the effect of reducing the interests in the Fund of the Unitholders, increasing the liability of any Unitholder, or changing the right of any Unitholder to vote at any meeting. No amendment may be made to the Declaration of Trust which would have the effect of reducing the fees payable to the Manager unless the Manager, in its sole discretion, consents.

Notwithstanding any of the matters discussed under "Unitholder Matters – Matters Requiring Unitholder Approval" above, the Trustee at the request of the Manager may, without the approval of or notice to Unitholders, amend the Declaration of Trust in order to:

- (a) change the Fund's taxation year-end as permitted under the Tax Act;
- (b) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law or regulation applicable to or affecting the Fund and bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities industry;
- (c) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (d) maintain the status of the Fund as a "mutual fund trust" for the purposes of the Tax Act, including providing the Fund with the right to acquire Units from any Unitholder, or to respond to amendments to the Tax Act or to the interpretation thereof; or
- (e) make any change to the terms of the Declaration of Trust to provide added protection to Unitholders or which would otherwise not be prejudicial to Unitholders;

provided that such amendments may be made only if they will not adversely affect the rights, privileges or the interests of any Unitholder, and provided that they are disclosed in the next regularly scheduled report made to Unitholders.

Except for the foregoing changes to the Declaration of Trust which require the approval of Unitholders or which require neither approval of nor prior notice to Unitholders, all other amendments to the Declaration of Trust which may be made from time to

time by the Trustee at the request of the Manager shall only be made upon not less than 30 days' prior written notice to Unitholders. Such changes include such amendments to the Declaration of Trust as the Trustee deems necessary or advisable to change the investment strategy of the Fund, provided that the investment strategy remains index- or rules-based and focussed on commodities.

Reporting to Unitholders

The Fund will furnish to Unitholders such financial statements (including interim unaudited and annual audited financial statements) and other reports as are from time to time required by applicable law to be furnished by the Manager, including prescribed forms needed for the completion of Unitholders' tax returns under the Tax Act and equivalent provincial or territorial legislation. The Fund will mail the annual and interim financial statements and management reports of fund performance prepared for AHL DP Limited to all of the Unitholders who receive the Fund's financial statements and management reports of fund performance. In addition, the Fund will provide financial statements of AHL Evolution Limited to any Unitholder that requests them from the Fund.

TERMINATION OF THE FUND

The Fund does not have a fixed termination date but the Manager may, in its discretion, terminate the Fund on any day (the "Termination Date") without the approval of Unitholders if, in the opinion of the Manager, the Net Asset Value of the Fund is reduced as a result of redemptions or otherwise so that it is no longer economically feasible to continue the Fund and it would be in the best interest of the Unitholders to terminate the Fund. The Fund will provide Unitholders notice in writing no less than 30 days and no more than 60 days prior to that termination Date and will issue a press release in respect thereof at least 10 Business Days in advance of that termination Date. The Fund will include a description of the entitlement of the Unitholders in such notice and press release. Immediately prior to the Termination Date, the Manager will, to the extent possible, convert the other assets of the Fund to cash and, after paying or making adequate provision for all of the Fund's liabilities, shall distribute in cash the net assets of the Fund to Unitholders of each class on a *pro rata* basis based on the Net Asset Value of each class of Units as soon as practicable after the Termination Date.

PRINCIPAL HOLDERS OF SECURITIES OF THE FUND

To the knowledge of the Manager, no securityholder holds more than 10% of the issued and outstanding Units of the Fund.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager receives the fees described under "Fees and Expenses" for its services to the Fund and will be reimbursed by the Fund for all expenses incurred in connection with the operation and administration of the Fund.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The Manager is responsible for all securities voting in respect of securities held by the Fund and exercising responsibility with the best economic interests of the Fund and the Unitholders. The Manager has established proxy voting policies, procedures and guidelines (the "Proxy Voting Policy") for securities held by the Fund to which voting rights are attached. The Proxy Voting Policy is intended to provide for the exercise of such voting rights in accordance with the best interests of the Fund and the Unitholders.

The Proxy Voting Policy sets out the guidelines and procedures that the Manager will follow to determine whether and how to vote on any matter for which the Fund receives proxy materials. Issuers' proxies most frequently contain proposals to elect corporate directors, to appoint external auditors and set their compensation, to adopt or amend management compensation plans, and to amend the capitalization of the company.

Although the Proxy Voting Policy allows for the creation of a standing policy for voting on certain routine matters, other issues, including those business issues specific to the issuer or those raised by shareholders of the issuer, are addressed on a case-by-case basis with a focus on the potential impact of the vote on shareholder value.

The Fund may limit its voting on foreign holdings in instances where the issues presented are unlikely to have a material impact on shareholder value, since the costs of voting (e.g., custodian fees, vote agency fees) in foreign markets may be substantially higher than for Canadian holdings.

If the potential for conflict of interest arises in connection with proxy voting and if deemed advisable to maintain impartiality, the Proxy Voting Policy provides that the Manager may choose to seek out and follow the voting recommendation of an independent proxy search and voting service.

The Proxy Voting Policy is available on request, at no cost, by calling the Manager at (416) 775-3600 or toll-free at 1-877-860-1080 or emailing the Manager at info@nextedgcapital.com.

The Fund's proxy voting record for the annual period from July 1st to June 30th will be available free of charge to any investor of the Fund upon request at any time after August 31st following the end of that annual period. The Fund's proxy voting record will also be available on the website of the Manager at www.nextedgcapital.com.

MATERIAL CONTRACTS

The following contracts can reasonably be regarded as material to purchasers of Units:

- (a) the Declaration of Trust described under "Organization and Management Details of the Fund – Trustee";
- (b) the Custodian Agreement described under "Organization and Management Details of the Fund – Custodian"; and
- (c) the Administrative Services Agreement described under "Organization and Management Details of the Fund – Administrative Services, Registrar and Valuation Agent".

Copies of the agreements referred to above may be inspected during business hours at the principal office of the Fund during the course of distribution of the Units offered hereby.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

There are no legal or administrative proceedings material to the Fund or the Manager to which the Fund or the Manager is a party or to which any of their respective property is subject and no such legal or administrative proceedings are known to be contemplated.

EXPERTS

The following is a list of the persons or companies who have prepared or certified a report, statement or opinion in this prospectus:

- (a) McMillan LLP, counsel to the Fund and the Manager; and
- (b) Ernst & Young LLP, the auditors of the Fund.

As at November 2, 2018, partners and associates of McMillan LLP, as a group, owned, directly or indirectly, less than 1.0% of the outstanding Units of the Fund. As at November 2, 2018, Ernst & Young LLP had advised that they are independent with respect to the Fund within the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities in each of the provinces and territories of Canada from certain provisions of NI 81-102, NI 81-104 and NI 81-106, to permit the following practices:

- (a) relieve the Fund from the restrictions on investments in other mutual funds unless such mutual fund is subject to NI 81-102 and the securities of such mutual fund are qualified for distribution in the local jurisdiction, as required under paragraphs 2.5(2)(a) and (c) of NI 81-102;
- (b) relieve the Fund from the requirement to calculate the Net Asset Value of the Fund on a daily basis, as required under paragraph 14.2(3)(b) of NI 81-106;
- (c) relieve the Manager from the requirements to (i) invest at least \$50,000 in securities of the Fund, as required under paragraph 3.2(1)(a) of NI 81-104; and (ii) to maintain the investment in the Fund at all times, as required under paragraph 3.2(2)(a) of NI 81-104. See "Purchases of Securities – Initial Investment in the Fund";
- (d) relieve the Fund from certain restrictions on securities lending to permit the Fund to enter into arrangements (i) that are not administered and supervised in accordance with all of the requirements of paragraphs 2.15 and 2.16 of NI 81-102; (ii) that do not fully implement the requirements of paragraph 2.12 of NI 81-102; (iii) in which the aggregate market value of the securities loaned exceeds 50% of the total assets of the Fund; (iv) in which the Fund will not hold or dispose of non-cash collateral delivered to it; (v) in which the Fund will lend securities through an agent that is not

the custodian of the Fund or directly to a borrower; and (vi) in which the collateral delivered to the Fund will not be held with the custodian of the Fund (as required under paragraphs 2.12(1)1, 2 and 12, 2.12(3), 2.15, 2.16 and 6.8(5) of NI 81-102); and

- (e) relieve the Fund from the requirements contained in subsections 2.5(2)(a), (b) and (c) of NI 81-102 in order to permit the Fund to indirectly gain exposure to the AHL Evolution Programme by means of the AHL Evolution Shares to be held by AHL DP Limited provided that, among other things, the financial statements of AHL Evolution Limited are provided to any Unitholder that requests them. See “Investment Strategy of the Fund – AHL Diversified Programme – The AHL Evolution Programme”.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment or within 48 hours after the receipt of a confirmation of a purchase of such securities. If the agreement is to purchase such securities under a contractual plan, the time period during which withdrawal may be made may be longer. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of these rights or consult with a legal advisor.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about the Fund is available in the following documents:

- the most recently filed audited annual financial statements;
- any unaudited interim financial statements filed after those annual financial statements;
- the most recently filed annual management reports of fund performance; and
- any interim management reports of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this prospectus, which means that they legally form part of this prospectus. Documents of the type referred to above, if filed after the date of this prospectus while the Units are still being distributed under this prospectus, will also be deemed to be incorporated by reference. You can get a copy of these documents at your request, and at no cost, on the Manager’s website (www.nextedgcapital.com), or at a Unitholder’s request at no cost, by contacting the Fund at 1 Toronto Street, Suite 200, Toronto, Ontario M5C 2V6; telephone: 416-775-3600; toll-free at 1-877-860-1080; fax: 416-775-3601. These documents and other information about the Fund are also available on the website of SEDAR (System for Electronic Document Analysis and Retrieval) at www.sedar.com.

CERTIFICATE OF THE FUND, THE MANAGER AND THE PROMOTER

Dated: November 2, 2018

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon Territory, Northwest Territories and Nunavut.

NEXT EDGE CAPITAL CORP.
(as Manager and on behalf of the Fund)

By: *(signed)* TOREIGH N. STUART
Managing Director, Chief Executive Officer

By: *(signed)* DAVID A. SCOBIE
Managing Director, Chief Operating Officer (signing in his
capacity as Chief Financial Officer)

On behalf of the board of directors of
NEXT EDGE CAPITAL CORP.

By: *(signed)* TOREIGH N. STUART
Director

By: *(signed)* ROBERT H. ANTON
Director

NEXT EDGE CAPITAL CORP.
as Promoter

By: *(signed)* TOREIGH N. STUART
Managing Director, Chief Executive Officer