

Allocation of Investment Opportunities and Orders

Hudson Bay Capital recognizes its duty to treat each Fund and the Other Accounts (each, an “Account”) in a manner it believes to be fair and equitable.

Consistent with such overriding principle, Hudson Bay Capital has adopted policies and procedures regarding the aggregation and allocation of investment opportunities. Hudson Bay Capital has designated an Allocation Committee (the “Allocation Committee”) to oversee the allocation of investments among Accounts in accordance with such policy.

Hudson Bay Capital currently advises Accounts that have overlapping strategies and may manage Other Accounts in the future the strategies of which overlap with one another. To the extent that a particular investment opportunity is allocable to more than one Account and there is an insufficient amount of the particular opportunity to satisfy the needs of the each Account, Hudson Bay Capital’s general policy is to allocate that investment opportunity between the Accounts on a *pro rata* basis relative to, depending on each Account, their targeted long market value, as determined by the Allocation Committee, for the category of investments into which the investment opportunity falls, their relative Net Asset Values or such other method as Hudson Bay Capital deems to be fair and reasonable over time. The Allocation Committee may determine, from time to time, to modify the methodology by which investments will be allocated among Accounts on a prospective basis.

However, Hudson Bay Capital is not required to provide every opportunity to each of the Accounts, and Hudson Bay Capital may, in good faith, determine that certain investments should not be allocated to the each of the Accounts that have overlapping strategies. Situations for which exceptions to the general *pro rata* rule set forth above may be appropriate, include: (a) an Account already having sufficient exposure to the securities, issuer or market in question; (b) the different liquidity positions and requirements of the participating Accounts; (c) tax considerations; (d) regulatory considerations; (e) the relative capitalization and cash availability of the participating Accounts; (f) the relative risk and value-at-risk profiles of the participating Accounts; (g) portfolio concentration considerations; (h) informal diversification requirements; (i) borrowing base considerations; (j) different historical and anticipated subscription and redemption patterns; (k) minimum investment criteria; (l) differences in availability/cost of funding; and/or (m) investment time horizon. The foregoing list is not intended to be exclusive, and investments may be allocated on a non-*pro rata* basis on the basis of other considerations that a portfolio manager, in consultation with the Allocation Committee, may determine from time to time.

When Other Accounts that have overlapping strategies with an existing Account ramp up their investment and trading strategies, the existing account may receive reduced or no allocations of certain securities.