

The disclosure in this Item 5, together with the disclosure in Item 12, allow a plan that is subject to the Employee Retirement Income Security Act of 1974 and that invests in an investment limited partnership of which Alkeon is general partner, to use the “alternative reporting option” to report Alkeon’s compensation as “eligible indirect compensation” on the Schedule C of the plan’s Form 5500 Annual Return/Report of Employee Benefit Plan.

In all cases, expenses, the pro rata portion of the asset-based fee and the incentive amount through the date of termination are charged to the account. An investor who withdraws from a fund on a date other than an Alkeon-permitted withdrawal date, however, does not receive a refund of the asset-based fee previously paid.

Each fund is responsible for its own costs and expenses, including trading costs and expenses (such as brokerage commissions, expenses related to short sales, and clearing and settlement charges), ongoing legal, accounting and bookkeeping and certain allocable insurance fees and expenses, and the fees and expenses charged by any fund administrator for its accounting, bookkeeping and other services. Alkeon bears its own operating, general, administrative and overhead costs and expenses, other than the expenses described above. Some of Alkeon’s research and brokerage costs and expenses may be paid, however, by securities brokerage firms that execute clients’ securities trades, as discussed in Item 12 below.

Item 6. Performance-Based Fees and Side-By-Side Management

All of the funds that Alkeon manages (except the Alkeon Select Funds) pay performance-based compensation as described in Item 5. Alkeon has a conflict of interest because it has an incentive to allocate investment opportunities to the accounts that charge performance-based fees. Alkeon reviews its investment allocations among the funds on a regular basis to address this conflict.

Item 7. Types of Clients

The minimum initial investment for each of the Alkeon funds generally is \$1,000,000. These minimums are subject to reduction or waiver at the discretion of Alkeon.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategy

Alkeon’s investment objective for all of the funds it manages generally is to achieve capital appreciation by investing primarily in long or short positions of publicly-traded and private companies across sectors globally. Alkeon will seek to generate absolute returns by investing in the securities of companies that can provide positive returns relative to the general equity securities market.

Alkeon provides advisory or sub-advisory services to its clients using the general strategy described above except that (a) the Alkeon Growth Funds, the OAM Funds, ALPRO Growth, MS UCITs and the Insurance Series primarily invest in long and short positions of global growth stocks; (b) the Alkeon Select Funds invest primarily in long positions of global growth stocks; (c) the Alkeon Asia Growth Funds invest primarily in long and short positions of global growth