

LiquidAlts H2O Force 10 Fund

Area of expertise: Private markets

Theme: Structural solutions



Overview

- H2O Force 10 is a global macro, discretionary strategy sponsored by our LiquidAlts hedge fund platform within DeAWM
- H2O Asset Management
 - H2O AM LLP was founded in 2010 by veterans Bruno Crastes (CEO) and Vincent Chailley (CIO), who worked together for 18 years prior; their team averages 15 years together
 - Boutique structure, backed by one of Europe's largest asset managers (Natixis Global Asset Management, \$900 bn under management as of 3/31/14)
 - \$6.0bn AUM as of May 5th, 2014
- Investing in the LiquidAlts H2O Force 10 Fund presents several benefits and features:
 - Style: Global Macro, Multi-Asset, Active, Top-Down, Value and Diversified – unlike traditional global-macro, the fund takes a collective approach across non-siloed asset classes
 - Fully Discretionary
 - +24.9% compounded annual return since March 2011 inception¹
 - Low correlation with global bond & equity market indices and CTA's
 - Daily Liquidity at NAV
 - No lock-up gating or minimum holding period

Summary fund terms

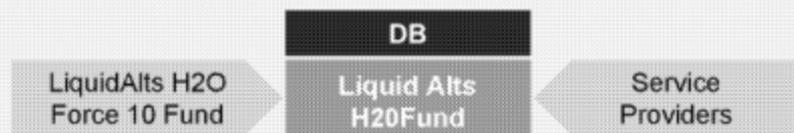
Annual Fee: 1.5% p.a.
 H2O Performance Fee: 20%
 Minimum subscription: \$1,000,000 initial subscription, \$10,000 incremental subscriptions
 Dealing Frequency: Daily
 Dealing Day: Each business day
 Subscription notice: 2 business days for initial subscription, 1 business day for incremental subscriptions
 Redemption notice: 2 business days

Performance

H2O Force 10 Strategy Returns ¹	
Compounded Annual Return	24.90%
Cumulative Return	112.05%
Trailing 12 months	14.40%
Trailing 3 years	120.61%
Largest Monthly Gain	10.73%
Largest Monthly Loss	-5.58%
% Positive Months	75.61%
% Negative Months	24.39%

Fund infrastructure

- The LiquidAlts H2O Force 10 Fund is built on the award winning dbAlternatives managed account platform infrastructure, which provides daily liquidity, full transparency, risk reporting/oversight, and institutional fees
- The fund is not a feeder – it invests directly in the financial markets
- Investment decisions are made and implemented by LiquidAlts H2O Force 10 Fund within the risk and infrastructure framework provided by Deutsche Bank
- Deutsche Bank, in its various capacities, provides overall governance, daily risk monitoring, operational oversight, legal services, investor services and service provider/counterparty oversight



Investor information and materials

Due Diligence	Independent Due Diligence by Darius capital partners produces an investment and operational due diligence report	Daily NAV Reporting	NAV available daily, including on Bloomberg
Monthly Investment Reports	Monthly reports containing portfolio commentary and outlook in addition to detailed risk & performance data	Online Risk Reporting	M.A.R.S risk system provides aggregate metrics on the fund including sector breakdown, top holding concentration, scenario analysis and VaR

(1) Reported performance is gross of management and performance fees

Deutsche Asset
& Wealth Management

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