

DISCLOSURE STATEMENT



CQS Cayman Limited Partnership and its relevant regulated affiliates is pleased to announce that it is in conformity with the Alternative Investment Standards for its non-captive co-mingled hedge funds and has been in continuous conformity since 2008.

The purpose of this Disclosure Statement is to demonstrate how CQS Cayman Limited Partnership and its relevant regulated affiliates have achieved conformity with the Standards.

We believe that it is important to maintain high standards for investors, and improve them over time.

SBAI Conformity

CQS Cayman Limited Partnership and its relevant regulated affiliates is in conformity with the Standards set out by the Standards Board for Alternative Investments for its non-captive co-mingled hedge funds.

About the SBAI

The Standards Board for Alternative Investments (SBAI) is an industry-led exercise in market discipline. Investors and managers have developed the Standards which are based on a “comply-or-explain” regime and applicable to alternative investment fund managers. They cover the areas of Disclosure, Valuation, Risk Management, Governance and Shareholder Conduct. The Standards can be viewed at www.sbai.org.

Signatories to the Standards are required to make available to their existing and prospective investors a Disclosure Statement in relation to their conformity with the Standards as well as provide an explanation on which Standard(s) they choose not to comply with and explain their approach.



As part of the annual attestation process, CQS has undertaken an internal review of the Standards/Guidance as detailed in SBAl's website:

<http://www.sbai.org/wp-content/uploads/2016/04/SBAI-Standards-2017.pdf>.

We can confirm that the applicable Standards/Guidance contained in the following sections have been reviewed internally and we can also confirm that CQS has appropriate policies, procedures, process and mitigating risk controls for these Standards.

Sections:

- 1-4 Disclosure*
- 5 - 8 Valuation*
- 9 - 20 Operational Risk*
- 21 - 22 Governance*
- 23 - 28 Shareholder Conduct*

Disclaimer:

No responsibility, duty of care or liability whatsoever (whether in contract or tort or otherwise including, but not limited to, negligence) is or will be accepted by the Standards Board for Alternative Investments Limited ("SBAl"), the Board of Trustees of the SBAl, any member of the SBAl's Investor Chapter (each an "Investor Chapter Member") or a Core Supporter of the SBAl to Signatories, investors or any other person in connection with the Standards or any Conformity Statement or Disclosure Statement made by any Signatory. A Core Supporter can be a Signatory to the Standards, a member of the SBAl's Investor Chapter or an investment consultant.

Neither the SBAl nor its Board of Trustees is a regulator of the alternative investment industry and their role does not extend beyond being a custodian of the Standards. None of the SBAl, its Board of Trustees, the Investor Chapter Members and the Core Supporters will seek to enforce compliance with the Standards by Signatories. The fact that a manager is a Signatory to the Standards is not and should not be taken as an endorsement of such manager by the SBAl, the Board of Trustees, any Investor Chapter Member or any Core Supporter or as a representation by the SBAl, the Board of Trustees, any Investor Chapter Member or any other Core Supporter that such Signatory operates in conformity with the Standards. In determining whether to accept a manager's application to become a Signatory (or whether to revoke a manager's status as a signatory), the Board of Trustees is entitled to rely on the information provided to it by such manager without further investigation or verification. Further, subject to any duties a Trustee may have under applicable law, it is not envisaged, or expected, that a Trustee will when participating in any such decision of the Board of Trustees take into consideration information which it may possess otherwise than in its capacity as a Trustee. For the avoidance of doubt, Trustees act as individuals.

None of the SBAl, the Board of Trustees of the SBAl, the Investor Chapter Members and the other Core Supporters accept any responsibility or liability for any loss or damage caused to any person who acts or refrains from acting as a result of anything contained in or omitted from the Standards or any Conformity Statement or Disclosure Statement made by any Signatory or in reliance on the provisions of or material in the Standards or any Conformity Statement or Disclosure Statement made by any Signatory, whether such loss or damage is caused by negligence or otherwise.