

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input type="checkbox"/> a single-employer plan; <input checked="" type="checkbox"/> a DFE (specify) <u>E</u>
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information						
1a Name of plan <u>CIF SMAURORA FUND LTD</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>005</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2012</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>005</u>	1c Effective date of plan <u>01/01/2012</u>			
1b Three-digit plan number (PN) ▶	<u>005</u>						
1c Effective date of plan <u>01/01/2012</u>							
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>AURORA INVESTMENT MANAGEMENT LLC</u> <u>300 NORTH LASALLE STREET</u> <u>52ND FLOOR</u> <u>CHICAGO, IL 60654</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>36-4040234</u></td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number <u>312-762-6700</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>523900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>36-4040234</u>		2c Sponsor's telephone number <u>312-762-6700</u>		2d Business code (see instructions) <u>523900</u>	
2b Employer Identification Number (EIN) <u>36-4040234</u>							
2c Sponsor's telephone number <u>312-762-6700</u>							
2d Business code (see instructions) <u>523900</u>							

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE			
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/03/2014</u>	<u>JOSEPH SULLIVAN</u>
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address		3b Administrator's EIN
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:		3c Administrator's telephone number
a Sponsor's name		
5 Total number of participants at the beginning of the plan year		4b EIN
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		4c PN
a Active participants		5
b Retired or separated participants receiving benefits		
c Other retired or separated participants entitled to future benefits		6a
d Subtotal. Add lines 6a , 6b , and 6c		6b
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6c
f Total. Add lines 6d and 6e		6d
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6e
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6f
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		6g
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:		6h
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		7

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	(1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules	b General Schedules
(1) <input type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> A (Insurance Information)
	(4) <input type="checkbox"/> C (Service Provider Information)
	(5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> G (Financial Transaction Schedules)

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>CIF SMAURORA FUND LTD</u>	B Three-digit plan number (PN) ►	<u>005</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>AURORA INVESTMENT MANAGEMENT LLC</u>	D Employer Identification Number (EIN) <u>36-4040234</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name [DETAILS AVAILABLE UPON REQUEST](#)

b Name of plan sponsor	c EIN-PN
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a Plan name

b Name of plan sponsor	c EIN-PN
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a Plan name

b Name of plan sponsor	c EIN-PN
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a Plan name

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a Plan name

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a Plan name

b Name of plan sponsor	c EIN-PN
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a Plan name

b Name of plan sponsor	c EIN-PN
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a Plan name

b Name of plan sponsor	c EIN-PN
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a Plan name

b Name of plan sponsor	c EIN-PN
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a Plan name

b Name of plan sponsor	c EIN-PN
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SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>CIF SMAURORA FUND LTD</u>	B Three-digit plan number (PN) ▶	<u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AURORA INVESTMENT MANAGEMENT LLC</u>	D Employer Identification Number (EIN) <u>36-4040234</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	7226691	9781719
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	744920	379092
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	104219637	113105549
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	5831604	5225000

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	118022852	128491360

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	282052	640212
i Acquisition indebtedness	1i		
j Other liabilities	1j	7901514	8215705
k Total liabilities (add all amounts in lines 1g through 1j)	1k	8183566	8855917

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	109839286	119635443
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	288	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		288
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	22576543	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	20348559	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		2227984
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	9822057	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		9822057

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		12050329

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		0
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		76513
i Administrative expenses: (1) Professional fees	2i(1)	29046	
(2) Contract administrator fees	2i(2)	45638	
(3) Investment advisory and management fees	2i(3)	863204	
(4) Other	2i(4)	1239771	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2177659
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2254172

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		9796157
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICEWATERHOUSECOOPERS LLC

(2) EIN: 13-4008324

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a			
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
l Has the plan failed to provide any benefit when due under the plan?			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☐ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN
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CIF SMAURORA FUND LTD.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2013

AUDITED FINANCIAL STATEMENTS
For the year ended 31 December 2013

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CIF SMAURORA FUND LTD.

COMPANY INFORMATION

DIRECTORS	Mr. Scott Montpas Mr. Ronan Daly (Independent Director) Mr. Clarendon Hugh (Hal) Masters (Independent Director)
REGISTERED OFFICE	CIF SMAurora Fund Ltd. c/o Citco Trustees (Cayman) Limited 89 Nexus Way, 2 nd Floor Camana Bay P.O. Box 31106 Grand Cayman, Cayman Islands KY1-1205
INVESTMENT MANAGER	Aurora Investment Management L.L.C. 300 North LaSalle Street, 52 nd Floor Chicago, Illinois 60654
ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT	Citco Fund Services (Cayman Islands) Limited 89 Nexus Way, 2 nd Floor Camana Bay P.O. Box 31106 Grand Cayman, Cayman Islands KY1-1205
LEGAL ADVISORS	Walkers Walker House, 87 Mary Street George Town, Grand Cayman Cayman Islands
CUSTODIAN	J.P. Morgan Trust Company (Cayman), Limited CIBC Financial Centre 11 Dr. Roy's Drive George Town, Grand Cayman Cayman Islands
INDEPENDENT AUDITORS	PricewaterhouseCoopers Strathvale House P.O. Box 258, GT George Town, Grand Cayman KY1-1104 Cayman Islands



Independent Auditor's Report

To the Board of Directors of CIF SMAurora Fund Ltd

We have audited the accompanying financial statements of CIF SMAurora Fund Ltd (the "Fund"), which comprise the statement of assets and liabilities, including the condensed schedule of investments, as of December 31, 2013, and the related statements of operations, of changes in net assets, and of cash flows for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CIF SMAurora Fund Ltd at December 31, 2013, and the results of its operations, changes in its net assets, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A stylized, handwritten-style signature of "PricewaterhouseCoopers" in black ink.

March 26, 2014

STATEMENT OF ASSETS AND LIABILITIES
As at 31 December 2013

	US\$
Assets	
Cash	379,092
Investments in private investment funds, at fair value (Cost: US\$95,759,319)	113,105,549
Receivables from private investment funds	9,730,389
Contributions paid in advance to private investment funds	5,225,000
Margin receivable	51,330
	<hr/>
Total Assets	128,491,360
	<hr/>
Liabilities	
Borrowings under line of credit	8,199,042
Fees payable to investment manager	570,681
Unrealized depreciation on derivative contracts	16,663
Interest expense payable	3,876
Accrued expenses and other payables	65,655
	<hr/>
Total Liabilities	8,855,917
	<hr/>
Net Assets	119,635,443
	<hr/>
<u>Net asset value and shares in issue per share series as at 31 December 2013</u>	
Shares outstanding	105,000.00
NAV	US\$1,139.39

The accompanying notes are an integral part of these financial statements.

CONDENSED SCHEDULE OF INVESTMENTS
As at 31 December 2013

	Cost US\$	Fair Value US\$	% of Net Assets
Private Investment Funds			
British Virgin Islands*			
Event-Driven	2,075,000	3,119,915	2.61%
Long/Short Credit			
Thoroughbred Offshore Fund Ltd.	5,198,911	7,890,359	6.60%
Other Long/Short Credit	300,000	426,607	0.36%
Total Long Short Credit	5,498,911	8,316,966	6.96%
Long/Short Equities**	5,123,331	6,025,013	5.03%
Total British Virgin Islands	12,697,242	17,461,894	14.60%
Cayman Islands*			
Event-Driven**	8,384,626	10,004,039	8.36%
Long/Short Credit			
Redwood Offshore Fund Ltd.	4,900,000	6,962,031	5.82%
Other Long/Short Credit**	10,686,407	14,308,143	11.96%
Total Long Short Credit	15,586,407	21,270,174	17.78%
Long/Short Equities**	20,874,470	25,412,244	21.24%
Macro**	21,083,468	22,099,679	18.47%
Opportunistic**	7,040,732	8,387,215	7.01%
Portfolio Hedge**	8,942,374	7,282,240	6.09%
Total Cayman Islands	81,912,077	94,455,591	78.95%
Ireland*			
Macro	1,150,000	1,188,064	0.99%
Total Ireland	1,150,000	1,188,064	0.99%
Total investments in private investment funds	95,759,319	113,105,549	94.54%
Derivative Contracts - Liabilities			
S&P 500 Index Futures Contracts	—	(16,663)	(0.01)%
Total Derivative Contracts - Liabilities	—	(16,663)	(0.01)%

*Represents domicile of underlying private investment funds.

**No individual investment is greater than 5% of net assets.

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS
For the year ended 31 December 2013

	US\$
Gain/(loss) from investments and derivative contracts	
Net realized gain on investments	2,394,384
Net realized loss on derivative contracts	(166,400)
Net change in unrealized appreciation on investments	9,839,470
Net change in unrealized depreciation on derivative contracts	(17,413)
	<hr/>
Total realized and unrealized gain from investments and derivative contracts	12,050,041
	<hr/>
Net investment income/(loss)	
Investment income:	
Interest income	288
	<hr/>
Operating expenses	
Performance fees	(1,088,464)
Management fees	(863,204)
Commitment fees	(85,706)
Interest expense	(76,513)
Administration fees	(45,638)
Professional fees	(29,046)
Other operating expenses	(23,218)
Custodian fees	(22,337)
Directors' fees	(20,046)
	<hr/>
Total operating expenses	(2,254,172)
	<hr/>
Net investment loss	(2,253,884)
	<hr/>
Net increase in net assets from operations	9,796,157
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS
For the year ended 31 December 2013

	US\$
Net Assets	
1 January 2013	109,839,286
Subscriptions	—
Redemptions	—
Transfers	—
Net increase in net assets from operations	<u>9,796,157</u>
Net Assets	
31 December 2013	<u><u>119,635,443</u></u>

	US\$
Shares outstanding at	
1 January 2013	105,000
Shares collapsed	—
Shares issued	—
Shares transferred	—
Shares redeemed	<u>—</u>
Shares outstanding at	
31 December 2013	<u><u>105,000</u></u>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
For the year ended 31 December 2013

	US\$
Cash flows from operating activities:	
Net increase in net assets from operations	9,796,157
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:	
Purchase of investments	(19,395,000)
Sale of investments	22,742,942
Net realized gain on investments	(2,394,384)
Net unrealized appreciation on investments	(9,839,470)
Net unrealized depreciation on derivative contracts	17,413
Increase in receivables from private investment funds	(2,530,428)
Decrease in contributions paid in advance to private investment funds	600,000
Increase in margin receivable	(24,600)
Decrease in other assets	5,854
Increase in fees payable to investment manager	353,141
Decrease in interest expense payable	(905)
Increase in accrued expenses and other payables	5,924
Net cash used in operating activities	(663,356)
Cash flows from financing activities	
Net increase in borrowings under line of credit	297,528
Net cash provided by financing activities	297,528
Net decrease in cash	(365,828)
Beginning cash	744,920
Ending cash	379,092
Supplemental disclosure of cash flow information	
Interest paid	77,418

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. Description of Business

CIF SMAurora Fund Ltd. (the “Fund”) was incorporated as an exempted company on 3 August 2011 under the laws of the Cayman Islands and commenced operations on 1 January 2012. The Fund maintains its registered office in the Cayman Islands.

The Fund is organized to invest and trade directly and indirectly in securities and other financial instruments through advisory accounts and investments in private investment funds. The Fund’s investment objective is to generate consistent long-term capital appreciation with low volatility and little correlation with the equity and bond markets through a portfolio having a diversified risk profile.

The Fund is operated by its Board of Directors. The Fund’s Board of Directors consists of three directors: Mr. Scott Montpas, Mr. Ronan Daly and Mr. Clarendon Hugh (Hal) Masters. Mr. Scott Montpas is the General Counsel and Chief Compliance Officer of Aurora Investment Management L.L.C. (the “Investment Manager”), the investment manager of the Fund. Additional Directors may be appointed from time to time.

2. Significant Accounting Policies

The financial statements are expressed, and the accounting records are maintained, in U.S. Dollars (“US\$”) and have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of these financial statements requires the Fund’s management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Fund has an administration agreement with Citco Fund Services (Cayman Islands) Limited (the “Administrator”). The Administrator performs certain day-to-day administrative tasks on behalf of the Fund. These tasks include maintaining the Fund’s books and records, processing investor transactions, and calculating fees and investors’ share capital. In accordance with the Fund’s Confidential Information Memorandum (“Offering Memorandum”), the Administrator values the Fund’s investments in private investment funds at fair value, which is generally an amount equal to the sum of the capital accounts or net asset value of the private investment funds determined from unaudited financial data supplied by the administrators of the underlying private investment funds. Observable prices for these investments are not quoted in an active market. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The Investment Manager has assessed the net asset value of each private investment fund in accordance with authoritative guidance on fair value measurements and disclosures under U.S. GAAP. See Note 4 for further discussion.

Investment transactions are accounted for on a trade date basis. The cost of investments is determined using the first in, first out method. All realized and unrealized gains and losses are included in the Statement of Operations.

Cash is held at JPMorgan Chase Bank, N.A.

Income and expenses are accounted for on an accrual basis.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

2. Significant Accounting Policies (Continued)

Futures contracts are recorded on the trade date and are valued at the closing price on the last business day of the year. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or liquid securities equal to a specified percentage of the contract amount. Subsequent payments are made or received by the Fund, depending on the fluctuation of the value of the contract, and this balance is reflected as margin receivable or payable on the Statement of Assets and Liabilities. The difference between the original contract amount and the market value of the open futures position is reflected as unrealized appreciation/depreciation on derivative contracts on the Statement of Assets and Liabilities and as change in unrealized appreciation/depreciation on derivative contracts in the Statement of Operations. When the contract is closed or expired, a realized gain or loss is recognized equal to the difference between the value of the contract on the closing date and the original contract amount, and is included in net realized gain/(loss) on derivative contracts in the Statement of Operations.

Contributions paid in advance to private investment funds represent investments in private investment funds effective 1 January 2014. Contributions paid in advance to private investment funds do not participate in the earnings of the underlying private investment funds until such interests are issued.

There were no shareholder subscriptions received in advance at 31 December 2013.

There were no shareholder redemptions at 31 December 2013.

In December 2011, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") No. 2011-11: Disclosures about Offsetting Assets and Liabilities ("netting") on the Statement of Assets and Liabilities, that are subject to master netting arrangements or similar agreements. ASU 2011-11, as amended by ASU No. 2013-01 clarifies which investments and transactions are subject to the netting disclosure. The scope of the disclosure requirements is limited to derivative instruments, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions. This information will enable users of the Fund's financial statements to evaluate the effect or potential effect of netting arrangements on the Fund's financial position. The ASU is effective for financial statements with fiscal years beginning on or after January 1, 2013 and interim periods within those fiscal years. The Fund adopted the disclosure requirement on netting for the current reporting period.

For financial reporting purposes, the Fund does not offset financial assets and financial liabilities that are subject to master netting arrangements or similar agreements on the Statement of Assets and Liabilities.

3. Investments in Private Investment Funds

At 31 December 2013, the majority of the Fund's assets were allocated to various private investment funds. The Investment Manager may reallocate assets among the Fund's investments at any time. The Fund receives annual audited financial statements from each of the private investment funds.

The private investment funds execute many investment strategies, including several types of arbitrage, event driven and directional strategies (e.g., long/short equities, relative value, long/short credit, volatility trading and capital structure arbitrage). At times, private investment funds focused on implementing a particular strategy may make an opportunistic trade representing a different trading approach. For example, in seeking to identify a relatively mispriced pair of assets, a private investment fund may conclude that an asset is sufficiently over or underpriced to merit taking an outright directional position. Each investment strategy involves specific risks which are summarized in the Offering Memorandum.

Private investment funds are continually developing new, and adapting and refining existing, strategies. There is no material limitation on the strategies that the private investment funds may apply and no assurance as to which types of strategies may be applied at any one time. In addition, there is no limitation on the investment instruments in which a private investment fund may invest. New investment instruments are continually developing and investment in such instruments may involve material and as yet unanticipated risks.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

3. Investments in Private Investment Funds (Continued)

The private investment funds may use leverage by purchasing instruments with the use of borrowed funds, by trading derivatives or through other means. To the extent the private investment funds choose to utilize leverage, they increase the opportunity for a higher return on investment and they increase the risk of loss.

The Fund has the ability to liquidate its investments periodically, ranging from monthly to every three years, depending on the provisions of the respective private investment fund's governing agreement. Contribution requirements may also vary based on each private investment fund's governing agreement. Investment advisers of the private investment funds generally receive fees for their services. These fees include management fees based upon the value of the Fund's investment, as well as performance fees or allocations based upon new net trading profits earned by the Fund. These fees are deducted directly from the Fund's investment balance in accordance with the terms of each respective private investment fund's governing agreement.

The management fees charged by the private investment funds range from 0.75% to 2% annually of net assets, and performance fees or allocations charged by private investment funds range from 0% to 30% of new net trading profits, as defined in each private investment fund's governing agreement. Certain private investment funds may have expense reimbursement arrangements rather than or in addition to management fees, which are deducted directly from the Fund's investment balance.

The following table summarizes the Fund's investments in private investment funds that represent 5% or more of its shareholder's net assets at 31 December 2013:

	% of Net Assets	Fair Value US\$	Unrealized Gain/(Loss) US\$	Liquidity
Redwood Offshore Fund, Ltd.	5.82 %	6,962,031	2,062,031	Biennial
Thoroughbred Offshore Fund Ltd.	6.60 %	7,890,359	2,691,448	Annual

4. Fair Value Measurements

In accordance with the authoritative guidance on fair value measurements and disclosures under U.S. GAAP, the Fund discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under fair value measurements are as follows:

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and
- Level 3 Inputs that are unobservable.

Inputs broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk.

The Fund's Board of Directors is responsible for the valuation process and has delegated responsibility for the Fund's valuation to the Administrator. The Investment Manager performs oversight of the monthly valuation process through a Fair Valuation Committee ("Valuation Committee"). The Valuation Committee, pursuant to the valuation policies adopted by the Investment Manager, is responsible for making fair value recommendations, if deemed necessary, and are reported to the Board of Directors for approval.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

4. Fair Value Measurements (Continued)

The Fund generally invests in private investment funds whose reported net asset value (“NAV”) generally serves as the basis for the investor’s periodic subscription and redemption activity pursuant to the terms of the private investment fund’s governing documents. The reported NAV serves as both the entry price (for subscriptions) and, depending on the facts and circumstances, the exit price (for redemptions). Depending on the redemption options available, it may be possible that the reported NAV represents fair value based on observable data such as ongoing redemption and/or subscription activity. The Investment Manager generally uses the reported NAV of the private investment fund reported by the administrator of the underlying private investment fund as the primary input to its valuation.

A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Investment Manager’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and the Investment Manager considers factors specific to the financial instrument.

All of the Fund’s private investment funds have been classified within Level 2 or Level 3, and the Fund does not hold any private investment funds that could be classified as Level 1, as observable prices for investments in those funds are typically not quoted prices in an active market.

The ability to redeem the Fund’s investment, determined by investment lot, within one year of the Statement of Assets and Liabilities date is considered indicative of a Level 2 observable input and classified as Level 2 within the fair value hierarchy. Investment lot liquidity terms that permit redemption within 12 months for a redemption fee of 5% or less are included as Level 2.

In the aggregate, the Investment Manager has determined that the Fund may realize approximately (a) 92.08% of its net asset value within 12 months and (b) 7.47% of its net asset value from the underlying private investment funds beyond 12 months according to the private investment funds’ contractual redemption terms. Approximately 0.45% of its net asset value is comprised of designated investments with no fixed redemption terms.

Liquidity of individual private investment funds vary based on various factors and may include gates or side pockets imposed by the private investment fund. In the case of the imposition of a gate or existence of a side pocket, the Investment Manager’s ability to validate or verify the NAV through redemptions is impaired and the interest is generally classified as Level 3. The Fund holds side pockets and expects to continue to hold side pockets as per the terms of the private investment funds’ offering memoranda. There were no gates imposed by private investment funds as of 31 December 2013.

Of the private investment funds representing Level 3 investments, 100% were valued at the unaudited NAV determined by the administrators of the underlying investments.

There were no unfunded commitments to private investment funds as of 31 December 2013.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013
4. Fair Value Measurements (Continued)

The following table presents the investments in private investments funds and unrealized appreciation/(depreciation) on derivative contracts carried on the Statement of Assets and Liabilities by level within the valuation hierarchy as of 31 December 2013.

	Fair Value as at 31 December 2013			
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Investment in private investment funds	–	103,624,577	9,480,972	113,105,549
Derivative Contracts - Liabilities				
S&P Index futures contracts	(16,663)	–	–	(16,663)
Total	(16,663)	103,624,577	9,480,972	113,088,886
	(0.01) %	91.63 %	8.38 %	100.00 %

See Condensed Schedule of Investments for further disclosure of strategy and domicile information.

The following table lists investments by major category.

Major Category	Fair Value US\$	Redemption Frequency*	Redemption Notice*
Event-Driven	13,123,954	Quarterly to Annual	60-95 days
Long/Short Credit	29,587,140	Quarterly to Biennial	30-90 days
Long/Short Equities	31,437,257	Monthly to Biennial	45-180 days
Macro	23,287,743	Monthly to Triennial	5-95 days
Opportunistic	8,387,215	Monthly to Annual	30-90 days
Portfolio Hedge	7,282,240	Monthly to Annual	15-60 days
	<u>113,105,549</u>		

*Redemption frequency and redemption notice periods exclude designated investments, which have no fixed redemption terms.

Event-Driven strategies generally include investments in securities of firms involved in identifiable corporate actions, such as mergers, acquisitions, restructuring, spin-offs, shareholder activism, or other special situations which alter a company's financial structure or operating strategy. Long/Short Credit strategies generally take both long and short positions in credit related instruments, such as corporate bonds, bank loans, trade claims, emerging market debt and credit derivatives. Long/Short Equities strategies generally involve taking both long and short positions in equity securities that are deemed to be under or overvalued. Macro strategies generally involve discretionary or systematic, directional or relative value trading in currencies, commodities, fixed income investments and equities. Opportunistic strategies generally involve portfolio managers exercising discretion in allocating capital among several types of arbitrage, event driven and directional strategies. Portfolio Hedge strategies generally seek to profit from declining security prices through short positions in the equity or debt (or similar functioning derivatives) of companies with unfavorable prospects. The major categories are described further in the Offering Memorandum.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

4. Fair Value Measurements (Continued)

The following table presents changes in investments in private investment funds classified within Level 3 for the year ended 31 December 2013.

	Investments in private investment funds US\$
Balance at 31 December 2012	25,041,452
Net transfers from Level 3	(16,219,919)
Subscriptions	1,486,710
Redemptions	(1,909,690)
Gain/(Loss)	
Realized	431,832
Unrealized	650,587
Balance at 31 December 2013	9,480,972

All net realized and unrealized gain (loss) in the table above are reflected in the accompanying Statement of Operations. The change in net unrealized gain included in the Statement of Operations attributed to Level 3 investments held in private investment funds as of 31 December 2013 was US\$1,122,295.

For the year ended 31 December 2012, the net transfers out of or into Level 3 represent transfers between Level 2 and Level 3. There were no transfers between Level 1 and Level 2 for any financial instruments. \$16,219,919 of private investment funds was transferred from Level 3 into Level 2. These transfers occurred as a result of the Fund's ongoing assessment of the liquidity terms of the Fund's private investment funds by lot and of the net transfers into designated investments by the Fund's private investment funds. All transfers are recorded at beginning of period fair values.

5. Derivative Contracts

In the normal course of business, the Fund invests in derivative contracts. The derivative contracts that the Fund trades are futures contracts. These instruments are subject to various risks similar to non-derivative instruments, including market, liquidity, counterparty and off-balance sheet risks. The Fund manages these risks for its derivative contracts and non-derivative investments on an aggregate basis.

Market risk represents the risk of adverse movements in markets for the derivatives or the underlying asset or index to which the derivative relates. The Fund purchases derivatives to hedge exposure to underlying assets, rather than to speculate on market movements. An adverse movement in the market prices of the derivatives will be offset, in part or in whole, by the opposite movement in the underlying asset or index if the hedges perform on a correlated basis as intended. Thus, the Fund is typically neutral with respect to market risk as it relates to derivatives, however there is a risk that the expected correlation differs to actual and the Fund could lose money.

A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date. The Fund may use equity index futures contracts to seek to reduce the Fund's exposure to general stock market movements. The Fund purchases S&P 500 equity index futures contracts to supplement the Fund's allocations to underlying funds that engage in the Portfolio Hedge strategy and to attempt to hedge against overall equity market risk. The Fund purchases and sells futures contracts on an exchange and has the ability to liquidate the contracts quickly under normal market conditions, which allows it to mitigate market risk.

Liquidity risk represents the possibility that the Fund may not be able to rapidly adjust the size of a position in times of high volatility and financial stress at a reasonable price. The Fund restricts its exposure to liquidity risk by trading in futures markets that the Investment Manager considers readily realizable.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013
5. Derivative Contracts (Continued)

Counterparty risk is the risk that a counterparty will fail to perform the contractual obligations under the contract. Counterparty risk is minimized as the Fund's counterparties are the exchanges where such futures are traded.

Off-balance sheet risk refers to situations where the maximum potential loss on a particular investment is greater than the value of the asset or liability reflected on the Statement of Assets and Liabilities. Notional amounts are the underlying reference amounts on which the fair value of the derivatives traded by the Fund are based. While notional amounts do not represent the current fair value and are not necessarily indicative of the future cash flows of the Fund's derivatives, the underlying price changes in relation to the variables specified by the notional amounts affect the fair value of these derivative financial instruments.

For the year ended 31 December 2013, the average number of futures contracts outstanding was 9 lots per month.

Impact of Derivatives on the Statement of Assets and Liabilities

The following table identifies the fair value and notional amounts of derivative instruments included in the Statement of Assets and Liabilities within unrealized appreciation/(depreciation) on derivative contracts at 31 December 2013. Balances are presented on a gross basis prior to the application of the impact of counterparty and collateral netting.

	Notional Amount Assets	Notional Amount Liabilities	Derivative Assets	Derivative Liabilities
S&P 500 Index futures contracts	\$ –	\$ (460,275)	\$ –	\$ (16,663)
Total	<u>\$ –</u>	<u>\$ (460,275)</u>	<u>\$ –</u>	<u>\$ (16,663)</u>

Impact of Derivatives on the Statement of Operations

The following table identifies the net gain/(loss) amounts included in the Statement of Operations within realized and unrealized gain/(loss) on derivative contracts for the year ended 31 December 2013:

	Amount of Net Realized Gain/(Loss)	Amount of Net Change in Unrealized Gain/(Loss)
S&P 500 Index futures contracts	\$ (166,400)	\$ (17,413)
Total loss	<u>\$ (166,400)</u>	<u>\$ (17,413)</u>

As of 31 December 2013, derivative assets and liabilities did not have the ability to offset.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

6. Share Capital

The Fund has an authorized share capital of US\$50,000 consisting of 5,000,000 shares, (the “Shares”), par value US\$0.01 each, which may be issued as separate classes as the Board of Directors so determines.

As of and for the year ended 31 December 2013, one investor owned 100% of outstanding shares.

The Shares are entitled to receive any dividends which may be declared by the Directors; however, the Fund does not anticipate declaring or paying any such dividends. Each Share will participate ratably with all other outstanding Shares in the Fund’s assets and earnings, will have the redemption rights discussed below and generally is entitled to one vote. Shares are offered on the first business day of each calendar month (the “Dealing Day”) in the discretion of the Directors. On their initial Dealing Day, Shares will be issued at US\$1,000 per Share and thereafter at the then current net asset value per Share. Upon the shareholder’s written consent, Shares of any new class or series may be issued at the then current net asset value per Share or at US\$1,000 per Share as determined by the Fund in consultation with the shareholder. Performance fees may be determined separately for each class or series of Shares outstanding.

7. Taxation

Under current laws of the Cayman Islands, there are no income, estate, corporation, capital gains or other Cayman Islands taxes payable by the Fund. As a result, no provision for taxes has been made in the financial statements.

The Fund follows the authoritative guidance on accounting for and disclosure of uncertainty in tax positions, which require the Investment Manager to determine whether a tax position of the Fund is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Investment Manager has evaluated tax positions for the years 2012 (commencement of operations) and 2013 and has determined that there was no effect on the financial statements.

8. Fees

The Investment Manager earns a monthly management fee equal to one-twelfth of 0.75% (0.75% per annum) of the month-end asset value, after reduction for all other fees and expenses for the month (other than the current month’s management and performance fees or ongoing selling commissions, if any). Management fees payable at year end were US\$79,871.

The Investment Manager is paid 10% of any new profits, as defined in the Offering Memorandum. Performance fees are accrued monthly for each series of Shares and paid on a quarterly basis. Performance fees payable at year end were US\$490,810.

The Administrator performs certain day-to-day administrative tasks on behalf of the Fund. These tasks include maintaining the Fund’s books and records, processing shareholder transactions, and calculating fees and net asset values. The Administrator receives a monthly administration fee at an annual flat rate of 0.04% of the Fund’s net assets. Administration fees payable at year end were US\$7,854.

Directors’ fees are allocated evenly to the two independent Directors. Mr. Scott Montpas, being an officer of the Investment Manager, is not paid a fee. Directors fees payable at year end were US\$7,566.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

9. Allocation of Income and Loss

In general, profits and losses, before management fees and performance fees, as applicable are allocated in proportion to the respective share holding values at the beginning of each month, adjusted for any capital subscriptions or redemptions. Subscriptions and redemptions are governed by the Offering Memorandum. Subscriptions are generally accepted on a monthly basis. The Fund's ability to satisfy redemption requests is largely contingent upon its ability to redeem assets from private investment funds. Redemptions could generally be made as of the end of any calendar quarter upon 95 days' prior written notice to the Administrator.

10. Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. There were no transactions with related parties other than those in the normal course of business. The Investment Manager and the Board of Directors are deemed to be related to the Fund. Fees incurred with related parties during the period are disclosed in the Statement of Operations. Amounts payable to related parties at 31 December 2013 are disclosed in Note 8.

11. Contingencies

In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as any such exposure would result from future claims that may be, but have not yet been, made against the Fund based on events which have not yet occurred. However, based on experience, the Fund believes the risk of loss from these arrangements to be remote.

12. Custody of Assets

The Fund has a custodial agreement with J.P. Morgan Trust Company (Cayman) Limited (the "Custodian"). Services rendered by the Custodian principally include receipt, disbursement and safekeeping of all money and receipt of all property held for the Fund's accounts.

13. Line of Credit Arrangements

The Fund maintains a committed, secured line of credit with Credit Suisse International. The facility has the following terms: (a) interest rate of three-month LIBOR plus 1.75%, (b) commitment fee of 0.75% per annum, and (c) a committed amount of US\$15,000,000. The Custodian holds cash and the investments in private investment funds of the Fund under a general lien as collateral for the line of credit. As of 31 December 2013, the Fund had a line outstanding of US\$8,199,042, and three-month LIBOR plus 1.75% was equal to 2.00%.

There is no guarantee that the Fund's borrowing or other arrangements for obtaining leverage will continue to be available or available on terms and conditions acceptable to the Fund. Unfavorable economic conditions could also increase funding costs, limit access to the capital markets or result in a decision by lenders not to extend credit to the Fund.

NOTES TO FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2013

14. Financial Highlights

Per unit realized and unrealized gain and net investment income/(loss) has been determined on the basis of the weighted average number of units outstanding during the period. The ratios do not reflect the Fund's proportionate share of income and expenses of the underlying private investment funds.

Per Share Operating Performance

NAV 1 January 2013	\$	1,046.09
Net investment loss		(21.46)
Net realized and unrealized gain		114.76
NAV 31 December 2013	\$	<u>1,139.39</u>

Ratios to average net assets

Total expenses before performance fee	(1.02)	%
Performance fee	<u>(0.95)</u>	%
Total expenses after performance fee	<u>(1.97)</u>	%
Net investment loss	<u>(1.97)</u>	%
Total return before performance fee	9.91	%
Performance fee	<u>(0.99)</u>	%
Total return after performance fee	<u>8.92</u>	%

15. Subsequent Events

Subsequent events have been evaluated for events that occurred after the balance sheet date through 26 March 2014, the date the financial statements are available for issuance. No events have occurred between 31 December 2013 and 26 March 2014 that require disclosure in or adjustment to the financial statements.

Please see the attached Accountant's Opinion for the Schedule of Assets Held.