

# ALTERNATIVE LIQUIDITY FUND LIMITED

Fact Sheet as of March 31, 2016

TICKER: ALF

## DESCRIPTION

Alternative Liquidity Fund Limited (“ALF” or the “Company”) is a Guernsey domiciled, London Stock Exchange-traded closed ended investment company. Morgan Creek Capital Management is appointed as the Investment Manager with a mandate to realise ALF’s investments in an orderly and timely manner and return cash to investors.

## COMPANY INFORMATION

Investment Manager:	Morgan Creek Capital Management
Listing Date:	September 17, 2015
Subscriptions & Redemptions:	LSE Traded
Domicile:	Guernsey
Management Fee:	0.75% of net assets per annum

## SERVICE PROVIDERS

Custodian:	Citibank
Auditor:	Grant Thornton
Administrator:	Praxis Fund Service Ltd.

## ABOUT MORGAN CREEK

- Founded in 2004
- \$3.2 billion<sup>1</sup> AUM SEC Registered Investment Advisor
- Global footprint & industry network to gather market insight
- Philosophy incorporates diversification, alternative thinking, active management
- Experienced, multi-asset investment team
- Platform of closed and open-ended investment products

Dollar Share:	ORD
Bloomberg:	ALF.LN
Reuters:	ALF.L
ISIN:	GG00BYRGP65
SEDOL:	BYRGP66
Guernsey Legal:	Carey Olsen
UK Legal:	Dickson Minto
Registrar:	Capita

## PORTFOLIO OVERVIEW<sup>2</sup>

ASSET CLASS EXPOSURE	AS OF MARCH 31, 2016
Bonds/Credit	49.2%
Real Estate	36.3%
Equity	8.3%
Cash	4.8%
Other	1.3%

GEOGRAPHIC ALLOCATION <sup>3,4</sup>	AS OF MARCH 31, 2016
Europe	36.4%
Ukraine	20.4%
Czech Republic	1.3%
Americas	39.3%
Brazil	36.6%
Asia	22.4%
India	8.1%
Indonesia	4.5%
China	9.6%
Other	2.3%

SHARE DETAILS	AS OF MARCH 31, 2016
Net Asset Value	\$126,526,140
NAV per share	\$0.8663

SIGNIFICANT POSITIONS <sup>3</sup>	AS OF MARCH 31, 2016
Vision FCVS RJ Fund	15.8%
Growth Management & Growth Premier	13.1%
Ubique Cornerstone Fund	12.2%
Vision Eletrobras	12.0%
Abax Arhat Fund	9.1%
SFL Clover Limited	5.7%
Vision FCVS PB Fund	4.7%
South Asian Real Estate Limited	4.2%
3DPropCo Limited	3.9%
Ubique Gallois Fund	3.7%
Ubique Green Fund	2.2%
GLG Emerging Markets Growth Fund	1.7%
Argo Special Situations Fund	1.3%
Vision Tercado Fund	1.2%
Cash	4.5%
All Others	4.7%

## Performance Update

During the month of March 2016, ALF’s NAV per share increased by 3.85%, ending the period at a value of \$0.8663 per share. The primary driver of the gain was the strength of the Brazilian Real against the US Dollar. The Real, which had been a headwind for ALF over the prior few months, strengthened 10.6% against the dollar during March. Because of this, our marks for the Vision funds rose by a collective \$4.1 million since the previous NAV. The Ubique Funds added \$531,000 to their previous marks, also on dollar weakness.

ALF’s largest detractor for the month was Abax Arhat, which declined 1.9% during March and 2.4% for the first quarter. The loss was due to a change in pricing of one defaulted position in the portfolio. Other movements in the Fund’s marks were more modest, but mostly positive.

We have previously written about the recapitalization needs of a few of the Vision funds. On May 20, 2016 we received the recapitalization details for Vision PB. The proposal is for a one year loan of \$1 million with an interest rate of 70%. The proceeds of the loan will be used to cover working capital needs and to retire existing indebtedness of the fund. All shareholders have been invited to participate on a pro rata basis and hence avoid the dilutive effects of the high interest rate. For perspective on potential dilution, please note the Vision PB Fund’s current NAV is approximately \$100 million. The loan has been fully underwritten by one shareholder who will fund any portion of the loan not otherwise subscribed to by the fund’s other shareholders. We expect a similar proposal to be announced for the Vision RJ Fund.

1) Estimated total assets under management as of April 1, 2016. 2) There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. Due to rounding, totals may not add up to 100%. 3) Fund holdings are subject to change and should not be considered investment advice. 4) Geographic allocations exclude cash; Country allocations smaller than 1% not shown.

TICKER: ALF

## BOARD OF DIRECTORS

The Board comprises three Directors, all of whom are non-executive and independent of the Investment Manager. The Directors are responsible for the determination of the Company's investment policy and the overall supervision of the Company. The Directors are as follows:

**Quentin Spicer (Chairman):** Mr. Spicer is a resident of Guernsey. He qualified as a solicitor with Wedlake Bell in 1968 and became a partner in 1970 and became head of the Property Department. He moved to Guernsey in 1996 to become senior partner in Wedlake Bell Guernsey specialising in United Kingdom property transactions and secured lending for UK and non-UK tax resident entities. He is Chairman of a number of companies including Quintain Guernsey Limited, Summit Germany Limited and the Guernsey Housing Association LBG. He is also a non-executive director of several other property funds including Phoenix Spree Deutschland Limited. He is a member of the Institute of Directors.

**Dr. Richard Berman:** Dr. Berman is a UK resident. He has been involved with the investment management sector since 1989 as Managing Director of SabreCorp Limited. He was previously a Manager with Orion Bank Limited, Treasurer of Andrea MerzarioSpA, Group Treasurer of Heron Corporation plc, joint Managing Director and co-founder of Pine Street Investments Limited, and CEO and co-founder of Signet Capital Management Limited. He is a non-executive director of SaintyHird & Partners Limited. His experience includes advising on the establishment, regulation and management of funds and fund management companies in a range of jurisdictions. He has a PhD in History from the University of Exeter and an MA in Economics from the University of Cambridge. He is a Fellow of the Chartered Securities & Investment Institute, a Fellow of the Association of Corporate Treasurers and is a Visiting Research Fellow at Oxford Brookes University.

**Anthony Pickford (Chairman of the Audit Committee):** Mr. Pickford is a resident of Guernsey. He qualified as a Chartered Accountant in 1976. He moved to Guernsey in 1978 as an Audit Senior with Carnaby Harrower Barnham & Company (now Deloitte). In 1986 he joined Chandlers as a partner with a specialism in insolvency matter and advised a range of financial services companies and trading companies on insolvency matters as well as acting as financial adviser to local entities. He became Managing Director of the firm in 2000 and assumed the role of Chairman in 2004 until his retirement in 2008. He has previously been a non-executive director of several listed companies and is currently a Director of the Glanmore Property Fund Limited and a director of The Catholic National Mutual. He chairs the Audit Committee of the Catholic National Mutual and has served on the Investment Committee for many years.

For more information about  
Morgan Creek Capital Management:

[www.morgancreekfunds.com](http://www.morgancreekfunds.com)

[ALF@MORGANCREEKCAP.COM](mailto:ALF@MORGANCREEKCAP.COM)

1-855-MCFUNDS (623-8637)

## DISCLOSURES

**Alternative Liquidity Fund Limited Disclaimer:** Alternative Liquidity Fund Limited believes that the information displayed on this document is accurate as at the date of publication, but we do not guarantee the accuracy or currentness of any information and we disclaim all representations and warranties, whether express or implied, to the extent permitted by applicable law and regulation. Further, the information displayed may be amended by us at any time and without notice. By continuing to use this document, you agree to the exclusion by us, to the extent permitted by applicable law and regulation, of any and all liability for any direct, indirect, punitive, consequential, incidental, special or other damages, including, without limitation, loss of profits, revenue or data arising out of or relating to your use of and our provision of this document and its content. By proceeding, you are representing that you have understood and accepted the terms, conditions and restrictions noted herein.

**An investor should consider investment objectives, risks, charges and expenses of the Fund(s) carefully before investing. Please read the prospectus for complete information before investing.** Securities distributed through Morgan Creek Capital Distributors, LLC, Member FINRA/SIPC. Copyright © 2011 Morgan Creek Capital Management, LLC MORGAN CREEK is a registered service mark of Morgan Creek Capital Management, LLC. Morgan Creek Capital Management is also registered as a trade mark in the United Kingdom (registration number UK00003088978). All trademarks, service marks, and logos appearing on this Site are the exclusive property of their respective owners. The information on this Document is not an offer to sell or solicitation of an offer to buy an interest in any investment fund or for the provision of any investment management or advisory services. Morgan Creek Capital Management, LLC and its affiliates do not offer legal, accounting or tax advice.