

PROSPECTUS

fund name match3 ALPHA RATES TRADING FUND LIMITED

(a company incorporated with limited liability under the
laws of the Cayman Islands under registration number 263719)

	fund	name	match3	PARTNERS	LIMITED
(INVESTMENT MANAGER)					

fund name match3 PARTNERS LLP
(UK SUB-INVESTMENT MANAGER)

1 June 2014

DIRECTORY

**fund name match3 ALPHA RATES TRADING
FUND LIMITED**

Manager*

fund name match3 Partners (Offshore)
Ltd.

Investment Manager*

fund name match3 Partners Limited

* Where indicated by an asterisk, the relevant entity, person or address serves the same function in respect of, and applies to, the Master Fund.

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DEFINITIONS

“Administrator”	Citco Fund Administration (Cayman Islands) Limited;
“AIFMD”	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers;
“AIFMD Rules”	the provisions of: (i) Commission Delegated Regulation (EU) No 231/2013 supplementing AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision; and (ii) the provisions of any relevant national regulations or rules implementing AIFMD, in each case as may be altered, amended, added to or cancelled from time to time;
“Articles”	the Articles of Association of the Fund and/or the Master Fund, as the context requires;
“Benefit Plan Investor”	a benefit plan investor as defined on page vii;
“Business Day”	any day on which banks are open for business in London or Dublin and/or such other place or places as the Directors may from time to time determine;
“Calculation Period”	a calculation period as defined on page 35;
“Class”	a class of ordinary shares in the Fund;
“Class Account”	a class account as defined on page 33;
“Class A Non-Restricted NV Shares”	ordinary shares of par value US\$0.01 issued as Class A Non-Restricted NV Shares and issued in series;
“Class A Non-Restricted Shares”	ordinary shares of par value US\$0.01 issued as Class A Non-Restricted Shares and issued in series;
“Class A Restricted NV Shares”	ordinary shares of par value US\$0.01 issued as Class A Restricted NV Shares and issued in series;
“Class A Restricted Shares”	ordinary shares of par value US\$0.01 issued as Class A Restricted Shares and issued in series;
“Class A Shares”	Class A Non-Restricted Shares, Class A Restricted Shares, Class A Non-Restricted NV Shares and/or Class A Restricted NV Shares, as the context requires;
“Class B Non-Restricted Shares”	ordinary shares of par value €0.01 issued as Class B Non-Restricted Shares and issued in series;
“Class B Restricted Shares”	ordinary shares of par value €0.01 issued as Class B Restricted Shares and issued in series;
“Class B Shares”	Class B Non-Restricted Shares and/or Class B Restricted Shares, as the context requires;

“Class C Non-Restricted Shares”	ordinary shares of par value £0.01 issued as Class C Non-Restricted Shares and issued in series;
“Class C Restricted Shares”	ordinary shares of par value £0.01 issued as Class C Restricted Shares and issued in series;
“Class C Shares”	Class C Non-Restricted Shares and/or Class C Restricted Shares, as the context requires;
“Conversion Series”	as defined on page 25;
“Derivative Contract”	a cash-settled or physically-settled financial instrument, traded on an exchange or over-the-counter, the value of which is derived from the value of one or more underlying securities, equity indices, debt instruments, currencies, interest rates, commodities, other derivative instruments, assets, factors or any agreed upon pricing index or arrangement;
“Directors”	the members of the board of directors of the Fund and/or the Master Fund, as the context requires, for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time;
“ERISA”	the US Employee Retirement Income Security Act of 1974, as amended;
“Euro Shares”	Class B Shares;
“FCA”	the Financial Conduct Authority of the United Kingdom and any successor body carrying out all or part of the functions thereof applicable to the UK Sub-Investment Manager;
“FINRA”	the US Financial Industry Regulatory Authority;
“FINRA Rules”	the rules of FINRA, as the same may from time to time be amended;
“Founder Shares”	founder shares of par value US\$1.00 in the Fund;
“Fund”	fund name match3 Alpha Rates Trading Fund Limited;
“Ineligible Applicant”	an ineligible applicant as described on page 27;
“Investment Manager”	fund name match3 Partners Limited;
“Irish Stock Exchange”	The Irish Stock Exchange Limited;
“Management Fee”	the management fee payable by the Fund to the Manager;
“Management Shares”	ordinary shares of par value US\$0.01 issued as US\$ Management Shares, ordinary shares of par value €0.01 issued as Euro Management Shares and/or ordinary shares of par value £0.01 issued as Sterling Management Shares, as the context requires;
“Manager”	fund name match3 Partners (Offshore) Ltd.;

“Ma Fund”

fund name match3 Alpha Rates Trading Master Fund Limited;

“Minimum Holding”	US\$500,000 or the Euro or Sterling equivalent thereof, as applicable, or such lesser amount as the Directors may in any particular case determine;
“Net Asset Value”	the net asset value of the Fund, the Master Fund or a Class Account, as the case may be, as determined in accordance with the Articles;
“Net Asset Value per Share”	the Net Asset Value of the relevant Class Account divided by the number of Shares of the relevant Class or series, as appropriate, in issue or deemed to be in issue;
“New Issues”	as defined pursuant to Rule 5130 of the FINRA Rules, as amended, extended, consolidated, substituted or re-enacted from time to time, to include any initial public offering of an equity security as defined in Section 3(a)(11) of the US Securities Exchange Act 1934, as amended;
“Non-Restricted Persons”	non-restricted persons as defined on page 27;
“Non-Restricted Shares”	Class A Non-Restricted Shares, Class A Non-Restricted NV Shares, Class B Non-Restricted Shares and/or Class C Non-Restricted Shares, as the context requires;
“Non-United States Person”	(a) a natural person who is not a resident of the United States, (b) a partnership, corporation or other entity other than an entity organised principally for passive investment (in respect of which paragraph (d) below may apply), organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction, (c) an estate or trust, the income of which is not subject to United States income tax regardless of source, (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided that units of participation in the entity held by persons who do not qualify as Non-United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10 per cent of the beneficial interest in the entity and that such entity was not formed principally for the purpose of facilitating investment by persons which do not qualify as Non-United States Persons in a commodity pool with respect to which the commodity pool operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being Non-United States Persons, and (e) a pension plan for employees, officers or principals of an entity organised and with its principal place of business outside the United States;
“Non-Voting Shares”	Class A Non-Restricted NV Shares and/or Class A Restricted NV Shares, as the context requires;
“Performance Fee”	the performance fee payable by the Fund to the Manager;
“Prime Brokers and Custodians”	UBS AG, Morgan Stanley & Co. International plc and Barclays Bank PLC, the prime brokers and custodians to the Master Fund;

“Recognised Exchange”	any regulated market or exchange (which is an exchange within the meaning of the law of the country concerned relating to exchanges) in the European Union, the OECD, Hong Kong, Singapore and South Africa, NASDAQ, the market in US government securities which is conducted by primary dealers which are regulated by the Federal Reserve Bank of New York, the market in transferable securities conducted by primary dealers and secondary dealers which are regulated by the US Securities and Exchange Commission and by the National Association of Securities Dealers and the over-the-counter market in Tokyo regulated by the Securities Dealers Association of Japan and any other comparable regulated exchange or market as determined by the Directors;
“Redemption Day”	the first Business Day of each calendar month and/or such other day or days as the Directors may from time to time determine, provided that, subject to the powers of the Directors to declare a temporary suspension of redemptions, there will be at least one Redemption Day in each calendar month;
“Redemption Price”	the price per Share at which Shares of each series will be redeemed, calculated in the manner described on page 30;
“Restricted Person”	a restricted person as defined on page 26;
“Restricted Shares”	Class A Restricted Shares, Class A Restricted NV Shares, Class B Restricted Shares and/or Class C Restricted Shares, as the context requires;
“Shareholder”	a person recorded as a holder of Shares and/or Management Shares in the Fund’s register of shareholders;
“Shares”	Class A Shares, Class B Shares and/or Class C Shares, as the context requires;
“Side Arrangements”	a side arrangement as defined on page 44;
“Specified Credit Rating”	a minimum credit rating of P-1, A-1 or F-1 for short term debt from the credit agencies of Moody’s, Standard & Poor’s or Fitch, respectively;
“Sterling Shares”	Class C Shares;
“Sub-Investment Managers”	the UK Sub-Investment Manager and any other person from time to time appointed as a sub-investment manager of the Fund and/or the Master Fund;
“Subscription Day”	the first Business Day of each calendar month and/or such other day or days as the Directors may from time to time determine;
“Subscription Price”	€100 per Euro Share, US\$100 per US\$ Share and £100 per Sterling Share for each new series of Shares, or such other price as the Directors in their absolute discretion may determine;

“UK Sub-Investment Manager”	fund name match3 Partners LLP;
“United States” or “US”	the United States of America (including the states and the District of Columbia) and any of its possessions, territories and other areas subject to its jurisdiction;
“US Person”	a person other than a Non-United States Person;
“US Tax-Exempt Investor”	a US person within the meaning of the United States Internal Revenue Code of 1986, as amended, that is subject to ERISA or is otherwise exempt from payment of US Federal income tax;
“US\$ Shares”	Class A Shares;
“Voting Shares”	Class A Non-Restricted Shares, Class A Restricted Shares, Class B Shares and/or Class C Shares, as the context requires; and
“Valuation Day”	each Business Day immediately preceding a Subscription Day or a Redemption Day and/or such other day or days as the Directors may from time to time determine, provided that, subject to the powers of the Directors to declare a temporary suspension of valuations, there will be at least one Valuation Day in each calendar month.

In this Prospectus all references to “Euro” and “€” are to the unit of the European single currency, all references “US Dollars” and “US\$” are to the currency of the United States and all references to “Sterling” and “£” are to the currency of the United Kingdom.

PRINCIPAL FEATURES

The following is a summary of the principal features of the Fund and should be read in conjunction with the full text of this Prospectus.

Structure

The Fund is an exempted company incorporated on 25 October 2011 with limited liability in the Cayman Islands as an open-ended investment company and, as such, has power to issue and redeem Shares at the relevant Subscription Price and at the relevant Redemption Price respectively. No application has been made to list the Shares on any stock exchange, though such an application may be made in the future.

The Fund is organised as a feeder fund and all of the Fund's assets (to the extent not retained in cash) are invested in the ordinary shares of the Master Fund, an exempted company incorporated with limited liability in the Cayman Islands. Further feeder funds may also be created to invest in the Master Fund. It is not expected that any direct investments will be made in the Master Fund other than by such feeder funds.

Base Currency

Shares in the Fund are issued as Class A Shares, Class B Shares or Class C Shares and are redeemed in US Dollars, Euro or Sterling respectively. The base currency of the Fund and the Master Fund is US Dollars.

Investment Objective

The Fund invests all of its assets (to the extent not retained in cash) in the ordinary shares of the Master Fund. The investment objective of the Master Fund is to seek to achieve capital appreciation with an absolute return focus. The Master Fund aims to achieve this objective by investing in securities and other financial instruments on a global basis.

Investment Philosophy

The investment philosophy of the Master Fund is to take discretionary views on a range of factors in global fixed income markets and related products. The Investment Manager and the Sub-Investment managers take a relative value approach to their portfolio construction. They believe that a disciplined search for value, combined with a focus on the liquidity and quality factor in fixed income markets can lead to superior risk-adjusted returns with minimal risk and drawdowns. The Master Fund will target specific catalysts such as central bank actions, auctions, seasonals, economic data and contract expiries as catalysts to realise value in the Master Fund's positions. The Investment Manager and the Sub-Investment Managers believe that the focus on the quality and liquidity factors will allow the Master Fund to outperform in stressed market environments.

Manager, Investment Manager and Sub-Investment Managers

fund name match3 Partners (Offshore) Ltd. has been appointed as the manager of the Fund and the Master Fund. fund name match3 Partners Limited has been appointed as the investment manager of the Fund and the Master Fund. fund name match3 Partners LLP has been appointed as a sub-investment manager of the Fund and the Master Fund, and other persons may from time to time be appointed as a sub-investment manager of the Fund and/or the Master Fund in addition to the UK Sub-Investment Manager. The Manager, the Investment Manager and the Sub-Investment Managers (and/or their respective members, directors, employees, related entities and connected persons) may subscribe, directly or indirectly, for Shares and/or Management Shares.

Offer

Up to 10,000,000 Class A Shares, 10,000,000 Class B Shares and 10,000,000 Class C Shares are available for issue. Management Shares are not being offered for subscription pursuant to this Prospectus.

Subscriptions

Shares are available for subscription on each Subscription Day at the relevant Subscription Price. A new series of Shares of each Class will be issued on each Subscription Day on which Shares of that Class are issued. The Subscription Price for each new series of Shares will be US\$100 per Class A Share, €100 per Class B Share and £100 per Class C Share or such other price as the Directors in their absolute discretion may determine.

A subscription fee of up to 3 per cent of the Subscription Price may be payable to the Manager in respect of subscriptions for Shares. This fee is payable to the extent that the fee and/or expenses of intermediaries need to be met. Otherwise it may be waived as the Directors may determine.

Non-Voting Shares do not carry the right to receive notice of, attend or vote at general meetings of the Fund.

The Directors are authorised to close the Fund or any Class of Shares to new subscriptions on such basis and on such terms as the Directors may in their absolute discretion determine.

Minimum Investment

The minimum investment per subscriber is US\$500,000 or the Euro or Sterling equivalent thereof, as applicable, or such lesser amount as the Directors may in any particular case determine provided that such lesser amount is not less than US\$100,000 or the Euro or Sterling equivalent thereof. This requirement does not apply to direct or indirect subscriptions by the Manager, the Investment Manager or the Sub-Investment Managers (and/or their respective members, directors, employees, related entities and connected persons) who must, however, subscribe not less than US\$100,000, or the Euro or Sterling equivalent thereof. The minimum amount of additional subscriptions is US\$100,000, or the Euro or Sterling equivalent thereof, as applicable, or such lesser amount as the Directors may in any particular case determine.

New Issues

Restricted Persons are issued Restricted Shares while all other applicants for Shares are regarded as “Non-Restricted Persons” and will be issued Non-Restricted Shares. The profits and losses with respect to New Issues will generally be allocated to Shareholders that are Non-Restricted Persons.

Restrictions on Sale and Transfer

Shares may only be offered, sold or transferred to investors who are not Ineligible Applicants as described under “Subscriptions” below.

Redemptions



Shares are redeemable at the option of the Shareholder on each Redemption Day, upon at least 30 calendar days' prior written notice to the Administrator, or such lesser period as the Directors may in any particular case determine. Shares will be redeemed at the relevant Redemption Price.

A request for a partial redemption of Shares may be refused, or the holding may be redeemed in its entirety, if, as a result of such partial redemption, the Net Asset Value of the Shares retained by the Shareholder would be less than the Minimum Holding.

INVESTMENT OBJECTIVE, PHILOSOPHY AND STRATEGIES

Investment Objective

The Fund invests all of its assets (to the extent not retained in cash) in the ordinary shares of the Master Fund. The investment objective of the Master Fund is to seek to achieve capital appreciation with an absolute return focus. The Master Fund aims to achieve this objective by investing in securities and other financial instruments on a global basis.

Investment Philosophy


The investment philosophy of the Master Fund is to take discretionary views on a range of factors in global fixed income markets and related products. The Investment Manager and the Sub-Investment Managers take a relative value approach to their portfolio construction. They believe that a disciplined search for value, combined with a focus on the liquidity and quality factor in fixed income markets can lead to superior risk-adjusted returns with minimal risk and drawdowns. The Master Fund will target specific catalysts such as central bank actions, auctions, seasonals, economic data and contract expiries as catalysts to realise value in the Master Fund's positions. The Investment Manager and the Sub-Investment Managers believe that the focus on the quality and liquidity factors will allow the Master Fund to outperform in stressed market environments.

The Master Fund aims to position its portfolio in selected factors whilst minimising risk. It is intended that the portfolio will remain predominantly beta neutral, and steps are taken to neutralise, as far as practicable, other key factors to reduce the volatility of the portfolio. The assets within the portfolio are primarily vanilla rates products and their relevant derivative instruments. The Investment Manager and the Sub-Investment Managers use screening methods, portfolio construction techniques and automated execution to capture and trade inefficiencies and anomalies generated by the macro environment and by supply/demand shocks.

Risk management and portfolio construction are core to the philosophy. The Investment Manager and the Sub-Investment Managers believe that monitoring Value at Risk is not sufficient, and monitor the portfolio continually for exposures to a range of factors. In particular, they impose limits on duration, curve and credit exposures. It is expected that the portfolio will target trades with a lifespan between 1 day and 6 months, with an average trade duration of approximately 1 month. The Master Fund is primarily focused on fixed income markets, but may take positions in other instruments (including currencies and equity indices) where those instruments provide exposure to typical fixed income type risks, or where they hedge a risk in the portfolio.

The Investment Manager and the Sub-Investment Managers consider the liquidity of the Master Fund to be paramount, and generally aim to construct the portfolio such that investments could be implemented and unwound with minimal market impact.

Strategy Outline

The  Master Fund employs primarily relative value strategies to extract alpha from interest rate markets in the G10 space. Idea generation consists of identifying mispricings on interest rates curves. These views are then checked against the macro environment and against the stated portfolio and risk parameters.

The strategy can broadly be characterised as comprising short horizon trades and long horizon trades.

Short Horizon

These trades usually occur close to market moving events, such as central bank decisions, auctions, futures contract expiries and other events. The rationale behind these trades is to capture the inefficiencies generated by supply/demand shocks, or by bad or crowded positioning,

in the market ahead these events. The life span of these trades generally ranges from 1 to 14 days.

Long Horizon

Long-term strategies tend to extract alpha from areas where, according to our analytic tools and back tests, the market is underestimating tail risk. These trades have a pronounced asymmetric shape with a small cost and a large potential pay out. The life span of these strategies ranges from two weeks up to six months.

Both short- and long-term strategies of the portfolio are evaluated against the following considerations:

- **Liquidity:** Strategies are implemented primarily through vanilla interest rate products (interest rate swaps, government bonds, futures on rates etc.). Complex, hard-to-price derivative products and illiquid credit products are avoided in most circumstances.
- **Funding:** All bonds are funded through the collateralised repo market. The Master Fund tends to limit its net exposure to the creditworthiness of any counterparty to 20 per cent of its gross assets.
- **Diversification:** In order to reduce the volatility of the portfolio and to avoid concentration of risk on any particular theme, the portfolio runs a diversified range of strategies. Typically there is an equal balance between short and long horizon.

Given the highly liquid nature of the strategy, it is expected that even in markets condition of extreme stress, such as 1998 and 2008, the portfolio could be liquidated in less than a week with minimal impact on returns.

Borrowing and Leverage

The Fund

The Fund does not intend to leverage its capital, through borrowing or otherwise.

The Master Fund

The Master Fund may employ leverage in circumstances where the Investment Manager or a Sub-Investment Manager deems it appropriate to do so in pursuit of the investment objective, philosophy and strategies.

The Master Fund may leverage its capital by borrowing, including (but not limited to) margin lending agreements, collateralised borrowing, securities lending and through the use of futures, forwards, contracts, options and other derivative instruments.

The Master Fund may employ leverage by borrowing funds from brokerage firms, banks and other financial institutions and/or through the use of derivatives and other non-fully funded instruments. In each case, leverage may be obtained on a secured or unsecured, and collateralised or uncollateralised basis. Leverage obtained through borrowing is obtained from the relevant lender. Leverage obtained through the use of derivatives and other non-fully funded instruments is obtained from the relevant counterparty. The Master Fund does not currently grant any guarantee under any leveraging arrangement, and the grant of any such guarantee will be disclosed to Shareholders in accordance with the AIFMD Rules, if required thereunder.

The Master Fund has not imposed a  it on leverage. There are no restrictions on the Master Fund's use of leverage, by borrowing or otherwise, other than those which may be imposed by applicable law, rule and regulation.

DIRECTORS

Directors' Functions

