

DWS Strategic Value Fund

The DWS Strategic Value Fund ('Fund') is a multi-manager, multi-strategy fund providing access to a diversified range of global hedge fund strategies via investment in a Cayman Island company, DB Strategic Value Fund LLC. The Fund aims to achieve its objective by investing in the funds of hedge fund managers who are selected through a disciplined investment process.

K2 Advisors L.L.C. and its affiliate K2/D&S Management Co., L.L.C. (collectively 'K2 Advisors') have been delegated the management of the underlying assets of the DWS Strategic Value Fund.

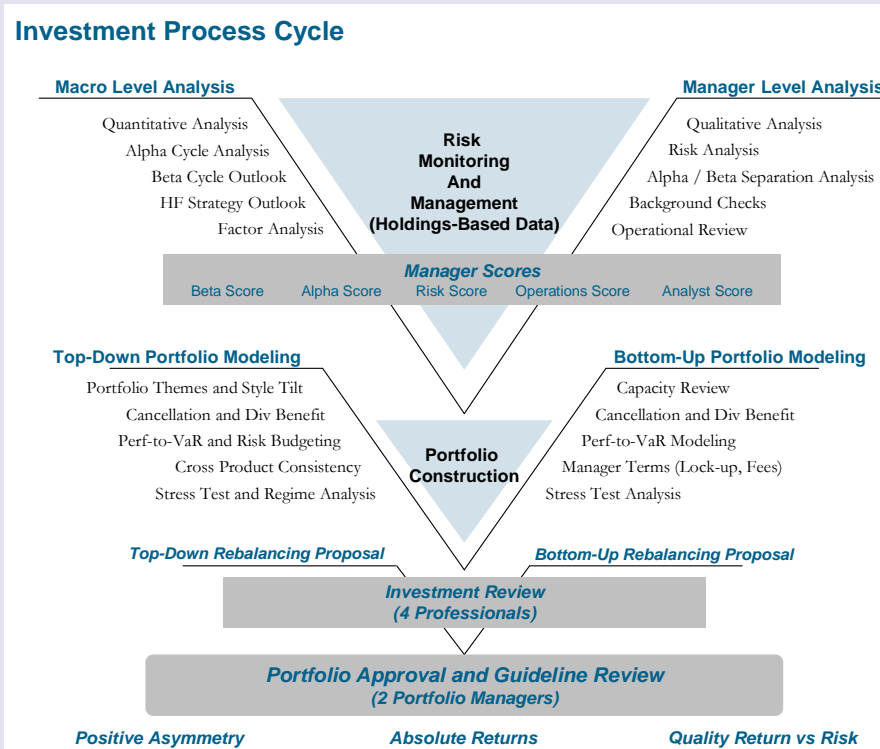
Investment Objective

The investment objective of the Fund is to seek to deliver consistent returns with low volatility and low correlation to the broader equity and fixed income markets by investing in a diversified range of relative value, event driven, specialist credit, long/short equity and other hedge fund strategies globally.

The Fund aims to reduce risk and achieve its objectives through a multi-manager approach by combining assets with low correlation and attractive risk adjusted returns.

Investment Process

The Fund's investment process is based on a bottom-up approach in manager selection and due diligence combined with top-down inputs at a strategy level. This two-tiered approach is used throughout K2 Advisors investment process and is summarised in the graphic below.



Investment strategy

The Fund indirectly invests in a range of hedge fund strategies through investment in around 15–35 underlying funds from around the world. The maximum exposure to any single underlying fund is typically 10% of the net asset value of the Fund.

The Fund will generally indirectly invest in the following strategies:

- **Long/Short Equities:** This strategy involves equity-oriented investing on both the long and short sides of the market. The objective is not to be market neutral. Focus may be regional or sector specific.
- **Relative Value:** This category includes strategies that seek to profit from the mispricing of related financial instruments. These strategies utilise quantitative and qualitative analysis to identify securities or spreads between securities that deviate from the fair value and/or historical norms.
- **Event Driven:** This strategy involves investing in opportunities created by transactional events, such as spin-offs, mergers and acquisitions, bankruptcy reorganisations, recapitalisations and share buybacks.
- **Specialist Credit:** This category involves corporate credit-related investment strategies. Depending on the underlying manager's style and focus, investments may be made in high yield, bank debt, distressed, restructuring, credit origination, special situations, credit relative value, mortgages and structured products.
- **Multi-Strategy:** Underlying managers using a multi-strategy approach combine several different strategies which contribute to the total performance of the underlying fund.
- **Global Macro:** This strategy bases its holdings – such as long and short positions in various equity, fixed income, currency, and futures markets – primarily on overall economic and political views of various countries (macroeconomic principles).
- **Other Strategies:** This category includes strategies which are uncorrelated to "traditional" hedge fund strategies and may include, among others, insurance, energy/commodities, weather, lending, currencies, emissions and royalties.

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Factsheet



ARSN 089 896 837

About K2 Advisors

K2 Advisors L.L.C. and its affiliate K2/D&S Management Co., L.L.C. (collectively 'K2 Advisors') is a leading fund of hedge funds manager based in Stamford, CT with offices in New York, Chicago, London, Hong Kong, Sydney and Tokyo. Established in 1994, the firm is committed to preserving and growing capital by producing asymmetric returns with reduced volatility and low correlation to the traditional equity and bond markets. K2 Advisors utilises a suite of holdings-based analytics as part of its portfolio construction process. K2 Advisors is registered with the SEC as an Investment Adviser and has US\$7.6 billion in assets under management as of 1 October 2009.

Fund at a glance

Investment objective	Seek to deliver consistent returns with low volatility and low correlation to the broader equity and fixed income markets by investing in a diversified range of relative value, event driven, specialist credit, long/short equity and other hedge fund strategies globally.
Benchmark	None
Fund Inception date	30 November 1999
Suggested minimum investment period	3 – 5 years
Entry and exit fee	Nil
Minimum investment amount	\$25,000
Investment Management Fee	1.10% pa of the net asset value of the Fund. A Performance Fee of 15% of the Fund's percentage increase in net asset value after ongoing fees are deducted (adjusted for issuance and withdrawals of units, and distributions 'adjusted NAV') in excess of the UBS Australian Bank Bill Index ('hurdle rate') may also apply (please refer to page 15 of the PDS).
Buy/sell spread	Nil
Distribution frequency	Any income available for distribution is usually distributed annually after 30 June.
APIR Code	DEU0109AU

Why invest in the DWS Strategic Value Fund?

The Fund offers a unique opportunity to invest in specialised hedge fund strategies which have historically only been accessible by large financial institutions and high net worth individuals. Investors in the Fund can benefit from:

- » **Absolute return potential:** The Fund has the potential to generate positive returns irrespective of the direction of traditional equity and debt markets;
- » **Global expertise:** With thousands of hedge funds around the world, good manager selection is critical. The Fund provides you with access to expert manager selection and portfolio monitoring through K2 Advisors' global expertise; and
- » **Diversification:** Due to the nature of hedge fund strategies and their lateral investment approach, the strategies have generally had a low historical correlation to traditional markets. As the Fund indirectly utilises a multi-manager approach by investing in 15–35 underlying funds, investors have access to a diversified group of funds and markets, mitigating the risks typically associated with a single manager exposure.

Please note that there are also risks when investing. Please refer to the DWS Strategic Value Fund PDS for further details.

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Alternatively, visit the Ironbark Asset Management website:

www.ironbarkam.com

Important information

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