

**Notice Concerning the Start of Offering of Cerebellum Machine Learning Fund
(Private Placement of Foreign Investment Trust)**

August 6, 2018
Bayview Asset Management Co., Ltd.
Ken Yagi,
President and CEO

Bayview Asset Management Co. Ltd., (represented by Ken Yagi, President & CEO; hereinafter referred to as "BVAM") as of today began offering to investors in Japan the Cerebellum Machine Learning Fund Unit Trust (hereinafter referred to as "the Fund"), which was established on July 18, 2018, by means of private placement of the Cayman-based foreign investment trust effectively managed by Cerebellum Capital, LLC. (hereinafter referred to as "Cerebellum Capital") with which BVAM has concluded an exclusive business agreement on investment management (entrustment) in Japan in December 2017. The initial subscription period is until August 24, and investment management will begin as of the end of August 2018. The number of offerings is limited; applications will be received by BVAM.

The Fund will be managed by Cerebellum Capital's purely AI-driven investments that involve absolutely no human judgment based entirely on computer (machine) based decisions, which is still extremely rare in the global asset management industry. The company's method, which has the AI automatically generate over 1,000 possible investment models verify its effectiveness and extract 48 models determined to be the highest predictive accuracy, absolutely eliminates bias based on human subjectivity and allows the model to be constantly replaced with new versions to accommodate the ever-changing market environment. The Fund aims to maximize its risk-adjusted return (Sharpe ratio) containing volatility with market-neutral investments in U.S. equities utilizing cutting-edge machine learning. Furthermore, investments will be expanded to global equities, including European and Japanese equities.

Cerebellum Capital is an asset management boutique based in San Francisco, California, U.S.A., that specializes in AI-driven investments. It was founded in 2008 by Dr. Astro Teller and Dr. David Andre, who are two of the world's leading experts in the field of AI. While Dr. Astro Teller leads projects on autonomous driving and smart glasses as the CEO of X (formerly Google X), he is also involved in the development of AI for investment management at Cerebellum Capital. Dr. David Andre, who is the CEO and CTO, has rich knowledge in a wide range of domains related to AI, including machine learning. He is a leading expert in the field of AI with more than 65 published papers on the topic. The two set up Cerebellum Capital to apply the results of their 30 years of joint research in AI on the topic of analysis and prediction of time-series data to asset management. Prominent talents in the field of AI have joined as the company's directors, including Robert Goldman, who heads the Marketing Division at Facebook, where he leads the development of algorithms for display advertisement, and Michael Dubno, the former CTO and partner of Goldman Sachs who directed the development of the financial company's trading program system. Furthermore, Victory Capital Management, one of the leading independent multi-boutique asset management companies in the United States with which BVAM has a business alliance for investment management, made a strategic investment in Cerebellum Capital in December 2016, and the former company's CEO, David Brown, is also a director of the latter.

BVAM, as a pioneer and leader of independent asset management boutiques specialized in active management of investment assets, such as equities, bonds, and multi-assets, has been providing sophisticated services for 20 years since its founding. We are pleased to be highly regarded by a broad range of client segments from individual investors to institutional investors, such as pension funds, and have developed into one of the largest independent asset management companies in Japan with aggregate contract assets amounting to about 400 billion yen (as of the end of June 2018). We are determined to become Japan's first full-fledged multi-boutique asset management company by continuing to enhance product lineups offered by excellent investment franchises, including Cerebellum Capital and others in the United States, in addition to our proprietary investment products based on our unique business platform to provide high-quality client services.