

The Directors of Accolade Fund SICAV plc whose names appear in the Directory to this Offering Memorandum accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything material likely to affect the interpretation of such information.

## **Offering Memorandum**

(hereinafter referred to as the “Offering Memorandum”)

**20 April 2022**

relating to the offer of Investor Shares in Sub-Funds,  
each being a segregated patrimony, in

## **ACCOLADE FUND SICAV p.l.c.**

(hereinafter referred to as the “Company”)

a collective investment scheme organised as a multi-fund  
public limited company with variable share capital under the laws  
of the Republic of Malta and licensed by the Malta Financial Services Authority (the “MFS”) under the  
Investment Services Act (Cap. 370 of the laws of Malta) as an Alternative Investment Fund

*Important Notice: This Offering Memorandum dated 20<sup>th</sup> April 2022 is an updated version of the Offering Memoranda dated 3<sup>rd</sup> May 2021 (as amended by the addendum dated 4 March 2021), 30<sup>th</sup> July 2014, 18<sup>th</sup> December 2014, 24<sup>th</sup> September 2015, 28<sup>th</sup> June 2016, 14<sup>th</sup> December 2016, 28 September 2018 and 6 April 2020. It may not be distributed unless accompanied by, and is to be read in conjunction with, the Fund Particulars Supplements relating to the Investor Shares being offered in a particular Sub-Fund.*

**ACCOLADE FUND SICAV P.L.C. (INCLUDING ITS SOLE SUB-FUND TO DATE) IS LICENSED BY THE MFS UNDER THE INVESTMENT SERVICES ACT (CAP. 370, LAWS OF MALTA) AS AN ALTERNATIVE INVESTMENT FUND. AUTHORISATION OF THE COMPANY AND ITS SUB-FUNDS BY THE MFS DOES NOT CONSTITUTE A WARRANTY BY THE MFS AS TO THE PERFORMANCE OF THE COMPANY AND ITS SUB-FUNDS AND THE MFS SHALL NOT BE LIABLE FOR THE PERFORMANCE OR DEFAULT OF THE COMPANY AND ITS SUB-FUNDS. ALTERNATIVE INVESTMENT FUNDS ARE NON-RETAIL SCHEMES AND THEREFORE THE PROTECTION NORMALLY ARISING AS A RESULT OF THE IMPOSITION OF THE MFS’S INVESTMENT AND BORROWING RESTRICTIONS AND OTHER REQUIREMENTS FOR RETAIL SCHEMES DO NOT APPLY.**

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## **IMPORTANT INFORMATION**

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### **Sole Basis of Offer**

The Investor Shares are offered solely on the basis of the information and representations contained in this Offering Memorandum and in the Fund Particulars Supplement relating to a particular Sub-Fund which should accompany it. Investors should note that a Fund Particulars Supplement in respect of any Sub-Fund may modify, supplement or exclude any term or condition stated in this Offering Memorandum as applicable to the relevant Sub-Fund, as well as include terms and conditions which, although not included in this Offering Memorandum, shall apply to the relevant Sub-Fund. In the event of any inconsistency between the contents of this Offering Memorandum and the contents of a Fund Particulars Supplement, the contents of the relevant Fund Particulars Supplement shall, unless otherwise expressly stated in such Fund Particulars Supplement, prevail in respect of the relevant Sub-Fund.

If you are in any doubt about the contents of this Offering Memorandum and the relevant Fund Particulars Supplement, you should obtain independent advice. Any purchase or subscription made by any person on the basis of information or representations not contained in or inconsistent with the information or representations contained in the Offering Memorandum and the Fund Particulars Supplement shall be solely at the risk of the investor.

### **Licensing Status and MFSA Disclaimer**

Accolade Fund SICAV plc (“the Company”) is organised under the laws of Malta as a multi-fund public limited liability investment company with variable share capital (SICAV) pursuant to the Companies Act, Cap. 386 of the Laws of Malta.

The Company and its sole Sub-Fund licensed to date are authorised in terms of the Investment Services Act, Cap. 370 of the Laws of Malta (with license number: CIS/322A) as a collective investment scheme and licensed and regulated by the MFSA as an Alternative Investment Fund (“AIF”) which targets Qualifying Investors. The Sub-Funds may be constituted either as open-ended or closed-ended.

AIFs are non-retail schemes. Therefore the protection normally arising as a result of the imposition of the MFSA’s investment and borrowing restrictions and other requirements for retail schemes do not apply. The MFSA has made no assessment or value judgement on the soundness of the fund or the accuracy or completeness of statements made or opinions expressed with regard to it.

Investors in AIFs are not protected by any statutory compensation arrangements in the event of the Sub-Fund’s failure.

Applications for the purchase and sale of Investor Shares are accepted only on the basis of the current Offering Memorandum and the relevant Fund Particulars Supplement. Any person relying on the information contained in this Offering Memorandum, which was current at the date shown, should check with the Administrator that this document is the most current version and that no revisions have been made nor corrections published to the information contained in this Offering Memorandum since the date shown. The Offering Memorandum and any Fund Particulars

Supplement should be read in their entirety before making an application to acquire Investor Shares.

Statements made in this Offering Memorandum are, except where otherwise stated, based on the law and practice currently in force in Malta and are subject to change therein.

The Company shall consist of separate classes of Shares with one or more classes constituting individual Sub-Funds which are licensed and regulated by the MFSA under the Investment Services Act, Cap. 370 of the laws of Malta as AIFs. The Company may issue new Classes of Investor Shares which may be constituted as segregated Sub-Funds or new Classes of Investor Shares within existing Sub-Funds, which may be designated in various currencies.

Each Sub-Fund will constitute a separate patrimony in terms of Subsidiary Legislation 386.02 (Investment Companies with Variable Share Capital) Regulations. As at the date of this Offering Memorandum, the Directors have established one (1) Sub-Fund, the Accolade Industrial Fund. Each Sub-Fund may comprise different share classes.

The directors of the Company, whose names appear under the section headed *Functionaries and Officials* (the “Directors”) in this Offering Memorandum are the persons responsible for the information contained in this Offering Memorandum. To the best of the knowledge and belief of the Directors (who have taken reasonable care to ensure such is the case) the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Board of Directors of the Company have approved this Offering Memorandum together with any extant Fund Particular Supplement or Supplements.

Shares in the Company may only be held by Qualifying Investors (as herein defined), provided that where the Company issues New Classes after 6 April 2020, Shares in such New Classes may only be held by New Qualifying Investors.

The Shares in the Company are speculative investments and are not intended as a complete investment program. Investment in the Company is designed only for sophisticated persons who are able to bear the entire loss of their investments in the relevant Sub-Fund. The sale of Shares in the Company is not open to the general public but is only open to selected potential investors who have been provided with a copy of this Offering Memorandum.

No broker, dealer, salesman or other person has been authorized by the Company and its Directors to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares (as defined herein) other than those contained in this Offering Memorandum and in the documents referred to herein, in connection with the offer hereby made, and if given or made, such information or representations must not be relied upon as having been authorized by the Company and its Directors.

#### **Use of this Offering Memorandum outside of Malta**

The distribution of this Offering Memorandum and the offer and sale of Investor Shares, or their eventual resale, transfer or assignment, in certain jurisdictions may be restricted by law and therefore the distribution of the Offering Memorandum and the offer and sale, resale, transfer or assignment of Investor Shares in such jurisdictions shall be prohibited. This Offering Memorandum does not constitute an offer or solicitation to subscribe for securities by any person

in a jurisdiction where to do so is unlawful or the person making the offer or solicitation is not qualified to do so or the person receiving the offer or solicitation may not lawfully do so. In terms of the Memorandum and Articles of Association, the Directors may from time to time declare categories of persons who do not qualify under applicable law to purchase shares in the Company.

Without prejudice to the generality of the foregoing, the Company and its Sub-Fund may not be marketed (within the meaning given to the term “marketing” under the AIFMD), and this Offering Memorandum and the Fund Particulars Supplement/s may not be sent, to prospective investors domiciled or with a registered office in any country of the EEA unless: (i) the Company has satisfied the conditions under Article 32 of AIFMD to market Shares in the relevant EEA Member State, in which case marketing shall be restricted to Professional Investors; or (ii) the Company is authorised to or otherwise satisfies the conditions in the relevant EEA Member State imposed under Article 43 of the AIFMD (if any) to market Shares in that EEA Member State to Qualifying Investors that do not qualify as Professional Investors; (iii) the Company is authorised and/or permitted to do so under the applicable private placement regime or any other applicable exemption in the relevant EEA Member State.

In addition, Investors should note that the Investor Shares have not been nor will be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or under any Federal or State securities laws in the United States of America (including the States and the District of Columbia), its territories or possessions or any area subject to its jurisdiction (the “United States”) and may not be offered or sold, resold, transferred, assigned or delivered, directly or indirectly, in the United States or to or for the account or benefit of, directly or indirectly, any U.S. Person (as defined in Regulation S of such Act, as amended from time to time), except in a transaction not subject to or pursuant to an applicable exemption from the registration requirements of, or which otherwise does not violate, the 1933 Act or any Federal or State securities laws in the United States and in all cases subject to the specific consent of the Directors of the Company. In addition neither the Company nor any of the Sub-Funds have been nor will be registered under the United States Investment Company Act of 1940, as amended (the “1940 Act”), and investors will not be entitled to the benefits of the 1940 Act.

Furthermore, if subsequent to an Investor’s investment in any of the Sub-Funds of the Company, the Investor becomes a U.S. Person, such Investor (i) will be restricted from making any additional investments in the Sub-Funds of the Company and (ii) as soon as practicable have its Investor Shares compulsorily redeemed by the Sub-Funds (subject to the requirements of applicable law). The Company may, from time to time, waive or modify the above restrictions.

Persons into whose possession the Offering Memorandum comes are required by the Company to inform themselves about and to observe any such restrictions.

The value of investments as reflected in the NAV (as defined below) per Share, may go down as well as up and the attention of investors is drawn to the section headed *Risk Factors* in this Offering Memorandum and other risk factors indicated in any Fund Particulars Supplement of any relevant Sub-Fund.

Potential investors should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and

which might be relevant to the subscription, holding and disposal of Shares. If in doubt about the contents of this Offering Memorandum, potential investors should consult their professional advisors for assistance.

The licensing of the Scheme and the Sub-Fund does not constitute a warranty by the MFSA as to the competence of the Investment Manager in relation to the investments being undertaken.

**Right to Reject Any Subscription Application**

The Company may reject a subscription application for any reason and is not obliged to disclose the reason, or reasons, for so rejecting such Subscription Application.

**No Application to List Shares on any Stock Exchange**

No application has been made for a listing on any stock exchange for any of the Shares of the Company or for the grant of permission for any Shares of the Company to be traded on any other exchange. Notwithstanding, the Directors may, following the launch of a Sub-Fund, list one or more classes of Shares on any stock exchange.

## **INTERPRETATION**

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In this Offering Memorandum, the following capitalised terms shall have the meaning given hereunder:

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| <b>“Accounting Period”</b>        | means the accounting reference period of the Company which, unless otherwise determined by the Directors, commences on the 1 <sup>st</sup> January of each calendar year and ends on the 31 <sup>st</sup> December of the same calendar year.   |
| <b>“Act”</b>                      | The Investment Services Act, Cap 370 of the laws of Malta.  |
| <b>“Administrator”</b>            | Alter Domus Fund Services (Malta) Limited or such other person as may be appointed by the Company, as administrator to the Company from time to time.   |
| <b>“Administration Agreement”</b> | Any agreement for the time being subsisting to which the Company and the Administrator are parties and relating to the appointment and duties of the Administrator.   |
| <b>“AIF”</b>                      | means an alternative investment fund as licensed by the MFSA.   |
| <b>“AIFMD”</b>                    | Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulation (EC) No 1060/2009 and (EU) No 1095/2010, and includes any implementing instruments thereunder; |
| <b>“Articles”</b>                 | Means the Articles of Association of the Company.   |
| <b>“Auditors”</b>                 | KPMG of Portico Building, Marina Street, Pieta’ PTA 9904, or any other person as may be appointed by the Company from time to time.   |
| <b>“Authorised Investor”</b>      | A Qualifying Investor.  |
| <b>“Base Currency”</b>            | In respect of the Company, the Euro, and in respect of the Sub-Funds, the base currency of each class of shares shall be the currency in which the relative units therein are denominated, as specified in the relevant Fund Particulars Supplement.                                      |
| <b>“Board”</b>                    | The Board of Directors of the Company including any committee of the Board.   |
| <b>“Business Day”</b>             | Except where otherwise stated in the Fund Particulars Supplement, any day that is a normal business day and is  |

not a public or national holiday in Malta or the Czech Republic or such other day as the Directors may, from time to time, determine.

- “Capital Calls” or “Drawdowns”** Calls made by the Directors in respect of commitments made by investors and in pursuance of written agreements between the Company and the respective investor as specified in the relevant Fund Particulars Supplement.
- “Class”** A class or classes of Investor Shares which may alone or together constitute a Sub-Fund and may have different rights from any other class or classes in the same Sub-Fund, details of which are set forth in the relevant Fund Particulars Supplement.
- “Closing Date”** The date on which the Initial Offering Period for a particular class of Investor Shares ends, details of which are set forth in the Fund Particulars Supplement for the related Sub-Fund.
- “Commission”** Means such amount payable on the issue of Shares as may be specified in the Offering Memorandum and relevant Fund Particulars Supplement.
- “Commitment”** Means the total commitment made by each Committed Investor prior to the end of the relevant Subscription Period, being an amount not less than the Minimum Commitment as determined in the relevant Fund Particulars Supplement.
- “Commitment Agreement” or “Subscription Agreement”** Means the form and/or agreement included in the relevant Fund Particulars Supplement pursuant to which the Committed Investor irrevocably undertakes to subscribe to Shares at the Initial Offering Price or, as the case may be, at the Offering Price, pursuant to one or more Drawdowns made during the Drawdown period, in a total amount equivalent to the Commitment, as provided in the relevant Fund Particulars Supplement, or as otherwise provided or defined in the relevant Fund Particulars Supplement
- “Committed Investor”** Means an Authorised Investor who has executed a Commitment Agreement.
- “Custodian”** Alter Domus Fund Services (Malta) Limited, a company registered under the laws of Malta with company



registration number C 52740 and holder of a category 4b license in terms of the Act.

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| <b>“Custodian Agreement”</b> | Any agreement for the time being subsisting to which the Company and the Custodian are parties and relating to the appointment and duties of the Custodian.  |
| <b>“Dealing Cut-off Day”</b> | For each Sub-Fund, means the day specified in the relevant Fund Particulars Supplement.  |
| <b>“Dealing Day”</b>         | Means the day, as determined in the relevant Fund Particulars Supplement and such other day or days as the Directors may from time to time determine, on which Shares can be subscribed, exchanged/switched or redeemed.   |
| <b>“Director”</b>            | Any director of the Company for the time being, including any alternate director.  |
| <b>“Distributor/s”</b>       | Intermediaries appointed by the Company to promote and market any Sub-Fund and which are authorised to sell or assist in selling the Investor Shares of any such Sub-Fund through the receipt of Subscription Applications from Authorised Investors and transmitting same to the Company or the Administrator on its behalf for processing.   |
| <b>“Drawdown period”</b>     | Means the period during which drawdowns can be made as specified in the relevant Fund Particulars Supplement.  |
| <b>“Duties and Charges”</b>  | All duties, taxes, governmental charges, valuation fees, property management fees, agents fees, brokerage fees, bank charges, transfer fees, registration fees and/or other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale, purchase or transfer of Shares or the purchase or proposed purchase of investments or otherwise which may have become or will become payable in respect or prior to or upon the occasion of any transaction, dealing or valuation. |
| <b>“EEA”</b>                 | The European Economic Area. Unless otherwise specified, references to the EEA and its member states shall encompass the EU and its member states.  |

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| <b>“EURO” or “€”</b>                 | The single currency unit of the Member States of the European Union that has been adopted by adhering Member States pursuant to the Treaty establishing the European Community as amended and the lawful currency of Malta.  |
| <b>“FATF”</b>                        | The Financial Action Task Force, an inter-governmental body whose purpose is the development and promotion of policies, both at national and international levels, to combat money laundering and terrorist financing  |
| <b>“First Dealing Day”</b>           | The first Dealing Day of any Sub-Fund following the Initial Offering Period, as determined in the relevant Fund Particulars Supplement.  |
| <b>“Founder Shareholder/s”</b>       | The holder/s of the Company’s voting shares as described in the section headed “General Information”.  |
| <b>“Founder Shares”</b>              | The shares of the Company that carry a voting right and that are not open to subscription by Qualifying Investors.   |
| <b>“Fund Particulars Supplement”</b> | A document supplemental to this Offering Memorandum which contains specific information in relation to a Sub-Fund.   |
| <b>“Initial Offering Period”</b>     | The period of the initial offer of Shares as determined in the relevant Fund Particulars Supplement.   |
| <b>“Initial Offering Price”</b>      | The price per Share at which Shares are subscribed on the First Dealing Day, details of which are set out the relevant Fund Particulars Supplement.  |
| <b>“Introducer/s”</b>                | Any referrer, client introducer, private placement agent or intermediary appointed by the Company to promote and market any Sub-Fund and/or to sell or assist in selling the Investor Shares of any particular Sub-Fund of the Company, subject to any authorisations which may be required. |
| <b>“Investment Manager”</b>          | means Accolade Investment Company Ltd, a company registered under the laws of Malta with company registration number C 94600 and licensed in terms of the Act by the MFSA as an alternative investment fund manager.   |
| <b>“Investment Researcher”</b>       | The research provider appointed by the Board of Directors to undertake certain tasks as detailed in the Fund Particulars Supplement of the relevant Sub-Fund.  |

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| <b>“Investor”</b>                   | A holder of Investor Shares.  |
| <b>“Licence”</b>                    | The licence issued to the Company and any Sub-Fund, as the case may be, by the MFSA under the Act.  |
| <b>“Malta”</b>                      | Means the Republic of Malta.  |
| <b>“Management Fee”</b>             | Means the management fee payable by the Sub-Fund and which will be computed as determined in the relevant Fund Particulars Supplement.  |
| <b>“Memorandum and Articles”</b>    | The Memorandum of Association and the Articles of Association of the Company.   |
| <b>“MFSA”</b>                       | The Malta Financial Services Authority.   |
| <b>“Minimum Holding”</b>            | The amount of shares in one or more Sub-Funds of the Company which an Authorised Investor is required to hold, in a currency acceptable to the Board of Directors, which shall be set out in the relevant Offering Supplement;  |
| <b>“Minimum Initial Investment”</b> | The minimum amount of Investor Shares for which an initial subscription may be made. In relation to any particular Class of Investor Shares, see the related Fund Particulars Supplement for details.   |
| <b>“NAV”</b>                        | Means the net asset value of the Sub-Fund or per Share or per series within a class of shares, calculated in accordance with the Articles of Association and this Offering Memorandum.  |
| <b>“New Qualifying Investor”</b>    | shall bear the meaning assigned thereto in the Fund Particulars Supplement.   |
| <b>“Offering Memorandum”</b>        | Means this document in its entirety including any relevant Fund Particulars Supplement.   |
| <b>“Offering Price”</b>             | The issue price at which Investor Shares may be purchased after the First Dealing Day, which shall be equivalent to the NAV per share as calculated on the Valuation Day of the relevant Sub-Fund falling on the relevant Dealing Day or, where no Valuation Day falls on such Dealing Day, the NAV per share as calculated |

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|   | on the Valuation Day immediately preceding the relevant Dealing Day.   |
| <b>“Officer”</b>                        | Means any Director, manager or the Company Secretary but does not include an auditor.  |
| <b>“Performance Fee”</b>                | Means the performance fee payable by the Sub-Fund which will be computed as determined in the relevant Fund Particulars Supplement.  |
| <b>“Prime Broker”</b>                   | Means the institution or entity (if any) appointed by the Company in relation to a Sub-Fund in place of any/or in addition to a Custodian to perform safekeeping and ancillary administrative services in respect of the assets of the Sub-Fund. A Sub-Fund’s first Prime Broker, if any, is/are detailed in the relevant Fund Particulars Supplement.                                   |
| <b>“Preliminary Expenses”</b>           | Means the preliminary expenses incurred in the establishment of the Company, the obtaining by the Company of approval from the MFSA under the Act, the registration of the Company with any other regulatory authority and each offer of Shares (including the costs of preparing and publishing the Offering Memorandum and the Supplements and any marketing or promotional material). |
| <b>“Qualifying Investor”</b>            | Shall bear the meaning assigned thereto in the Fund Particulars Supplement.  |
| <b>“Redemption” or<br/>“Repurchase”</b> | Means the repurchase of Shares by the Company in terms of the Articles and this Offering Memorandum.   |
| <b>“Redemption Day”</b>                 | Means, unless otherwise determined by the Directors, every day that is a Dealing Day.  |
| <b>“Redemption Fee”</b>                 | A fee that may be charged upon the redemption or repurchase of Shares as determined in the relevant Fund Particulars Supplement.   |
| <b>“Redemption Notice”</b>              | The form, a specimen of which is available from the Administrator or from an authorised Introducer, which has to be submitted to the Company by a shareholder for the purposes of requesting a redemption of Investor Shares.  |
| <b>“Redemption Price”</b>               | Means the price paid on redemption of Shares which shall be the NAV per share as calculated on the Valuation Day of the relevant Sub-Fund falling on the relevant Dealing Day or, where no Valuation Day falls   |

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|                                      | on such Dealing Day, the NAV per share as calculated on the Valuation Day immediately preceding the relevant Dealing Day.   |
| <b>“Register”</b>                    | Means the register of investors held by the Company (or any other person on its behalf) in accordance with the applicable law.  |
| <b>“Regulated Market”</b>            | Means any stock exchange or regulated market considered by the Company to provide a satisfactory market for the securities in question.   |
| <b>“Regulations”</b>                 | Any rules, by-laws, regulations that may be in force from time to time pursuant to the Act, including any conditions of a licence issued by the MFSA, or other rules, guidelines by-laws and/or regulations and any amendment thereto from time to time in force and as may be applicable to the Company and the Sub-Funds.   |
| <b>“Investor Shares” or “Shares”</b> | The non-voting shares in the Company carrying those rights as are specifically laid down in clause 6 of the Memorandum of Association of the Company.   |
| <b>“Sub-Fund/s”</b>                  | The distinct class or classes of Investor Shares constituting that Sub-Fund to which are allocated assets and liabilities distinct from other assets and liabilities allocated to other Sub-Funds or to the Company itself. A Sub-Fund may pursue investment objectives and adhere to investment policies different from those of the other Sub-Funds and may be made up of more than one class of Investor Shares. |
| <b>“Subscriber”</b>                  | A person who has completed a Subscription Application for Investor Shares in a Sub-Fund of the Company.   |
| <b>“Subscription Application”</b>    | The form and/or agreement, a specimen of which is available from the Administrator or from an authorised Introducer, which has to be submitted to the Company by a prospective investor for the purpose of applying and, if accepted, subscribing to Investor Shares.   |
| <b>“Subscription Period”</b>         | Means the period during which Commitments into the Sub-Fund from Authorised Investors are accepted as specified in the relevant Fund Particulars Supplement.  |

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| <b>“U.S.”</b>          | The United States of America (including the States and the District of Columbia), its territories, its possessions and all other areas subject to its jurisdiction.   |
| <b>“U.S. Person”</b>   | <p>Unless otherwise determined by the Directors in respect of a Sub-Fund and set out in the Offering Memorandum and relevant Fund Particulars Supplement, means a person defined as such under Regulation S of the U.S. Securities Act of 1933, as amended.</p> <p>The term U.S. Person shall mean the following:</p> <ol style="list-style-type: none"> <li>1. Any natural person resident in the U.S.</li> <li>2. Any partnership or corporation organized or incorporated under the laws of the U.S.</li> <li>3. Any estate of which any executor or administrator is a U.S. Person</li> <li>4. Any trust of which any trustee is a U.S. Person</li> <li>5. Any agency or branch of a foreign entity located in the U.S.</li> <li>6. Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person.</li> <li>7. Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the U.S.</li> <li>8. Any partnership or corporation if: <ul style="list-style-type: none"> <li>• Organized or incorporated under the laws of any foreign jurisdiction; and</li> <li>• Formed by a U.S. Person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors.</li> </ul> </li> </ol> |
| <b>“Valuation Day”</b> | Shall have the meaning given to it in the relevant Fund Particulars Supplement or as may be determined from time to time by the Board of Directors.   |
| <b>“VAT”</b>           | Value Added Tax.  |

**General**

For the purposes of this Offering Memorandum, unless the context otherwise requires or implies:

- i. words importing the singular number shall include the plural number and vice versa;
- ii. words importing the masculine gender only shall include the feminine gender;
- iii. words importing persons only shall include companies or associations or bodies of persons, whether corporate or not; and
- iv. the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative.

## KEY FEATURES

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The following should be read in conjunction with the full text of the Offering Memorandum.

### Company Structure

ACCOLADE FUND SICAV p.l.c. is a collective investment scheme established as an umbrella (multi-fund) investment company with variable share capital (SICAV) under the laws of Malta and is licensed by the MFSA as an externally managed AIF.

The Company may constitute segregated Sub-Funds, each of which will be capitalised through the issue of one or more Classes of Investor Shares.

As at the date of this Offering Memorandum, the Company has established one (1) Sub-Fund, namely Accolade Industrial Fund.

The capital raised for each Sub-Fund will be invested in line with its investment objectives, subject to its investment policies and restrictions as defined in the relevant Fund Particulars Supplement.

### Investment Objective, Strategies, Policies and Restrictions

Details of the specific investment objective and policies for each Sub-Fund will be formulated by the Directors at the time of creation of the Sub-Fund and will be stated in the relevant Fund Particulars Supplement. The net proceeds from the issue of Investor Shares in respect of each Sub-Fund will be invested in accordance with the investment objectives and policies of the relevant Sub-Fund.

### Board of Directors

- i. Milan Kratina;
- ii. Michal Bialas;
- iii. Chris Casapinta;
- iv. Mr. Malcolm St. John;
- v. Mr. Zdenek Soustal.

### Administrator

Alter Domus Fund Services (Malta) Limited.

### Investment Management

Accolade Investment Company Ltd

### Custody Arrangements

Alter Domus Fund Services Ltd.

### Accounting Reference

31 December of each year.



**Date**

**Accounting Currency**

For the purposes of the compilation of the annual financial statements of the Company, the Accounting Currency shall be Euro.

**Accounts**

The financial statements of the Company shall be prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

**New Classes**

The Company may issue new Classes of Investor Shares which may be constituted as segregated Sub-Funds or new Classes of Investor Shares within existing Sub-Funds, which may be issued in different series and designated in various currencies. The assets of the said Sub-Funds may be managed utilising different strategies or methodologies, or by investing in different markets.

**Sub-Funds**

The Offering Memorandum is to be at all times accompanied by a Fund Particulars Supplement for the Sub-Funds which are the subject of the offering. Offerings in open-ended Sub-Funds shall, unless otherwise specified in the respective Fund Particulars Supplement, be continuous (as long as the relevant Sub-Fund is in operation) and Offerings in closed-ended Sub-Funds shall be open during the Subscription Period specified in the respective Fund Particulars Supplement but may be made again in the future. Information about Sub-Funds other than the ones referred to herein may be obtained from the offices of the Company or the Administrator.

Detailed procedures of how to buy and sell are set out below in the section entitled *Buying and Selling* in the relevant Fund Particulars Supplement. Investor Shares may be issued in one or more classes as determined in the relevant Fund Particulars Supplement.

**Share Capital**

The share capital of the Company is divided into Founder Shares and Investor Shares. The initial issued share capital of the Company is one hundred twenty-five thousand euro (EUR125,000) divided into one hundred twenty five thousand (125,000) Founder Shares with no nominal value. The maximum number of shares that may be allotted shall not exceed five billion (5,000,000,000) shares. The Founder Shares carry voting rights and shall also entitle their holder(s) to receive dividends from the Company payable out of the general assets of the Company (namely assets which are not attributable to any particular Sub-Fund/s). The Founder Shares shall also carry a right to participate

in the general assets of the Company (not attributable to any of its Sub-Funds) available for distribution on winding up of the Company, following settlement of any and all liabilities of the Company (i.e. all general liabilities of the Company which are not attributable to any particular Sub-Fund/s, if any).

The Founder Shares are subscribed to by Accolade Holding a.s. with its registered office at Sokolovská 394/17, 186 00 Prague 8, Czech Republic and with Czech registration number 286 45 065.

### **The Offering**

Subject only to a maximum number of Shares specified in the Memorandum and Articles which are at the relevant time available for issue, not being exceeded, the Company may, at its sole discretion, accept Subscription Application for Shares as stipulated below.

Investor Shares will be offered by means of Fund Particulars Supplements at the relevant Initial Offering Price for Shares subscribed pursuant to Commitments made during the Initial Offering Period and called by means of Drawdowns at any time until (but excluding) the First Dealing Day, and thereafter, on each Dealing Day at the Offering Price, or as otherwise provided in the relevant Fund Particulars Supplement.

Subscription monies and a fully completed Subscription Application and accompanying forms have to reach the Company at the office of the Administrator no later than the time provided for in the Fund Particulars Supplement for the related Sub-Fund. The Directors may waive such notice period at their discretion.

### **Pricing**

The calculation of the NAV of each Sub-Fund shall be effected by the Administrator at such intervals and on such Valuation Day and in such manner as is stated in this Offering Memorandum and the Fund Particulars Supplement relating to the particular Sub-Fund.

Information regarding the NAV per Share, as determined on each Valuation Day, will be made available at the office of the Administrator.

**Minimum Holding in Sub-Funds** The Fund Particulars Supplement of each Sub-Fund will give details of the minimum value of Investor Shares that shall be held in all Sub-Funds at any point in time

The Minimum Holding requirement applies at all times to all Authorised Investors, however no obligations shall arise upon an Authorised Investor should the NAV of a holding reduce to less than the Minimum Holding as a result of fluctuation of the value of the underlying assets.

**Minimum Initial Investment for Investor Shares in the Sub-Funds** The Fund Particulars Supplement will give details of the minimum initial investment for Investor Shares in any Sub-Fund subject to the Minimum Holding limit described above. In exceptional cases, the Directors shall have discretion to permit, in respect of such minimum initial investment amount as may be specified in the related Fund Particulars Supplement, a lesser amount, provided it does not fall below any applicable the legal minimum.

**Minimum Additional Investment** The Fund Particulars Supplement will also give details of the minimum additional investment for Investor Shares in any Sub-Fund, subject to the Minimum Holding limit described above. In exceptional cases, the Directors shall have discretion to permit, in respect of such minimum additional investment amount as may be specified in the related Fund Particulars Supplement, a lesser amount.

The Fund Particulars Supplement shall define the rights pertaining to Investor Shares which may participate in the assets of the Company's Sub-Funds, in any dividend distributions, if applicable, and in any distributions of the Company in the event of liquidation.

The Investor Shares do not carry any right to vote at the general meetings of the Company and accordingly holders of investor shares in the Company cannot influence the management and operations of the Company and its Sub-Funds. All voting rights in the Company are held by the holder(s) of the Founder Shares.

The Company may repurchase all the Shares in terms of the Articles. If at any time the Net Asset Value of all shares in any Sub-Fund calculated in accordance with Articles hereof shall be less than Euro 150,000 or currency equivalent, the Company may, by not less than four (4) weeks' notice (expiring on a Dealing Day) to all Investors of the Sub-Fund, mandatorily redeem all the shares of the Sub-Fund.



## **INVESTMENT OBJECTIVES, STRATEGIES, POLICIES AND RESTRICTIONS OF THE SUB-FUNDS**

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### **Investment objectives and strategies**

The Company is an investment vehicle designed specifically to achieve different investment objectives through its individual Sub-Funds.

Each Sub-Fund will adopt a distinct strategy with different levels of expected risk and return, in respect of one or more markets or investment instruments, or of one or more groups of markets or investment instruments.

Details on the investment objectives and strategies are found in the relevant Fund Particulars Supplement.

### **Investment policy**

The investment policies of each Sub-Fund are explained in the relevant Fund Particulars Supplement.

### **Hedging policy**

The Company may, where appropriate for the reduction or control of risk arising in the management of any of the Sub-Funds, apply hedging strategies to any of the Sub-Funds provided such strategies are consistent with the investment objectives and policies of the relevant Sub-Fund and subject to the investment restrictions as set out in the Fund Particulars Supplements pertaining to the different Sub-Funds. The Company expects to hedge its portfolio primarily through holding of FX, money market and commodity derivatives. There is no assurance that any hedging strategies will be successful, as such success will depend on, among other factors, the Investment Manager's ability to predict the future correlation, if any, between the performance of the instruments utilised for hedging purposes and the performance of the investments being hedged. Since the characteristics of many securities change as markets change, the success of a Sub-Fund's hedging strategies may also be subject to the Investment Manager's ability to correctly readjust and execute hedges in an efficient and timely manner. There is also a risk that such correlation will change over time rendering the hedge ineffective. The Sub-Fund's portfolio is not expected to be adequately hedged at all times and at various times the Investment Manager may elect to be more fully hedged and at other times hedged only to a limited extent, if at all. Accordingly, the Sub-fund's assets may not be adequately protected from market volatility and other conditions. Any hedging costs will only be allocated to the share class being hedged and will not affect any other share class.

### **Cross-Investments between Sub-Funds**

A Sub-Fund may invest in units of one or more Sub-Funds within the Company provided that the assets and liabilities of each Sub-Fund of the Company shall be treated for all intents and purposes of law as a patrimony separate from the assets and liabilities of each other Sub-Fund. A Sub-Fund is allowed to invest up to 50% of its assets into any Sub-Fund within the Company and the target Sub-Fund may not itself invest in the Sub-Fund which is to invest in the target Sub-Fund. Only one set of management, subscription and/or redemption fees applies between the Sub-Fund and

the target Sub-Fund, provided that this restriction shall apply only in respect of and to the extent of the investment of the Sub-Fund in the target Sub-Fund.

For the purposes of ensuring compliance with any applicable capital requirements, cross-investments will be counted once and any voting rights acquired by the Sub-Fund from the acquisition of the units in the target Sub-Fund shall be disappplied as appropriate.

### **Investment restrictions**

The investment restrictions for each Sub-Fund are set out in the relevant Fund Particulars Supplement. Save as specifically stated therein, there shall be no restriction in the manner and extent to which the Company or any of its Sub-Funds may deploy, pledge or otherwise give as security, their assets, or assume liabilities, in pursuit of their specific investment strategies.

### **Breaches of Investment Restrictions**

The Company shall take all reasonable steps to comply with the restrictions. If, however, the restrictions are breached as a direct result of any actions or decisions taken by the management of the Sub-Fund, the Board and the Investment Manager shall, as soon as practicable and taking into account the interests of Investors, take all such steps necessary to ensure a restoration of compliance, in respect of that Sub-Fund, with such restriction(s) as soon as possible, taking due account of the interest of its Shareholders. Any such breaches must be immediately reported to the MFSA.

If, however, the restrictions are breached not as a direct result of any actions or decisions taken by the management of the Sub-Fund, the Board and the Investment Manager shall, as soon as practicable and taking into account the interests of Investors, take all such steps necessary to ensure a restoration of compliance, in respect of that Sub-Fund, with such restriction(s) as soon as possible, taking due account of the interest of its Shareholders, but in any event (unless otherwise authorised by the MFSA) within a period of six (6) months from the date when such excess was discovered. If the breach is not remedied by the Company within six (6) months, a breach of the investment restriction will be deemed to have arisen and the Company will then be obliged to notify the MFSA.

The Directors shall supervise the operation of each Sub-Fund to ensure that the Sub-Fund complies with these restrictions.

### **Alterations to the Investment Objectives, Policies and Restrictions**

The Directors may, at their sole discretion, and with the prior approval of the MFSA, alter the investment objectives, policies and restrictions of the Company or Sub-Fund, provided that any alteration to the investment objectives, policies and restrictions shall be notified in advance to the Authorised Investors. The notice period for a change in investment objectives shall be sufficiently long to allow for redemption requests to be received and dealt with by the Sub-Fund and the change in the investment objectives will only become effective after all pending redemptions linked to the change in the Investment Objectives have been satisfied. In this case all applicable redemption fees will be waived accordingly.

## **FUNCTIONARIES AND OFFICIALS**

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### **Company Management**

The affairs of the Company shall be subject to the general management of a Board of Directors composed of not less than three (3) and not more than seven (7) Directors who must be individuals approved by the Malta Financial Services Authority and are appointed by the holders of the Founder Shares. The Board of Directors is currently composed of the following:

#### **Mr. Milan Kratina**

Milan is the CEO and the owner of Accolade s.r.o., a real estate services company. He is responsible for decisions regarding the allocation of investments, in particular, real estate project developments, as well as negotiations with investors, future tenants and banks involved in the financing of Accolade's projects. Prior to setting up Accolade s.r.o. in September 2011, Milan was Commercial Officer at VGP Industriální stavby s.r.o. where he was responsible for a sustainable and profitable development of the entrusted international portfolio of land and properties in the CEE region. By May 2010, he was Head of Project Placement Section in the investment and business development agency of the Czech Republic - CzechInvest.

#### **Mr. Chris Casapinta**

Chris is the Managing Director at Alter Domus. Amongst other responsibilities he is responsible for the operations of the Malta office. Before joining Alter Domus in August 2010, Chris was a senior manager at PricewaterhouseCoopers. He started his career in 2000 with the Malta office. He then spent a significant time of his career with the Luxembourg office where he was responsible for managing assignments in the fund industry and large multi nationals. His ten year career with PricewaterhouseCoopers gave him opportunities to work on various other high profile audit and advisory assignments within various offices of the PricewaterhouseCoopers network including Boston (US), New York (US), London (UK) and Milan (Italy). Chris is a certified public accountant and auditor.

#### **Mr. Malcolm St. John**

Malcolm has worked in the financial services industry since 1999. He started his career as a banker at HSBC Bank Malta plc. He qualified as a certified public accountant in 2008. He pursued his career in the funds industry after joining Apex Fund Services in 2008 with his last position held as Head of Compliance. Malcolm has also been appointed as Director on various collective investment schemes. Most recently Malcolm was responsible for the setting up and managing of Mainstream Fund Services (Malta) Limited.

He holds an accounting degree and masters level qualification with the accreditation of the Association of Chartered Certified Accountants (ACCA).

#### **Mr. Michal Bialas**

Michal Bialas graduated from the Warsaw School of Economics in 2011, majoring in Economics. After that, he pursued postgraduate degrees in Corporate Finance (Warsaw School of Economics)

and Negotiation and Mediation (University of Social Sciences and Humanities) in which he graduated with distinction in 2014.

Michał's professional career included working as a relationship manager for Bank Zachodni WBK (Santander Group) Corporate Real Estate department since 2009. During his time as a relationship manager, Michał managed a sizeable real estate portfolio (both development and investment assets), analysed and structured property transactions, and was responsible for negotiating with corporate customers. Michał was responsible for structuring and closing a number of high-profile transactions.

In 2016, Michał was promoted to Team Leader and, shortly after, to the Corporate Clients Director position at Bank Zachodni WBK, and was running a team of four experienced real estate professionals responsible for managing relationships with corporate clients present in the real estate market in Poland, providing customers with financing solutions, treasury / transactional banking products, and coordinating capital markets' services for clients.

Since 2017, Michał has been a Country Manager of the Polish branch of Accolade Holding, where he has been responsible for co-ordinating all Polish projects of Accolade, in particular for: pre-analysis of investment opportunities; negotiating and closing real estate transactions; analysing due diligence reports; addressing any potential real estate, legal, financial or other risk and implementing them into the documentation; asset management; bank financing for the projects.

### **Mr. Zdeněk Šoustal**

Since July 2008, Zdeněk is a CEO and Chairman of the Board of Directors of Reticulum a.s., a Czech company. The company is actively involved in various investments, mainly connected with real-estates, residential development and the restructuring of companies. The company was founded by Mr. Šoustal's father in 1992. Zdeněk also served as a director of various companies involved in real-estate business.

### **Investment Manager**

#### *General*

The Investment Manager (Accolade Investment Company Ltd) was incorporated in Malta on 20 January 2020 as a single member private limited liability company and has an authorised share capital of €300,000 and an issued share capital of €125,000. The Investment Manager is licensed by the MFSA, in terms of the Act, as an alternative investment fund manager (License Number IS/94600).

The Investment Manager is responsible for the investment and re-investment of the assets of each Sub-Fund in accordance with the investment objectives, strategies and restrictions of each Sub-Fund.

The directors of the Investment Manager are as follows:

### **Milan Kratina**

Please refer to brief curriculum provided above under the section headed 'Company Management'.

### **Mr. Zdeněk Šoustal**



Please refer to brief curriculum provided above under the section headed 'Company Management'.

### **Joseph Falzon**

Joseph Falzon received a Ph.D. degree in economics from Northwestern University in Evanston, Illinois, U.S.A. in 1984. He taught at several American Universities including Roosevelt University in Chicago, Northwestern University and University of Cincinnati. He returned to Malta in 1988 and was appointed as the first Head of the Department of Banking and Finance, set up in 1994. He is the author of several local and foreign publications and of numerous papers on the Maltese economy. He has served as a consultant to several organizations including the Malta Tourism Authority, Bank of Valletta, the Central Bank of Malta, the Office of Fair Competition, Enemalta, the Housing Authority and the Chamber of Small and Medium Sized Enterprises (GRTU). His research interests include hedge fund strategies, portfolio management, trading futures strategies, micro finance, and economic development.

### **Alexia Farrugia**

Alexia Farrugia obtained her degree in Banking and Finance in 2000 and, over the last nineteen years, has worked in the financial services industry. She initially focused on investments services, with posts as client manager and later operations manager for one of the fastest growing non-banking financial institutions in Malta and one of the first private companies to be listed on the Malta Stock Exchange. She subsequently joined a leading local stockbroker, where she oversaw the introduction of processes in line with the regulatory regime as a result of MiFiD implementation. She was then a qualified trader on the Malta Stock Exchange.

In line with the rapid growth of the industry, and new areas of focus within the business, in 2011 Alexia pursued a Masters in Finance at Trinity College, Dublin. Her area of specialisation was Risk Management, with a number of specific courses on both the quantitative and qualitative aspects of risk.

She has since held executive and non-executive directorship posts on the Board of a number of licensed financial services companies and SICAVs. She is an authorised Risk Manager and MLRO to investment services firms and financial institutions. She provides these services with the support of Actaco Financial, a firm she founded, which focuses on Anti Money Laundering Regulation, Risk Management and Securitisation.

Alexia has lectured Risk Management at the University of Malta and continues to lecture at the same university and other institutes on Securitisation. She is a member of the Malta Association of Risk Managers, the Institute of Financial Services Practitioners, Finance Malta and other organisations, and is currently pursuing the Chartered Director programme offered by the Institute of Directors, UK.

### **Mr. Sandro Bartoli**

Alessandro Bartoli (known as Sandro) has worked in the investment services business since 1997, prior which he worked for 5 years in a family run export orientated business. He has worked as an investment advisor for a leading investment firm in which training was provided by Barclays International Fund Managers. He qualified in 1998 as a Stock Market trader, trading in bond and equity public listed issues on the Malta Stock Exchange. In 2000 he set up Quest Investment

Services Ltd, an independent financial advisory company, as a shareholder and director, and in 2006 was appointed Managing Director of the company. His day to day functions consisted of providing investment advice to both retail and professional clients and acting as the company's MLRO and operations manager. He is a qualified investment adviser obtaining the Certificate for Financial Advisers (CeFA) and various other certificates in compliance and anti-money laundering. In 2011, the company was acquired by Sparkasse Bank Malta plc. In 2012 he set out to independently service the industry by way of his various engagements, offering Director, MLRO, Compliance Officer and Investment Committee Member positions for both Collective Investment Schemes and Investment Service Companies, regulated by the Malta Financial Services Authority.

#### *Investment Committee*

The investment management functions are carried out by an investment committee appointed by the board of directors of the Investment Manager, composed of the persons listed hereunder. The investment committee has delegated to Mr. Milan Kratina (an investment committee member) and Mr. Zdeněk Šoustal (a director of the Investment Manager) the function of executing foreign exchange derivatives, foreign exchange spot trades and interest rate derivatives on terms specifically directed by the investment committee of the Investment Manager.

#### **Petr Posker**

Mr Posker is a Masters graduate from the Czech Technical University Prague and a Chartered Financial Analyst. Petr has 20 years' experience in the financial services sector. Until June 2010 Petr was the Chief Investment Officer and portfolio manager within Atlantik Asset Management (previously ABN AMRO Asset Management – Czech Republic). He was also a member of the investment committee of Atlantik Asset Management investiční společnost, a.s. and was responsible for the management and asset allocation of the Group's equity and commodity portfolios. Mr Posker was also responsible for the launch of the first Atlantik Funds in Malta and was a non-executive director of Atlantik Advanced Solutions 1 SICAV plc and Atlantik Advanced Solutions 2 SICAV plc. In 2010, Mr. Posker started to work for the Tuffieh Funds SICAV plc in Malta where he was actively involved in the launch of this scheme, including the establishment of three of its sub-funds. Petr later became an investment committee member of this fund. In 2013, he helped to launch the Accolade Funds SICAV plc, and its sub-fund Accolade Industrial Fund. Petr later became director and an investment committee member of this fund.

#### **Milan Kratina**

Please refer to brief curriculum provided above under the section headed 'Company Management'.

#### **Michal Bialas**

Please refer to brief curriculum provided above under the section headed 'Company Management'.

#### **Mr. Steven Tedesco**

Mr Tedesco is the Chief Investment Officer of Nemea Bank plc, having previously occupied the role of Deputy Head and Chief Investment Officer at HSBC Global Asset Management (Malta)

Ltd. Amongst other responsibilities, Steven is a member of various committees, including the Investment Committees, Risk Committees and Asset Liability Committees. Steven is a director of other collective investment schemes. During his tenure at HSBC Global Asset Management Malta Ltd, Steven was also the Fund Manager of 12 long-only open-ended funds, which funds ranged across all asset classes, both local and international, including bonds, equities, money market and property. Along with the legal and administration team, Steven also had the responsibility to project manage a number of open-ended and closed-ended investment fund launches. Steven also project managed the launch of a Discretionary Portfolio Management Service, and successfully promoted it to a number of institutions.

### **Mrs. Marica Tedesco**

Marica Tedesco is a Certified Public Accountant (CPA), a Fellow Member of the Association of Chartered Certified Accountants (FCCA), and an Associate of the Malta Institute of Accountants (AIA). She started her career in 2001 as a Fund Accountant with HSBC Fund Management Malta Ltd. In 2005, she was appointed as Senior Financial Accountant at HSBC Bank Malta p.l.c., where she was primarily responsible for the financial reporting structure of the bank, reporting both to HSBC Malta and to HSBC Bank plc. Marica was appointed Secretary of HSBC Bank Malta p.l.c. Assets and Liabilities Committee (ALCO) in 2008.

Marica is currently the co-owner of ST Corporate and Advisory Services Ltd, a Malta-based company, acting as consultants to licensed entities operating in the alternative fund and asset management industry, engaged in both long and alternative investment strategies including complex strategies involving derivatives, mezzanine finance, real estate and private equity. She also delivers courses relating to Accounting and Finance.

### *Investment Management Agreement*

In terms of the Investment Management Agreement, the Investment Manager is responsible for the development of an overall strategy for the investment of the assets of the sole licensed Sub-Fund to date in accordance with the investment objectives, strategies and restrictions set out in the Fund Particulars Supplement as well as the taking of all investment and trading decisions and to select, allocate and monitor the assets of the Sub-Fund in a manner consistent with the overall strategies and the investment objectives and restrictions set out in the relevant Fund Particulars Supplement.

The Investment Management Agreement may be terminated (generally or in relation to specific Sub-Funds) at any time by either party upon not less than ninety (90) days' prior written notice or forthwith in case of material breach of obligations or liquidation of a party. The Investment Management Agreement also provides that the Investment Manager shall not be liable to the Company for any loss arising in connection with the subject matter of the Investment Management Agreement, howsoever any such loss may have occurred unless: (i) such loss arose because of the Investment Manager acting in bad faith and in a manner which is not in the best interests of the Company or a Sub-Fund; or (ii) the Investment Manager's conduct constituted

actual fraud, wilful misconduct, gross negligence, or material breach of its obligations under the Investment Management Agreement.

The Investment Management Agreement is regulated by the laws of Malta and subject to the jurisdiction of the Maltese courts.

The fees payable to the Investment Manager are set out in the Section entitled 'Fees, Charges and Expenses' below and in the Investment Management Agreement.

The Investment Manager may be contacted at:

Telephone: + 356 22 05 1000

Website: <https://accolade.eu/en/>

#### *Professional Indemnity Insurance*

In order to cover potential professional liability risks, the Investment Manager has taken out a professional indemnity insurance policy against liability arising from professional negligence.

#### *Risk Management*

In terms of an agreement dated 29 January 2020, the Company has delegated its risk management function to Mr. Keith Huber. In terms of the said agreement, Mr. Huber is responsible for, amongst others, monitoring on a regular basis the adequate implementation of the risk management function of the Company, monitoring the level of risk of the sub-fund under management and reporting any breaches of risk limits.

#### **The Administrator**

In terms of an agreement entered into between the Company and the Administrator, the Company has appointed Alter Domus Fund Services (Malta) Limited as the Administrator of the Company and its Sub-Funds.

Alter Domus is a limited liability company registered under the laws of Malta, with company registration number C 52740 and with registered office at Vision Exchange Building, Territorials Street, Zone 1, Central Business District, Birkirkara CBD 1070 Malta. Alter Domus forms part of Alter Domus Luxembourg S.a.r.l, a group headquartered in Luxembourg.

The Administrator is recognised to provide fund administration services by the MFSA in terms of the Act. The Administrator acts as administrator to various other collective investment schemes licensed in Malta.

The Administrator will perform certain administrative functions and services in relation to the Company and all of its Sub-Funds, including *inter alia*: calculation of the NAV, transfer agency services, accounting and reporting (including compliance reporting) services, keeping of the Register, co-ordination of payments (including payments from or to Investors, payments of commissions, fees or retainers due to authorised agents, introducers, intermediaries or referees, payments due to the Company, and of remuneration and fees due to Service Providers of the Company).

The Administrator is not responsible for any trading or investment decisions of or with respect to the Company and any of its Sub-Funds (all of which will be made by the Investment Manager), or for the effect of such trading decisions on the performance of the Company.

The Administrator is entitled to receive a fee from the assets of the Sub-Funds for its administrative services, details of which are given under the heading “Fees, Charges and Expenses” in this Offering Memorandum and to receive reimbursement from the assets of the respective Sub-Fund of all its out-of-pocket expenses, incurred in connection with the Sub-Fund, subject to the terms and conditions contained in the Administration Agreement.

The Administrator may, subject to the written approval of the Company, outsource parts of its services to third parties.

The Administrator can be contacted at:

Telephone: +356 21 48 08 28

Fax: +356 21 27 48 08 29

Website: [www.alterdomus.com](http://www.alterdomus.com)

### **Company Secretary**

The Company has appointed Nicole Anne Demicoli as the Company Secretary of the Company.

The Company Secretary’s duties will include maintaining the Company’s statutory books and records, minutes of meetings and complying with other requirements of the Companies Act.

### **Bankers**

The Company has appointed a number of bankers, details of which are set out in Appendix 5. The Bankers will not provide any or perform and assume any other functions than provide banking services in relation to the Company, and any and all administrative tasks related to the holding of such monies. The Bankers have no duty to monitor the investment management of the assets of the Company or the Fund. The Bankers do not warrant the contents of the Offering Memorandum or any other relevant fund documentation and will not be involved in the management, administration or NAV calculation of the Company. The Bankers will not provide advisory services, nor will they supervise or control the Company, the Administrator or any other service providers to the Company. The Bankers do not act as promoter of the Company.

### **The Custodian**

Pursuant to a custody agreement, the Company has appointed Alter Domus Fund Services (Malta) Ltd. as custodian. Alter Domus Fund Services (Malta) Limited is a limited liability company registered under the laws of Malta, with company registration number C 52740 and with registered office at Vision Exchange Building, Territorials Street, Zone 1, Central Business District, Birkirkara CBD 1070 Malta. As holder of a Category 4B license, Alter Domus Fund Services (Malta) Limited is authorised to act as a custodian for the type of collective investment schemes indicated in SLC1.03 of Part BIV of the MFSA Rules for investment services providers.

Alter Domus forms part of Alter Domus Luxembourg S.a.r.l, a group headquartered in Luxembourg.

The Custodian has been appointed, in terms of the Custody Agreement, to provide safekeeping services in respect of all assets of the Company and its Sub-Fund/s. In this respect, the Custodian will hold in custody all financial instruments invested in by the Sub-Fund/s, and, in respect of other assets which cannot be held in custody, the Custodian will provide verification of ownership and record-keeping services.

The Custodian shall also: (a) ensure that the value of the Investor Shares is calculated in accordance with the applicable national law, the Memorandum and Articles of Association of the Company as well as this Offering Memorandum and any applicable Fund Particulars Supplement; (b) ensure that the Sub-Funds' cash flows are properly monitored (c) ensure that the sale, issue, re-purchase, redemption and cancellation of Investor Shares are carried out in accordance with the Memorandum and Articles of Association of the Company as well as this Offering Memorandum and any applicable Fund Particulars Supplement; (d) ensure that in transactions involving the Sub-Funds' assets any consideration is remitted to the Sub-Funds within the usual time limits; (e) ensure that the income of the Sub-Funds is applied in accordance with the MFSA Rules, the Memorandum and Articles of Association of the Company as well as this Offering Memorandum and any applicable Fund Particulars Supplement; and (f) carry out the instructions of the Investment Manager, unless they conflict with the applicable national law or the Memorandum and Articles of Association of the Company as well as this Offering Memorandum and any applicable Fund Particulars Supplement

In terms of the Custody Agreement, the Custodian shall not be held liable to the Company or the Investment Manager except: (a) on account of gross negligence, wilful default or fraud; and (b) only to the extent that any such limitation or exclusion of liability as aforesaid does not exclude or limit any obligation or liability arising in terms of the AIFMD.

In terms of the Custody Agreement, the Custodian may appoint a delegate to carry on its custody and/or safe-keeping functions. In the event that the Custodian appoints a delegate as aforesaid, such delegation shall not affect the liability of the Custodian to the Company or its investors for a loss of financial instrument, provided however that the liability of the Custodian may be discharged in certain circumstances as specified in further detail in the Custody Agreement.

The Custodian and the Company are entitled to terminate the agreement by giving 3 months' prior notice to the other in writing. The party terminating the Custody Agreement must also notify the MFSA of such termination. The Custody Agreement may also be terminated forthwith upon the occurrence of specified events mentioned therein.

The Custody Agreement is governed by and construed in accordance with the laws of Malta. In the event of any dispute arising out of or in relation to the Custody Agreement, the parties must first use their respective best endeavours to consult and negotiate with each other, in good faith, and, recognising their mutual interests, attempt to reach a just and equitable settlement of the dispute satisfactory to each party. If the parties fail to reach a settlement within the time limits specified in the Custody Agreement the courts of Malta will have exclusive jurisdiction to settle any dispute.

The Custodian is not responsible for the form and content of this Offering Memorandum.

The fees payable to the Custodian are set out in the Section of this Offering Memorandum entitled 'Fees, Charges and Expenses'.

#### **The Prime Broker**

The Company (for any Sub-Fund) may engage in open brokerage relationships with various entities worldwide, as may be necessary, appropriate or desirable from time to time for specific trading and investment activities. The Company may appoint a Prime Broker for any Sub-Fund as determined in the relevant Fund Particulars Supplement. These entities will be paid for their brokerage services, out of the assets of the Sub-Fund, their respective fees and commissions as agreed with the Company and as applicable at the relevant time.

#### **The Investment Researcher**

The Company may appoint an Investment Researcher for any Sub-Fund as determined in the relevant Fund Particulars Supplement.

#### **The Introducer**

Referrers, client introducers, private placement agents or intermediaries may be appointed by the Company from time to time to promote and market and/or to sell or assist in selling Shares in the relevant share class, to qualifying investors. Promotional material, reviewed by the Compliance Officer, will indicate that the Scheme is not available for investment by the general public, and that the Scheme and/or its Administrator may only accept subscriptions from Qualifying investors. The Scheme will ensure it satisfies the regulations of the jurisdiction where it is being offered.

#### **The Distributor**

The Company may from time to time appoint intermediaries to promote and market any Sub-Fund to qualifying investors, which intermediaries are authorised to sell or assist in selling the Investor Shares of any such Sub-Fund in accordance with the applicable laws of the jurisdiction where they are established. In this regard, these Distributors will receive Subscription Applications from Authorised Investors and transmit same to the Company or the Administrator on its behalf for processing.

#### **The Auditor**

KPMG will assume responsibility for the auditing function for the Company. The Auditor may be contacted at the following address:

KPMG  
Portico Building  
Marina Street  
Pieta' PTA 9044  
Malta  
  
Telephone: +356 25631000  
Fax: +356 25661000  
Website: [www.kpmg.com.mt](http://www.kpmg.com.mt)





## CONFLICTS OF INTEREST

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- i. The Founder Shareholders, the Directors, the Investment Manager (including members of its investment committee and persons performing risk management functions within the Investment Manager) and the Administrator may be involved in other financial, broking, investment or other professional activities which, in the course of their business, will on occasion give rise to conflicts of interest with the Company. In such circumstances, such persons will have appropriate regard to their respective obligations under the agreements appointing them to act in the best interests of the Company, so far as practicable having regard to their obligations to other clients or schemes. Having regard to these obligations, the Company may buy investments from or sell investments to such persons, provided that such dealings are on an arm's length basis and on terms no less favourable to the Company than could reasonably have been obtained had the dealing been effected with an independent third party. Such persons may also hold Shares in the Company. Should a conflict of interest arise, the Directors will endeavour to ensure that it is resolved fairly and the Company shall not be disadvantaged. The Directors of the Company have the following interests:
- ii. Milan Kratina is a director of the Company and is also a director of the Investment Manager and a member of the investment committee appointed by the directors of the Investment Manager. In addition: (i) Mr. Kratina is also a director and shareholder of Accolade Holding a.s., one of the founder shareholders of the Company; and (ii) Mr. Kratina is a director of Accolade s.r.o. established in the Czech Republic.

In relation to point (ii) above, investors should note that Accolade s.r.o. has entered into a asset management agreement (in respect of a real estate assets) with an SPV through which the Accolade Industrial Fund invests. Further, investors should further note that Accolade s.r.o. has entered into a service level agreement with certain SPVs through which the aforementioned sub-fund invests on normal commercial arms-length basis. Accolade s.r.o. is wholly owned by Accolade Holding a.s.

- iii. Mr. Michal Bialas is a director of the Company and is also a member of the investment committee of the Investment Manager.
- iv. Mr. Zdeněk Šoustal is a director and valuation committee member of the Investment Manager. In addition, Mr. Šoustal is a director of the Company and director and shareholder of Accolade Holding a.s., the founder shareholder of the Company. Mr Šoustal is also responsible for the function of executing foreign exchange derivatives, foreign exchange spot trades and interest rate derivatives on terms specifically directed by the investment committee of the Investment Manager.

Besides the above described conflicts of interest, conflicts may also possibly arise: (i) between the personal interests of directors, the Investment Manager (including members of its investment committee), the Company and investors therein; and (ii) because the directors and/or the members of the investment committee of the Investment Manager may, from time to time, be directors and/or investment committee members on other funds and investment services license holders.

## **FEES, CHARGES AND EXPENSES**

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### **Remuneration of Directors**

The Directors of the Company shall receive for their services such remuneration as may be determined by the Company in a General Meeting from time to time subject to an aggregate maximum of the equivalent of Euro 30,000 per annum, payable in € or CZK, provided that the remuneration due and payable to each Director may be fixed in an agreement to be entered into by Company and the respective Director, who may elect in his absolute discretion to waive such remuneration for a particular year or number of years. This fee will not be paid to Directors who are also themselves Founder Shareholders. In addition, the Directors may also grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company, including sitting on any committee appointed from time to time by the Directors. Each Director may also be paid reasonable travelling, accommodation and other reasonable expenses incurred in attending meetings of the Directors and general meetings of the Company and will be reimbursed for any justifiably incurred out-of-pocket expenses.

### **Remuneration of the Administrator**

Under the terms of the Administration Agreement, each Sub-Fund is bound to pay an annual administration fee as specified in the related Fund Particulars Supplement of each Sub-Fund. Any VAT, or other tax having a similar effect, which may be or may become payable, shall be at the charge of the Company.

### **Remuneration of the Investment Researcher**

The Investment Researcher shall receive an annual fee out of the general assets of the Company which fee shall be agreed between the parties subject to the terms of an agreement entered into by the Company with the Investment Researcher.

### **Performance Fee and Management Fee**

Each Sub-Fund may pay a management fee and performance fee in the amount and manner set out in the relevant Fund Particulars Supplement. Until so paid, in respect of a particular performance period, the performance fee and/or management fee

|                                      |  |
|--------------------------------------|--|
|                                      | (as the case may be) will remain a liability of the Sub-Fund   |
| <b>Corporate Secretarial Fees</b>    | The Company Secretary shall receive up to Euro 5,000 per annum.  |
| <b>Remuneration of the Custodian</b> | In terms of the Custodian Agreement, the Custodian will receive a one-off on boarding fee of €7,000 and an annual depositary fee of a minimum of €24,500 per Sub-Fund.   |
| <b>Prime Brokerage Fees</b>          | All the fees due to the Prime Broker by the Sub-Funds are specified in the related Fund Particulars Supplement.  |
| <b>Introducer Fees</b>               | Where an Introducer is utilised, the fees paid to such Introducer shall be paid by the investor.   |
| <b>Distributor Fees</b>              | When a Distributor is utilised, the fees paid to such Distributor shall be discharged: (i) by the Company out of its general assets; or (ii) by the Investment Manager, as agreed between the parties.   |
| <b>Audit and Legal Fees</b>          | Audit fees shall be agreed between the Company and the Auditors. Legal fees shall be agreed between the Company and the legal advisors and will be negotiated on a time spent basis. Any VAT or other tax having a similar effect which may be or become payable shall also be at the charge of the Company.   |
| <b>Preliminary expenses</b>          | Preliminary Expenses shall initially be paid out of the proceeds of the initial subscriptions of Founder Shares but will then be attributed and allocated to the first Sub-Fund's upon receipt of initial subscriptions in such first Sub-Fund. Solely for the purpose of the calculation of the Sub-Funds' NAV, such expenses will be amortised over a period which is at the sole discretion of the Directors but in any case no longer than five (5) years from the last day of the Initial Offering Period of the respective Sub-Fund. With regards to the amortisation of Preliminary Expenses, the Directors reserve the right to both defer the commencement of Preliminary Expenses and to amortise over periods in excess of 12 months but solely for the purpose of each Sub-Fund's NAV calculation. To this extent, the Company's audited accounts will comply with IFRS, which requires that Preliminary Expenses be written-off in the first financial period, but the NAV calculation will utilise an amortisation method over a longer period of time but in any case no longer than five (5) years. The Directors have determined that to amortise the Preliminary Expenses in the first financial period when calculating the NAV could impose an |

unfair and inequitable burden upon the initial Investors into the Sub-Fund, to their disadvantage and to the advantage of subsequent Investors.

### **Other Expenses**

Save to the extent that such expenses may be waived or otherwise discharged by any other person and not recovered from the Company, the Company shall bear, the following expenses and liabilities that are not specific to any particular Sub-Fund out of its general assets (as a liability of the Company):

- i. All duties, charges and expenses which may be incurred in connection with the acquisition and disposal of the assets of the Company (excluding assets attributable to any particular Sub-Fund);
- ii. All duties and charges which may be payable on the assets, income and expenses chargeable to the Company;
- iii. All brokerage, bank and other charges incurred by the Company in relation to its business transactions (including charges in relation to any borrowing by the Company);
- iv. All fees and expenses due to any valuer, dealer, investment researcher, Distributor, Introducer or other supplier of services to the Company (unless the supplier of services is providing the services to the Company for any one of its Sub-Funds, in which case the fees and expenses due to such supplier shall be due and payable out of the assets of the particular Sub-Fund as a liability of such Sub-Fund to the extent it is not to be discharged by the Company itself out of its general assets in accordance with the terms of the relevant Fund-Particulars Supplement);
- v. All expenses incurred in connection with the publication and supply of information to the Investors and, in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing the annual reports, the interim reports, any report to the MFSA or any other regulatory authority, or any other reports, any Offering Memorandum, marketing or promotional materials the costs of publishing quotations of prices and notices in the press and the costs of obtaining a rating for the Shares of the Company by a rating agency and all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates and statements;
- vi. All expenses incurred in the registration of the Company with any government agencies or regulatory authorities in any jurisdiction where registration is available or necessary and in having the Shares of the Company listed or dealt on any stock exchange or any other Regulated Market;
- vii. All expenses arising in respect of legal or administrative proceedings;
- viii. All expenses incurred in connection with the operation, promotion and management of the Company, including, without limitation to the generality of the foregoing, all Directors' fees and costs, all costs incurred in organising meetings of the Directors' and members and in obtaining proxies in relation to such meetings, all Audit and Legal Fees, costs incurred in keeping the register of Investors, costs of any translations, all insurance

premiums and association membership dues and all non-recurring and extraordinary items of expenditure as may arise.

- ix. To the extent that the general expenses and liabilities as aforesaid are not specific to any particular Sub-Fund/s and to the extent that they are not expressly said herein to be discharged by the Company itself out of its general assets (namely assets which are not attributable to any particular Sub-Fund/s) or discharged otherwise in terms of the foregoing provisions of this section or of any Fund Particulars Supplement/s, such general expenses and liabilities may (unless otherwise determined by the Directors in their discretion in any particular case or cases deemed by them to be fair and reasonable) in the Directors' discretion be allocated and attributable to and constitute a liability of and be paid exclusively by and out of the assets of all the Sub-Funds of the Company established at the relevant time of payment, 'pro rata' to the Net Asset Value of each such Sub-Fund (if more than one) on or as at the date when they become due (as calculated on or with reference to the respective immediately preceding Valuation Day). Provided that, should any such expenses and liabilities relate to or be attributable solely to one or more specific Sub-Funds (but not to all), such expenses and liabilities and any VAT or other tax having a similar effect which may be payable in respect thereof shall be solely allocated and attributable to and constitute a liability of and be paid exclusively by and out of the assets of the relevant Sub-Fund/s, 'pro rata' to the Net Asset Value of each such relevant Sub-Fund (if more than one) on or as at the date when they become due (as calculated on or with reference to the respective immediately preceding Valuation Day).

All remuneration, fees, charges, costs, expenses and liabilities referred to above in this section which are to be or may be apportioned and charged to any Sub-Fund/s shall be charged either against income or against capital, as the Directors shall determine.

## **RISK FACTORS**

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In evaluating the potential and suitability of investments in the Company, careful consideration should be given by Investors to the following risk factors which relate to the management of the Company itself, and the underlying markets in which the Company's assets will be invested.

It is recommended that Investors consult their own advisors on legal, tax and financial issues that are relevant for their specific situation, as the information herein should be regarded as general information.

The summary below describes in general terms some of the risk factors that need to be considered. These risk factors may not be a complete list of all risk factors associated with an investment in the Company.

Each of the following risks should be read in conjunction with the specific risks highlighted in the Fund Particulars Supplements.

### **General Considerations**

An investment in one or more of the Sub-Funds involves a certain degree of risk and is only suitable for sophisticated investors. There can be no assurances that the Sub-Funds' investment return objectives will be realised, or that significant capital losses will not occur. Only Investors able to lose the entirety of their investments should purchase Shares. Past results are not necessarily indicative of future results. The value of the Shares may fall as well as rise.

### **Economic Conditions and Adverse Effects**

The success of any investment activity is affected by general economic conditions. Unexpected volatility and severe economic downturns could affect the activities of one or more Sub-Funds. Other unexpected adverse effects, such as war and terrorist attacks, could negatively affect the activities of one or more Sub-Funds.

### **Risk of Substantial Redemptions and Erosion of Capital**

Substantial redemptions of Shares within a limited period of time could require a Sub-Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares of a Sub-Fund. As a result of drastic reductions in the size of a Sub-Fund, the expenses of that Sub-Fund may no longer be divided amongst a large investor base and may lead to increased expense ratios per share. When an Investor redeems part of his holding he should be aware that these redemptions may be made from the sale of assets and may result in the erosion of capital. Reductions in a Sub-Fund's asset size and erosion of capital could also have an adverse impact on the ability of a Sub-Fund to successfully conduct its business and activities, generate profits or recover losses and follow its investment strategy.

### **Exchange Rate fluctuations**

Currency fluctuations between the currency of denomination of a class of shares and the Investor's currency of reference and the currency of the underlying investments of the Sub-Fund may adversely affect the value of investments and the income derived therefrom.

## **Risks in Real Estate Investments**

Subject to the investment restrictions applicable to a particular Sub-Fund, a Sub-Fund may invest directly or through special purpose vehicles in commercial real estate property situated anywhere in the world. A Sub-Fund may also invest in third party funds or equity securities of companies principally engaged in the real estate industry. Accordingly, such Sub-Funds may be especially vulnerable to risks associated with the ownership of real estate. These risks include declines in the value of real estate, risks related to general and local economic conditions, possible lack of availability of mortgage funds or other capital, overbuilding, lack of completion of developments or delays in completion, extended vacancies of properties, increased competition, increases in property taxes and operating expenses, changes in zoning laws or other government regulations, costs results from the clean-up of and legal liability to third parties for damages resulting from environmental problems, casualty or condemnation losses, limitations on rents, fluctuation in rental incomes, changes in neighbourhood values and the appeal of properties to owners and tenants, tenant bankruptcies and other credit problems, uninsured damages including those arising from floods, earthquakes or other natural disasters or from acts of war or terrorism, and changes in interest rates. These risks, including the perception that these risks may materialise, could contribute to a decline in the income generated by a Sub-Fund from its direct or indirect holdings in real estate and, consequently, to a decline in the value of its investments. To the extent that a Sub-Fund's investments may be concentrated in a particular geographical region or type of real estate, it may be subject to certain of these risks to a greater degree. In case of a leveraged real estate investment, these risks may be further amplified and increases in interest rates can increase the costs of financing obtained or to be obtained, which could directly or indirectly decrease a Sub-Fund's investment performance. Performance of any real estate property investment ultimately depends on several factors including but not limited to, how well they are managed, the experience of management and other factors such as the macroeconomic environment. Real estate investments are also associated with on-going operating fees and expenses, which may include management, advisory and administration fees and expenses. These fees and expenses may negatively affect the investment performance of a Sub-Fund's direct and indirect real estate investments.

### **Interest rate risk**

Interest rates are subject to market fluctuations. Under adverse market conditions interest rates may be in excess of the investment returns of investment assets thereby reducing a Sub-Fund's performance or the NAV.

### **Political and / or Regulatory Risks**

The NAV may be affected by uncertainties such as international political developments, changes in government policies, taxation, currency fluctuations and other developments in laws and regulations. The legal infrastructure, accounting, auditing and reporting standards in certain jurisdictions in which the capital of a Sub-Fund may be invested may not offer the same degree of investor protection or information as is normally expected in major securities markets.

### **Illiquidity of Investments**

Some of the investments to be made by the Sub-Funds will be relatively illiquid. As a result, there can be no assurance that investments can be liquidated in a timely fashion. Disposal of

investments may require a protracted period of time during which the strength of the economy or the interest rate environment may change affecting the value of the investment.

### **Transfer Restrictions**

Investor Shares may only be transferred to other Authorised Investors subject to and in accordance with the provisions of the relevant Fund Particulars Supplement and the provisions of this Offering Memorandum relating to 'Transfer of Shares' under the part titled 'Buying and Selling' below.

### **Risks of a multi-fund structure**

In terms of the Companies Act, Cap. 386 of the Laws of Malta and subsidiary legislation enacted thereunder, an Investor's interest will be limited to the assets and liabilities represented by the class of Shares constituting a Sub-Fund in which he invests. In terms of the laws of Malta, the assets and liabilities of each Sub-Fund of the Company are, for the purposes of law, considered to be separate and distinct from the assets and liabilities of all assets and liabilities of other Sub-Funds. However there can be no guarantee that courts seized with the jurisdiction of a dispute in relation to a Sub-Fund or the Company (other than the courts of Malta) will follow the same principles of law.

Furthermore, it is the standard requirement of the Company that any persons dealing with the Company expressly acknowledge the fact that they have no recourse or right against the Company and any Sub-Funds except to the extent of the assets of the Sub-Fund in relation to which they have had dealings.

### **Discharge of expenses by the Company**

Certain expenses and/or fees relating to a particular Sub-Fund or Sub-Funds established by the Company from time to time, may in accordance with the relevant Fund-Particulars Supplement be discharged by the Company out of its general assets attributable to it and not out of the general assets which are attributable to the particular Sub-Fund in respect of which the expense and/or has been incurred.

### **Availability risk**

The continuity of operation of the Sub-Funds is dependent on the ongoing ability to purchase investment assets and the ability to leverage, where required, to meet the investment objectives of each Sub-Fund. A change in the availability of investment assets or leverage (if appropriate) could adversely affect the Sub-Funds' ability to execute their investment strategy leading to the potential failure of the Sub-Funds to meet their investment objective.

### **Use of leverage**

A Sub-Fund, or SPV which it controls, can be leveraged through margin and other debt in order to increase the amount of capital available for investments. Although leverage increases returns to the shareholders if a Sub-Fund earns a greater return on incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns to the



shareholders if the Fund fails to earn as much on such incremental investments as it pays for such funds. In the event that a Sub-Fund leverages its portfolio, fluctuations in the market value of that Sub-Fund's portfolio will have a significant effect in relation to the Sub-Fund's capital (the risk of loss and the possibility of gain are magnified). In addition, in the event that a Sub-Fund utilises leverage, the level of interest rates generally, and the rates at which the Sub-Fund can borrow in particular, will be an expense of the Sub-Fund and therefore affect the operating results of the Sub-Fund. Leverage increases the risk of substantial losses (including the risk of a total loss of capital), and leverage can significantly magnify the volatility of the Sub-Fund's portfolio.

### **Risk of redemption**

Redemption may subject Investors who redeem their Shares to charges as specified in the respective Fund Particulars Supplements.

### **Suspension Risk**

Investors are reminded that in certain circumstances their right to have their Investor Shares redeemed may be suspended. Further details of such circumstances, if any, will be further detailed in the relevant Fund Particulars Supplement.

### **Credit Risk**

Investors in the Investor Shares in a particular Sub-Fund should be aware that such an investment might involve credit risk. Bonds or other debt securities held for a Sub-Fund involve credit risk represented by the possibility of default by the issuer. This risk may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated and/or unsubordinated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the NAV per share. Stock lending of securities held for a Sub-Fund also involves credit risk, being the risk that the securities lent are not recovered and/or that recovery is delayed.

### **Custody Risk**

Brokerage firms, banks and dealers may have custody of the underlying funds' assets and may hold such assets as nominee. Bankruptcy or fraud at one of these entities could impair the operational capabilities or the capital position of the funds.

### **Performance Fee**

The payment of a Performance Fee, may create an incentive for the Investment Manager to engage in strategies that are riskier and/or more speculative than would be the case in the absence of a Performance Fee.

The payment of a Performance Fee by and out of the assets of the Sub-Fund(s) may dilute the return to Investor Shareholders.

### **Indemnities**

The Company's Directors and Officers, the Administrator, the Investment Manager and each of its Directors, Officers, employees and agents are entitled to be indemnified against loss, claim,

damage, charge, liability or expense (including reasonable attorney's and accountants' fees), judgements and amounts paid in settlement, provided such actions did not involve negligence, wilful default, fraud or dishonesty. Such indemnities, if any, will be duly included in the agreements between the Company and its agents.

As a result, there is a risk that the Company's assets (including the assets of the Sub-Funds) will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Company.

### **Mandatory Redemptions**

The Company reserves the right to require an Investor to redeem its total Shareholding at the discretion of the Board of Directors, subject to prior notice being given to Investors, and, as detailed in this Offering Memorandum and the relevant Fund Particulars Supplement in the event that the holding of Shares by the Investor concerned, or the person acquiring on his or her behalf, may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Sub-Fund or the Investors as a whole, or, if on any Dealing Day, the total value of the Shares held by the Investor is less than the minimum investment of a Sub-Fund. The Company also reserves the right to require an Investor to redeem its total holding of Shares as stipulated above, where Shares are held by any person who is a U.S. Person and where such person has not sought consent to invest in a Sub-Fund from the Directors, or is otherwise in breach of any laws or regulations. Similarly, the Company reserves the right to require an Investor to redeem its holding of Shares where the Investor has acquired such Investor Shares on behalf of or for the benefit of a person who is not an Authorised Investor. Such compulsory redemptions will take place at the prevailing redemption price on the day that such redemption takes place.

### **Counterparty risk**

The Investment Manager may, in respect of a Sub-Fund, enter into forms of derivative instruments which are not guaranteed by an exchange or their clearing house. Consequently, there are no requirements with respect to record keeping, financial responsibility or segregation of customer funds and positions. The business failure of a counterparty with which the Investment Manager has entered into forms of derivatives will most likely result in a default of the counterparty.

The Sub-Funds are subject to the risk of failure or default of any counterparty to the transactions and in particular failure or default of a broker with or through whom most if not all transactions will be undertaken. If there is a failure or default by the counterparty it may not receive 100% of its contractual entitlement unless such transactions are adequately secured or collateralised.

### **Tax and Legal Risks**

The tax consequences to the Company, its Sub-Funds and the Investors, the ability of the Company and its Sub-Funds to invest in the markets and to repatriate its assets including any income and profit earned on those assets and other operations of the Company or its Sub-Funds are based on existing regulations and are subject to change through legislative, judicial or administrative action in the various jurisdictions in which the Company and its Sub-Funds or their service providers operate.

There can be no guarantee that tax legislation, both at the level of the underlying assets, as well as at the Company and/or Sub-Fund level, and laws and regulations governing a fund's operations and investments will not be challenged in a manner that may adversely affect a Sub-Fund or its investors.

#### **Conflicts of interest in relation to Sub-Funds**

Conflicts of interest may arise between the Company and the persons or entities offering services to it and / or other service providers or counterparties of the underlying funds in which the Company invests including the Administrator and any Custodian which may be appointed in respect of the Sub-Funds. Please refer to the section headed 'Conflicts of Interest' for further details.

#### **Monetary value risk**

Inflation can reduce the value of a fund's investments. The purchasing power of the investment capital shrinks if the inflation rate is higher than the return provided by the investments.

#### **Dependence on the Directors and the Investment Manager**

The Investment Manager will make all decisions with respect to the Sub-Funds' investments and ensure that the investment strategies are successfully implemented. It will also identify investment opportunities and anticipate market trends. Investors will have no opportunity to evaluate the suitability of any of the investments of the Company and its Sub-Funds. The Directors of the Company will make all decisions regarding the general management of the Sub-Funds. Investors in the Company have no right or power to take part in the management of the Company and the Sub-Funds. Investors must therefore rely entirely on the judgment of the Directors in so far as the general management of the Company is concerned and on the Investment Manager in so far as the investment management decisions in relation to the Sub-Fund are concerned..

#### **Cross Liability between Classes – Allocation of shortfalls among Classes of Investor Shares in a Sub-Fund**

The right of holders of any Class of Investor Shares to participate in the assets of the Company is limited to the assets (if any) of the relevant Sub-Fund to which his Investor Shares relate and all the assets comprising a Sub-Fund will be available to meet all the liabilities of that Sub-Fund, regardless of the different amounts stated to be payable on the separate Classes of Investor Shares constituting that Sub-Fund.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE COMPANY. PROSPECTIVE INVESTORS SHOULD READ THIS ENTIRE OFFERING MEMORANDUM AND CONSULT THEIR OWN COUNSEL AND ADVISORS BEFORE DECIDING TO INVEST IN THE COMPANY.

## **BUYING AND SELLING**

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The Investor Shares in each Sub-Fund are ordinary non-voting Shares, freely transferable (subject to any restrictions contained herein and in the Memorandum and Articles) and unless otherwise stated enjoy equal rights between them participating equally in the profits of the relevant Sub-Fund.

The following provisions of this section 'Buying and Selling' shall apply generally to Investor Shares in the various Sub-Funds established by the Company from time to time, but shall be subject in all cases to the specific provisions of the relevant Fund Particulars Supplement of each such Sub-Fund and, for the avoidance of doubt, the Fund Particulars Supplement of any Sub-Fund may apply different provisions or provisions which modify the provisions hereof in respect of Investor Shares of all classes or of any particular class or classes therein, and in such case (or otherwise in case of any inconsistency between the provisions hereof and those of the said Fund Particulars Supplement), the provisions of such Fund Particulars Supplement shall, with respect to the relevant Sub-Fund and the Investor Shares of the relevant classes therein, prevail.

### **Initial Offering Period or Subscription Period**

The Initial Offering Period or the Subscription Period of the Shares will open and close on the dates determined in the relevant Fund Particulars Supplement unless closed earlier by the Company at its sole discretion. Investors making Commitments during the Initial Offering Period shall, to the extent that such Commitments are called by means of Drawdowns made by (and in the discretion of) the Company at any time after the Closing Date until (but excluding) the First Dealing Day, be issued with Shares of the relevant Sub-Fund at an Initial Offering Price stated in the relevant Fund Particulars Supplement. Any portion of such Commitments made by Investors during the Initial Offering Period which are not called by the Company until (but excluding) the First Dealing Day, may be subsequently called at any time and from time to time during the remaining (unexpired part of the) Drawdown period, and shall be dealt with on the next Dealing Day following the date of the drawdown notice at the NAV per Share as calculated on the Valuation Day of the relevant Sub-Fund falling on the relevant Dealing Day or, where no Valuation Day falls on such Dealing Day, the NAV per share as calculated on the Valuation Day immediately preceding the relevant Dealing Day.

Commitments received following the Initial Offering Period will be dealt with on any Dealing Day (i.e. on the Dealing Day next following the date of the relevant drawdown notice) at the NAV per Share as calculated on the Valuation Day of the relevant Sub-Fund falling on the relevant Dealing Day or, where no Valuation Day falls on such Dealing Day, the NAV per share as calculated on the Valuation Day immediately preceding the relevant Dealing Day unless otherwise provided in the relevant Fund Particulars Supplement.

### **Drawdown Policy**

The Sub-Funds may commit 100% of the Commitments, after reasonable reserves have been made to cover the running costs of the relevant Sub-Fund, to the underlying investments made by the Sub-Fund. Commitments received by the Sub-Fund will be drawn-down by the Sub-Fund at one or several drawdowns, on a proportionate basis per Investor, within the time-frame specified in the Fund Particulars Supplement. Any and all Commitments not drawn-down by such date, shall be drawn-down on a proportionate basis per Investor within the maximum drawdown period

as specified in the Fund Particulars Supplement, and the corresponding Shares in the Sub-Fund at the relevant Initial Offering Price or, as the case may be, at the relevant NAV shall be issued to the relevant Investor on the next Dealing Day following receipt by the Sub-Fund of the relevant drawdown amount. The initial drawdown, to be received by the Sub-Fund will be equal to a minimum of the Commitment as specified in the relevant Fund Particulars Supplement made by the relevant Investor in the application form.

All Shares in a Sub-Fund shall be issued to the Investors at the NAV calculated on the Valuation Day following the Drawdown, whether the shares are issued on the initial drawdown or on a subsequent drawdown within the maximum drawdown period: provided that Shares issued pursuant to Capital Calls made at any time until (but excluding) the First Dealing Day on Commitments received during the Initial Offering Period shall be issued (on the First Dealing Day) at the Initial Offering Price.

Drawdown requests made by a Sub-Fund, in accordance with the Commitments made by Qualifying Investors in the Subscription Period, shall be honoured by the Investors of the relevant Sub-Fund (i.e. received by the Sub-Fund in its designated bank account following the due diligence process conducted by the Sub-Fund in conjunction with the Banker as described in this Offering Memorandum) within the time-limit as specified in the Fund Particulars Supplement from the date of the drawdown request. Failure to comply may result in penalties, as defined in the relevant Fund Particulars Supplement.

### **Charges to Investors**

An initial charge may be applicable as provided for in the relevant Fund Particulars Supplement. The initial charge, if any, will be deducted from any payment received by way of an application for Shares in a Sub-Fund to cover any Commissions which may be due and payable on the issue of Shares. The Directors may waive the initial charge in whole or in part at their sole discretion. In doing so, the Directors shall ensure fair and equal treatment amongst the same classes of investors.

A Redemption Fee calculated as a percentage of the liquidation amount may be applicable and payable to the Sub-Fund. The amount of the redemption fee, if any, applicable for a Sub-Fund is established in the relevant Fund Particulars Supplement. The Directors may in their absolute discretion waive the redemption fee in whole or in part. In doing so, the Directors shall ensure fair and equal treatment amongst the same classes of investors.

### **Application Procedure**

#### Minimum Holding

All Sub-Funds are subject to a minimum initial subscription amount or minimum commitment for Shares specified in the relevant Fund Particulars Supplement. The Administrator shall not process any application for less than the minimum investment nor shall the Administrator accept an application to register any transfer unless the transferee is or can be accepted as a Qualifying Investor in respect of that Sub-Fund and has applied to register such number of Shares as is equal to or more than the Minimum Holding and the transferor, if he remains holding any Shares in a Sub-Fund, retains at least such number of Shares as is equal or more than the Minimum Holding.

#### Application for Shares

Application for Shares in a Sub-Fund must be made on the relevant application form (the “Subscription Application”) provided for this purpose by the Administrator or the Introducer unless otherwise specified on a case by case basis. The purchase of Shares in writing is a legally binding contract. The Company reserves the right to reject any application in whole or in part and is not obliged to disclose the reason, or reasons, of so rejecting such subscription application. The subscription and application procedure is determined in the relevant Fund Particulars Supplement.

#### Subscriptions In-Specie

Subject to the approval by the subscribing Authorised Investors, the Directors may, at their discretion accept in-specie applications for Shares in a sub-fund provided that the nature of the assets to be transferred into a sub-fund qualify as investments of the relevant sub-fund in accordance with its investment objectives, policies and restrictions. The number of Shares to be issued shall not exceed the amount that would be issued for the cash equivalent. The assets transferred *in specie* shall be allocated/transferred by the Authorised Investors to the relevant Sub-Fund, who are expected to rely on an independent expert opinion should the value of the assets not be readily available on an open quote market.

#### Payment

Applications for Shares in the Company will only be accepted if accompanied by payment in the form of a cheque, telegraphic transfer or other means of settlement acceptable to the Directors in any currency accepted by the Directors. Settlement details are set out in the Subscription Application.

However, the Directors may issue Investor Shares on terms providing for settlement to be made in whole or in part by the vesting in the Company of any securities, credit instruments (including promissory notes) or any other non-cash asset (the “Assets”) which may be held by the Company as an Investment and the following provisions and the relevant provisions of the Companies Act shall apply in connection therewith:

- i. The consideration for Investor Shares may only consist of assets capable of economic assessment and which do not include future personal services and in general any undertaking to perform work or supply services. Therefore performance of work or supply of services may not be given by way of consideration;
- ii. the Company is required to obtain a report, by any person normally responsible for the valuation of the assets of the Fund, in line with the requirements of the MFSA, in order to ensure that the value of the consideration is at least equal to the Net Asset Value of shares to be issued by the Company
- iii. the Directors shall be satisfied that the terms of any such exchange shall not be such as are likely to result in any material prejudice to the Investors;
- iv. the number of Investor Shares to be issued shall not be issued until the Assets shall have been vested in the Company in such a manner to the satisfaction of the Administrator;
- v. the number of shares to be issued shall not be issued prior to the assets being transferred into ownership by the Company, and shall not exceed the number of Investor Shares which would have been issued for settlement in cash equivalent to the value of Assets to be vested in the Company as herein provided and as determined by the Directors;

- vi. any Duties and Charges or Commission arising in connection with the vesting of such Investments in the Company shall be paid by the person to whom the shares are to be issued.

Any valuation reports will be held in Malta at the registered address of the Company and will be available to MFSA for inspection.

#### Anti-Money Laundering Procedures

The Company and the Administrator reserve the right to seek evidence of identity to comply with any applicable prevention of money laundering laws, rules and regulations. In the case of failure to provide satisfactory information, the Company may take such action as it thinks fit, including without limitation, the refusal of any Subscription Application and subscription moneys related thereto, or refusal of any redemption instructions. The Company shall not be held responsible in any way for any loss resulting from a refusal to process an application form or redemption instructions in case where the applicant fails to provide satisfactory information. In addition, each prospective investor must represent and warrant to the Company that, among other things, he is able to buy Shares without violating applicable laws and regulations.

Applications for Shares from Authorised Investors must be accompanied by such information as may, from time to time, be required by the Company such that the Company may be in a position to verify the identity of the Authorised Investor and identify the emanating source of funds in connection with the application.

Without prejudice to the generality of the foregoing, the Company shall require applications for Shares from Authorised Investors to be accompanied by the following supporting information and documents:

- i. Verification of identity

In the case where the applicant for Shares is an individual he shall be required to produce a copy of an unexpired passport or official identification card bearing a photograph and signature and reference to nationality, as well as another document (not older than six months) bearing the permanent residential address of the applicant, which document may include a utility bill, police conduct certificate, bank statement, or other official correspondence with, or document issued by, a central or local government authority. All such documents must be in original or duly certified by the applicant's banker where such is acceptable to the Company or other reputable and appropriate source as may be accepted by the Company. Depending on the circumstances, the Company may also require additional information.

In the case of non-individual (corporate or unincorporated) applicants, the Company shall require the applicant for Shares to produce the following, together with any other additional document which the Company may require at its discretion:

- a. A certified true copy of the Certificate of Incorporation / Licence / Authorisation to carry on business (and where applicable any certificate of change of name) or equivalent;

- b. A certified true copy of the latest version of the Memorandum and Articles of Association (or equivalent documents), information regarding the business of the non-individual applicant and a copy of the latest Annual Report and Audited financial statements (or equivalent documents);
- c. The names and residential and business addresses and certified copies of the passports or identity cards of all directors or similar officers of the non-individual applicant. Where applicable, the Company may also require identification of beneficial owners; and
- d. A resolution of the Board of Directors (or equivalent governing body) authorising the appointed attorneys as the authorised signatories to apply for Shares in a Fund and to give instructions with respect to such Shares on behalf of the non-individual applicant. An authenticated list of authorised signatories is to be attached. The Company reserves the right to seek any documentation relevant for the identification of such attorneys.

ii. Source of Wealth and Funds

Details regarding the source of wealth and funds in relation to an application shall indicate:

- a. Name of the account / s from which the funds emanated connected with the application;
- b. Account number;
- c. Name of bank with which account/s are held;
- d. Name of correspondent bank wiring the subscription monies, if applicable;
- e. A copy of the Swift Transfer/s and any other documentation indicating the provenance of funds; And
- f. Details on the source of wealth of the applicant, including documentary evidence where applicable.

iii. Other Information

In addition, and in all cases, the Company may require from an individual or non-individual applicant curriculum vitae, financial statements, bank references, and business or professional references where applicable, in each case satisfactory to the Company.

Depending on the circumstances of each application, verification of identity may not be required where:

- i. The applicant is itself bound by the Prevention of Money Laundering and Funding of Terrorism Regulations 2017 and related guidelines of the FIAU ; or



- ii. The applicant is introduced by an Introducer who is himself bound by the Prevention of Money Laundering and Funding of Terrorism Regulations 2017 and related guidelines of the FIAU and provides the Company with the name of the customer and a written assurance that evidence of identity has been obtained and proper records of the verification of identity of the applicant are being maintained; or
- iii. Subject always to the Prevention of Money Laundering and Funding of Terrorism Regulations 2017, the Introducer is a foreign entity that operates in a country that is a member of the FATF or operates under a rigorous and well-regulated anti-money laundering regime to the satisfaction of the Company; or
- iv. Subject always to the Prevention of Money Laundering and Funding of Terrorism Regulations 2017, the applicant operates a financial service business which is properly regulated (i.e. in a country that is a member of the FATF or in a country where the level of regulation is equal to or higher than that exercised in Malta).

In all such cases the Company retains discretion whether to rely on verification procedures carried out by others and under what terms and conditions. The Company may still request any documentation to carry out verification of identity itself and at its sole discretion.

#### **Issuance of Shares**

All issues of Shares shall be affected or made with effect from any Dealing Day or such date as determined by the Directors, provided that the Company may allot Shares on the basis that the Shares shall be issued on receipt of application of monies from the applicant for Shares. In the event that the Company does not receive the subscription monies in respect of such allotment within the period specified herein or in the Fund Particulars Supplement thereto or within such other period as may be determined by the Directors, such allotment shall be deemed to be cancelled.

#### **Switching of Investor Shares**

Subject to the restrictions provided in the relevant Fund Particulars Supplement, a holder of Investor Shares may exchange (switch) all or part of his Investor Shares (the “Original Shares”) into Investor Shares in other designated Sub-Fund/s (the “New Shares”) as laid out specifically in the relevant Fund Particulars Supplement. Switching of Shares is also available between classes of Shares in a particular Sub-Fund, if applicable. Such switching may be exercisable by the holder of Investor Shares by means of a “Switching Notice” which shall be irrevocable and shall be filed by the Investor in written or electronic form at the office of the Company within the period specified in the relevant Fund Particulars Supplement.

An irrevocable request to exchange Investor Shares shall be construed as being a request for the repurchase of the stated number of Original Shares (save that the repurchase monies shall not be released to the investor) and a simultaneous request for the proceeds from such repurchase to be applied in the purchase of New Shares as may be indicated. The switching of Investor Shares shall take place on a common Dealing Day at the last issued NAV.

The number of New Shares to be issued in exchange shall be determined in accordance (or as nearly as may be in accordance) with the following formula:

$$NS = \frac{[A \times B \times C]}{D}$$

where:

- NS = the number of New Shares which will be issued;
- A = the number of Original Shares to be switched;
- B = the redemption price of such Original Shares on the relevant Dealing Day;
- C = the rate of exchange determined for switching the Base Currency of the Original Shares into the Base Currency of the New Shares, if applicable; and
- D = the issue price of the New Shares on the relevant Dealing Day (including any commissions payable)

A fee for switches may be charged at the discretion of the directors as determined in the relevant Fund Particulars Supplement.

### **Redemption of Shares**

Subject to the restrictions appearing in this Offering Memorandum, the Articles of the Company or, the Fund Particulars Supplement relating to the relevant Sub-Funds, Investors may at any time request, in writing, that the Company redeems any or all of their Investor Shares in a Sub-Fund. The procedure for the redemption of shares is set out in the relevant Fund Particulars Supplement.

Payment of the Redemption proceeds will be made by the Administrator, in the currency of the relevant share class within the timeframe specified in the relevant Fund Particulars Supplement, following the date on which such Shares are redeemed by the Administrator. Payment will be made by telegraphic transfer or credit in an account in the name of the registered holder or, in the case of joint holders, in the name of the first named holder.

Subject to approval by the redeeming Investors, the Directors may, at their discretion, satisfy any Redemption of Shares by the transfer to those Investors of a proportion of the assets of the relevant Sub-Fund *in specie*, which proportion is equivalent in value of the shareholding of the Investor entitled to the Redemption, and adjusted as the Directors may determine to reflect the liabilities of the Company. The assets transferred *in specie* shall be allocated to investors by the Directors, who are expected to rely on an independent expert opinion should the assets not be easily valued. Redemptions *in specie* shall be carried out in the same manner as that described above for subscriptions *in specie*.

An Investor who wishes to redeem all or any part of his holding must give the Administrator notice of his intention within the timeframe stipulated in the respective Fund Particulars Supplement. Redemption requests are, once made, irrevocable (unless otherwise determined by the Directors at their discretion). If accepted by the Administrator, the redemption request will be dealt with on the next Dealing Day at the NAV per Share of the applicable class, established on the preceding Valuation Day or, the NAV per Share as calculated on the Valuation Day falling on the Dealing Day (as the case may be). Redemption Notices received after the respective date

will be carried over to the following Dealing Day. Furthermore, the Directors may, in particular circumstances and at their discretion also accept a Redemption Notice received on or by a Dealing Day, and if so accepted such instructions will be dealt with at the NAV per Share of the applicable class calculated on the Valuation Day falling on the relevant Dealing Day or, where no Valuation Day falls on such Dealing Day, the NAV per share as calculated on the Valuation Day immediately preceding the relevant Dealing Day (as the case may be).

The Redemption Price per Share on the relevant Dealing Day will be calculated to 4 decimal places.

The Redemption Price is the NAV per Share Class calculated at the close of business on the relevant Valuation Day. Redemption proceeds will take into account any charges payable on exit, if applicable.

### **Deferral of Redemptions**

The Directors may, at their discretion, refuse to accept a Redemption Notice, or require that the Redemption is scaled down to the proportion of NAV indicated in the relevant Fund Particulars Supplement, if the Redemption exceeds the percentage of the NAV as determined in the relevant Fund Particulars Supplement.

### **Mandatory Redemptions**

Shares may not be issued and may be subject to mandatory redemption or transfer by the Company, *inter alia*:

- i. In circumstances where the Company, a Sub-Fund or any Investor may suffer a tax, pecuniary, administrative or other disadvantage which the Company, Sub-Fund or any Investor might not otherwise have incurred or suffered; or
- ii. Where Shares are held by any person who is, or has acquired such Shares on behalf of or for the benefit of a person who is not an Authorised Investor (further details are given in Appendix 4 of this Offering Memorandum); or
- iii. Where the net asset value of a Sub-Fund falls below an amount established in the Fund Particulars Supplement of a Fund; or
- iv. Where any person is in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares;
- v. Where any person who is, or has acquired such Shares on behalf of, a U.S. Person without the consent of the Directors; or
- vi. Where any person who does not supply any of the information or declarations required; or
- vii. In other circumstances stipulated in the relevant Fund Particulars Supplement; or
- viii. In all other circumstances stipulated in the Articles including without limitation in the case that the Net Asset Value of the Company or of a Sub-Fund falls below a prescribed minimum; or

Under any other circumstances as determined by the Board of Directors provided that the Investors are given prior notice of such redemption of Shares. The Directors shall be entitled to

give notice (in such form as the Directors deem appropriate) to such person or persons requiring him or them to transfer such Shares to a person who is qualified or entitled to own the same or to request in writing the repurchase of such Shares in accordance with the Articles.

### **Suspension of Dealing**

The Directors have the power to suspend calculations of NAV in the circumstances set out in Appendix 2 of this Offering Memorandum. No issue or redemption of Shares will take place during any period when the calculation of the NAV is so suspended.

The Directors reserve the right to delay payment in respect of the repurchase of any Share redeemed prior to any suspension of the determination of NAV in terms of the Articles until after such suspension is lifted, such right to be exercised in circumstances when the Directors believe that to make such payment during the period of suspension would materially and adversely affect or prejudice the interest of continuing Investors. Notice of any suspension will be given to any Investor tendering his Shares for redemption.

### **Purchase of Shares**

The Shares of the Company can only be acquired, subject to any limitations mentioned in the relevant Fund Particulars Supplement and at all times held, by persons being Authorised Investors. In order to acquire Shares in the Company, all Authorised Investors must satisfy the conditions set out in this Offering Memorandum.

Shares of each Sub-Fund may be purchased on such day as may be specified in the relevant Fund Particulars Supplement. The Initial Offering Period or Subscription Period, if any, in respect of Shares of each Sub-Fund and the subscription price for Shares is set out in the relevant Fund Particulars Supplement.

### **Dealing Prices**

Unless otherwise indicated in the relevant Fund Particulars Supplement, and subject always to the Articles, the following provisions shall apply:

- i. The Initial Offering Price at which the Shares of any class shall be issued and allotted and the Commission payable on the Initial Offering Price for Commitments accepted during the Initial Offering Period and called by means of Drawdowns made at any time until (but excluding) the First Dealing Day shall, in relation to any Sub-Fund, be determined by the Directors and stated in the relevant Fund Particulars Supplement.
- ii. The Directors may require an applicant for Shares to pay to the Company in addition to the price per Share such Duties and Charges in respect of the Shares acquired as the Directors from time to time may determine and set out in the relevant Fund Particulars Supplement.
- iii. Subject to the provisions of any applicable law, the Directors on any Dealing Day may, under such conditions as may be stated by the Company at its sole discretion, issue Shares on terms providing for settlement to be made in whole or in part by the vesting in the Company of any securities, credit instruments (including promissory notes) or any other noncash asset (the "Assets") which may be held by the Company as an Investment and the following provisions and the relevant provisions of the Companies Act shall apply in connection therewith:

- a. The Directors shall be satisfied that the terms of any such issue shall not be such as are likely to result in any material prejudice to the Investors;
  - b. The number of Shares to be issued shall not be issued until the assets shall have been vested in the Company in such a manner to the satisfaction of the Directors;
  - c. The number of Shares to be issued shall not exceed the number of Shares which would have been issued for settlement in cash equivalent to the value of the Assets to be vested in the Company as herein provided and as determined by the Directors on the relevant Dealing Day;
  - d. Any Duties and Charges or Commission arising in connection with the vesting of such Assets in the Company shall be paid by the person to whom the Investor Shares are to be issued.
- iv. No Shares shall be issued on any Dealing Day on which the determination of the NAV of the Company is suspended pursuant to Article 13.5 of the Articles.
  - v. The repurchase price per Share shall be the NAV for such Share calculated on the Valuation Day falling on the relevant Dealing Day (of the relevant Sub-Fund) or, where no Valuation Day falls on such Dealing Day, the NAV per share as calculated on the Valuation Day immediately preceding the relevant Dealing Day (of the relevant Sub-Fund), on which the repurchase request is effective as may be stated in the relevant Supplement and the Directors shall be entitled to make any deductions for such Duties and Charges as the Directors from time to time may determine and any other deduction, charge or Commission as provided for herein, in the Articles and in the relevant Supplement.

### **Dividend Distribution**

The Company, acting through the Directors, may declare a dividend (whether in cash or *in specie*) in respect of any Sub-Fund. Such dividend will be paid in the currency of the relevant share class of the Sub-Fund in the case of Distributor Shares and may only be paid out of the distributable profits of the relevant class net of all expenses and liabilities of or attributable to such class, subject to the provisions of this Offering Memorandum. In the case of accumulator Shares, unless otherwise determined by the Directors, no distribution will be paid out but will be accumulated to the NAV of such Shares.

Without prejudice to the aforesaid, the Company may, at the general meeting, declare and pay a dividend (whether in cash or *in specie*) to the holder(s) of Founder Shares out of the distributable profits comprised in its general assets (which are not attributable to any particular Sub-Fund/s).

Should the Company decide to declare a dividend to the Founder Shareholder's out of the general assets of the Company, the Company may at any time assign the dividend receivable to the designated Founder Shareholder(s) by way of a dividend *in specie* (if and when the Company declares the payment of a dividend out of its general assets), and in this case, whilst the designate hold/s such dividend receivable, it may at any time request the Company to have the same settled *in specie* through the issuance of relevant Investor Shares in a Sub-Fund, if allowed within the Fund Particulars supplement, to such designated Founder Shareholder(s), by following the application procedure applicable to such Investor Share Classes, and the Company shall in such case accede to the request of such designated Founder Shareholder(s) as of the next applicable

Dealing Day. In this regard, the Founder Shareholder(s) will be entitled to receive such number of Investor Shares having a total value (taking into account their respective Net Asset Value calculated on the Valuation Day immediately preceding the relevant Dealing Day, or, Investor Shares are issued for the first time in the Sub-Fund, at their respective Initial Offering Price) equivalent to the amount of dividend to be so settled, and the Investor Shares issued pursuant to such request shall be so issued credited as fully paid for the *in specie* consideration consisting of the dividend receivable.

Without prejudice to the payment of the dividends as aforesaid, the Founder Shares shall also carry a right to participate in the general assets of the Company (not attributable to any of its Sub-Funds) available for distribution on winding up of the Company, following settlement of any and all liabilities of the Company (i.e. all general liabilities of the Company which are not allocated and/or attributable to any particular Sub-Fund/s, if any).

### **Cancellation Rights**

Investors should be aware that the rights of withdrawal or cancellation and other rights provided by law to consumers do not apply for professional investors.

### **Contract notes, registrations and share certificates**

Contract notes will be issued as soon as possible as at Dealing Day on which the order is effected and normally will be dispatched as soon as the NAV is available. Contract notes will contain full details of the transaction. All shares will be registered and an entry in the Register will be conclusive evidence of ownership. No share certificates will be issued. The uncertificated form allows the Administrator to effect redemption instructions without delay. Annual statements will be dispatched with the Company's annual reports.

Any change to the Investor's personal details must be notified to the Administrator immediately in writing. The Administrator reserves the right to request indemnity or verification before accepting such notification. Copies of the Offering Memorandum and Fund Particulars Supplement and updates thereof will be available from the Administrator.

### **Transfer of Shares**

Transfers of Shares and Commitments (which may include portions of uncalled/undrawn capital) are subject to any conditions contained in this Offering Memorandum, in the Articles and in the respective terms of issue stipulated in the relevant Fund Particulars Supplement.

An Investor to whom Shares and Commitments (which may include uncalled/undrawn capital) have been transferred and desiring to be registered as the holder of such Shares / Commitments must make available to the Company, a written instrument of transfer (or assignment or novation as appropriate) executed by the proposed transferor and transferee setting forth:

- i. The names and addresses of the transferor and transferee,
- ii. The number and other relevant details of the Shares or Commitments transferred and the Class to which such Shares or Commitments refer,
- iii. The consideration paid for such Shares or Commitments, and

- iv. Such other documentation (including the transfer registration form provided by the Company) and information as the Company may require, including at the request of the Company a novation agreement entered into between the Company and the transferee and/or the transferor for this purpose, and including also information necessary to satisfy the Company that the transfer complies with applicable laws and appropriate identification documentation (including but not limited to the submission of an Investor Declaration Form duly completed by the transferee in order to confirm that the transferee is an Authorised Investor) is provided as required by the Company to comply with applicable anti-money laundering regimes.

In addition, the proposed transferee agrees and undertakes (and will automatically be deemed to agree and undertake) in favour of the Company to take and hold such Shares subject to the same conditions, warranties, obligations and restrictions pursuant to which the Shares were held by the transferor and the Company shall be entitled to request an express undertaking in writing to this effect before accepting the registration of the transfer; provided that in case of a transfer of a Commitment (whether in full or partially) the transferee must also agree and undertake in favour of the Company that he will assume the Commitment and capital call obligations (in respect of any uncalled/undrawn capital) of the transferor and that he will be subject to the same sanctions for defaults on payment upon a Capital Call attaching to the Commitment, failing which such transfer shall not be valid and shall not be recognised and registered in the Register by the Company, and provided also that at the request of the Company the transferee and/or the transferor shall enter into a novation agreement or other appropriate agreement with the Company for this purpose.

The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the Register in respect thereof. The Directors shall not be bound to register more than four (4) persons as joint holders of any Shares and Shares may not be transferred to persons under the age of eighteen (18).

The instrument of transfer of Shares shall be signed by or on behalf of the transferor and transferee and shall be duly stamped as may be (and where) required by law. The Directors may decline to register any transfer of Shares unless the official instrument of transfer (or an authenticated copy thereof) is deposited at the office of the Company, or the Administrator or such place as the Directors may reasonably require, accompanied by such other evidence as the Directors may reasonably require to prove the right of the transferor to make the transfer as may be specified in the transfer registration form referred to above. If the Directors decline to register a transfer, they shall send notice to the transferee of such refusal within one month. The registration of transfers may be suspended at such time and for such period as the Directors may determine, in accordance with the Articles.

If within one (1) month of receipt of an acceptable instrument of transfer of Shares the Directors do not deny permission for the transfer, the Company shall be deemed to have approved the transfer. However, the Company's Articles provide that the Directors may, in their absolute discretion, decline to give effect to the proposed transfer of any Share and may withhold approval, if the manner, form or evidence of transfer or assignment is unacceptable, if the transfer violates the minimum investment and/or minimum commitment requirements of the Company and of a Sub-Fund, if the transfer might violate applicable laws, where all required documentation is not

submitted, or when such transfer is deemed by the Directors in their absolute discretion to be contrary to the best interests of the Company by virtue of resulting in legal, pecuniary, regulatory, taxation or material administrative disadvantage to the Company. The above shall also be grounds for refusal by the Company to accept a proposed transfer or novation of uncalled Commitments, and in case of such uncalled Commitments the Company may refuse to accept a transfer or novation thereof and may also refuse to enter into a novation agreement for the purposes thereof for any reason whatsoever and without being obliged to give reasons therefor.

Without prejudice to the aforesaid, in the case of the death of an Investor, the lawful heirs, legatees, survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or surviving holder, shall be the only person recognised by the Company as having title to his interest in the shares, but nothing in this Article shall release the estate of the deceased holder, whether sole or joint, from any liability in respect of any share solely or jointly held by him.

In the event that any shares are listed on a Regulated Market, transfers and transmissions of shares shall also comply with any mandatory rules of any such Regulated Market.

#### *Minimum holding requirements for registration of transfers*

Should it appear that the effect of a transfer will result, after the transfer, in the transferor or the transferee holding in aggregate less than the Minimum Holding required in this Offering Memorandum, the Company shall immediately inform the applicant that the request for registration of a transfer has been suspended until the request is amended to result in observance of the Minimum Holding of Shares after the transfer of Shares by the transferor and the transferee.

#### **Pledge of Shares**

Each Investor is allowed by the Articles to pledge his Shares in favour of a third party.

#### **Data Protection**

As part of the subscription procedure, personal data relating to all prospective investors, Investors and other natural persons (hereinafter referred to as “**Data Subjects**”), may be collected.

The Company requires this information, amongst others, to enable completion of the subscription procedure, maintenance of the shareholders’ register, to comply with any requests of the prospective Investors/Investors which the Company wishes to entertain and also to comply with all applicable legislation and regulatory requirements. Shareholders may be similarly required to provide and/or submit documents and information whether in order to process exchange, transfer, redemption or other requests or to comply with relevant legislation. Information collected may include personal data (defined under the relevant privacy laws as any information relating to an identified or identifiable natural person, who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person (the “**Personal Data**”)).

The Company is a controller of Personal Data, that is, a body which collects, processes and determines the purposes and means of the processing of Personal Data. The Company will process this data according to relevant privacy laws, including The General Data Protection Regulation



(the “**GDPR**”) and the Data Protection Act, Chapter 440 of the Laws of Malta, and subsidiary legislation thereto, as may be amended from time to time.

For information on the rights of Data Subjects; the purposes of processing Personal Data and the Company’s lawful bases of such processing; recipients and transfers of Personal Data; data retention obligations; and, the technical and organisational measures adopted by the Company to keep the Personal Data secure, please refer to the Privacy Notices provided to you by the Company.

Data Subjects may contact the Company on [investors@accolade.cz](mailto:investors@accolade.cz) and +420 220 303 019.

You hereby acknowledge to have been informed of and provided with a copy of the Data Protection Notice on the processing of personal data.

## TAXATION

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### General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation applicable to the acquisition, holding and disposal of Investor Shares in the Company.

The following is a summary of the anticipated tax treatment in Malta applicable to the Company and to its Investors. This information, which does not constitute legal or tax advice, refers only to Investors who do not deal in securities in the course of their normal trading activity.

The information below is based on tax law and practice applicable at the date of this Offering Memorandum. Investors of the Company are reminded that tax law and practice and the levels of tax relating to the Company, its Funds (if any) and the Investors may change from time to time.

### The Company

The tax regime for collective investment schemes is based on the classification of funds into prescribed or non-prescribed funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (as amended). In general, a prescribed fund is defined as a fund resident in Malta which has declared that the value of its assets situated in Malta amount to at least eighty-five percent (85%) of the value of the total assets of the fund. Other funds resident in Malta which do not have such an exposure to Maltese assets and all non-resident funds are treated as non-prescribed funds.

Based on the above, the Company is classified as a non-prescribed fund for income tax purposes (in terms of law such a classification may be subject to change subject to certain specific conditions). The Company is treated as resident for tax purposes in Malta and is liable to income tax in Malta. However, the Company benefits from a tax exemption on all its income, other than on profits and capital gains relating to immovable property situated in Malta.

Capital gains, dividends, interest and any other income from foreign securities held by the Company may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its Investors.

### The Investors

Capital gains realised on transfers or redemptions by persons who (i) are not resident in Malta and are not owned and controlled by, directly or indirectly, nor act on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta; and/or (ii) do not derive at least 90% of their worldwide income from Malta; are exempt from tax in Malta.

Capital gains realised by Investors resident in Malta on the redemption, liquidation, or cancellation of units in the relevant Sub-Fund, may be subject to a 15% final withholding tax and the obligation to deduct such tax at source lies on the Company. However Investors resident in Malta have the option to request the Company not to effect the deduction of the said 15% withholding tax in which case the investor would be required to declare the gains in his income tax return and will be subject to tax at the normal rates.

Capital gains realised by Investors resident in Malta on direct transfers to third parties of securities in the relevant Sub-Fund must be declared by the transferor in his tax return and tax is charged thereon at normal rates, so however that on an eventual redemption, the gain on redemption is calculated without reference to the direct intermediate transfer.

Capital gains arising from the exchange, by Investors resident in Malta of Shares in a Sub-Fund of the Company for Shares in any other Sub-Fund of the Company are only taxable when the Shares are eventually disposed of. Any gains or losses arising from the exchange of Shares will be taken into account in the computation of any taxable capital gains.

Distribution of dividends to persons who are not resident in Malta and (i) are not owned and controlled directly or indirectly, by individuals who are ordinarily resident and domiciled in Malta; and/ or (ii) do not derive at least 90% of their worldwide income from Malta; are not subject to tax in Malta.

Distribution of dividends to Investors resident in Malta (other than a company) deriving from untaxed profits of the Company which are allocated to its untaxed account, are subject to a withholding tax of 15%. Profits arising from Malta-sourced income which would have been taxed at source at the distributing company level, are not subject to further tax in the hands of Investors.

Issues of Shares do not attract any duty in Malta pursuant to the Duty on Documents and Transfers Act (Cap. 364 of the laws of Malta).

Redemption of Shares by the Company and transfers of Shares by Investors are exempt from stamp duty in Malta on the basis of the Company holding a valid stamp duty determination.

## **FATCA**

The Company and/or interests in the Company could be subject to the application of the Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act 2010, which implemented sections 1471-1474 of the U.S. Internal Revenue Code of 1986, as amended ("FATCA").

FATCA generally imposes a new reporting regime and potentially a 30% withholding tax with respect to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends ("Withholdable Payments"). As a general matter, the rules are designed to require U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities to be reported to the U.S. Internal Revenue Service ("IRS").

Malta entered into a Model 1 Intergovernmental Agreement (IGA) with the United States of America on 16 December, permitting financial institutions in Malta and in the US to register and report the required information to their respective tax authorities. In terms of the IGA, a Malta registered financial institution may be exempt from US withholding tax on income received from US investments, as well as from withholding the tax on payments made to US resident investors, once it complies with the applicable registration requirements on the IRS FATCA registration website.

Reporting will take place annually, and the information to be obtained and reported is that defined in Article 2 of the IGA, in the time and manner described in Article 3 of the IGA.

The Company will seek ongoing professional advice to ensure it remains compliant with its obligations in terms of FATCA.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE INVESTORS SHOULD BE CLARIFIED ON AN INDIVIDUAL BASIS. EACH EXISTING OR POTENTIAL INVESTOR SHOULD CONSULT ITS OWN PROFESSIONAL ADVISOR TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND HOW THIS U.S. LEGISLATION MIGHT AFFECT ITS PARTICULAR CIRCUMSTANCE.

### **Common Reporting Standards**

The Organisation for Economic Co-operation and Development (OECD) has developed a new global standard for the automatic exchange of financial information between tax authorities (the “**Common Reporting Standard**”), which is similar to FATCA. Malta is a signatory jurisdiction to the Common Reporting Standard.

The European Union directive regarding the taxation of interest income (the “**EU Savings Directive**”) has been repealed and was effectively replaced by EU Council Directive 2014/107/EU. EU Council Directive 2014/107/EU extends the scope of mandatory exchange of information between EU member states to financial account of information. This extension effectively incorporated the Common Reporting Standard in the EU Directives concerning automatic exchange of information.

The EU Council Directive 2014/107/EU and the Common Reporting Standard have been implemented in Maltese legislation through the publication of the Co-Operation with Other Jurisdictions on Tax Matters (Amendment) Regulations with effect from 1 January 2016 and the Inland Revenue has published guidelines in this respect. The first exchange of information with tax authorities of other signatory jurisdictions in respect of calendar year 2016 is expected to take place in 2017.

The said requirements, may impose additional burdens and costs on the Company (or each Sub-Fund) and/or its Investors.

The Company (or each Sub-Fund) may require certain additional financial information from Investors and financial intermediaries acting on behalf of Investors to comply with its diligence and reporting obligations. If the Company (or each Sub-Fund) is unable to obtain the necessary information from Investors, it may take any steps necessary to avoid resulting implications such as penalties or sanctions, which may include (but are not limited to) compulsorily redeeming the relevant Investor.

## DESCRIPTION OF THE COMPANY

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### Organisation of the Company

ACCOLADE FUND SICAV p.l.c whose registered office is situated at Vision Exchange Building, Territorials Street, Zone 1, Central Business District, Birkirkara CBD Malta was registered in Malta on 15<sup>th</sup> July 2014 with registration number SV 322 and is licensed by the MFSA in terms of the Investment Services Act as a collective investment scheme.

The Company was incorporated as a multi-fund public limited liability company with variable share capital. As at the date hereof, the Company is in the process of offering Investor shares in one Sub-Fund.

### Duration of the Company

The duration of the Company is indefinite but Sub-Funds may be issued for a definite duration after which they shall be wound up and all assets distributed to the Shareholders in that Sub-Fund. In relation to any particular Sub-Fund, see the related Fund Particulars Supplement.

### Capitalisation of the Company

- The authorised share capital of the Company is 5,000,000,000 (five billion) shares, without any nominal value assigned to them, which may be issued as shares of any class representing any Sub-Fund (apart from the class of shares known as Founder Shares, which do not constitute and do not form part of a Sub-Fund).
- Founder Shares will be the only voting ordinary shares and are subscribed to by Accolade Holding a.s. with registered address at Sokolovská 394/17, 186 00 Prague 8, Czech Republic and with Czech registration number 286 45 065. The Founder Shares do not constitute a separate Sub-Fund of the Company. The net proceeds of the issue of Founder Shares (including any interest generated therefrom) shall be included in the Company's general assets and shall not be included in the assets of, and shall not be available for the creditors or holders of Investor Shares in, any distinct Sub-Fund of the Company. Any distribution payable to the Founder Shareholders out of such general assets may be paid out in cash or *in specie*, subject to the relevant provisions of the relevant Fund Particulars Supplement, and the applicable minimum holding defined therein.

### Investor Shares

Investor Shares shall be offered to Authorised Investors for subscription as per the Fund Particulars Supplement for each Sub-Fund. Investor Shares will not have any voting rights. The Directors may from time to time split Investor Shares into a greater number of Investor Shares or consolidate Investor Shares and such transactions shall be carried out based on the applicable NAV per Share on the last Valuation Day before the transaction is affected. Investors in the Sub-Funds shall participate in the income and capital of the Company attributable to the Sub-Funds in which they invest.

The actual value of the paid-up share capital of any Sub-Fund shall at all times be equal to the value of the assets of any kind of the particular Sub-Fund after the deduction of such Sub-Fund's

liabilities. The Directors shall exercise all the powers of the Company to allot or issue Shares in the Company. The maximum number of Shares which may be allotted or issued by the Directors shall not exceed the amount of five billion (5,000,000,000) provided, however, that any Shares which have been repurchased shall be deemed never to have been issued for the purpose of calculating the maximum number of Shares which may be issued.

The Company shall recognise an absolute right of title of Shares in the Company in the registered holder and the Company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Shares or (except only as otherwise provided herein or as by law may be required) any other right in respect of any Share. Nothing in the foregoing shall be construed as prohibiting the Company from recognising and / or acknowledging a pledge on its Shares duly registered.

The Directors shall not be bound to register more than four (4) persons as joint holders of any Share or Shares. In the case of a Share held jointly by several persons, the Directors shall not be bound to issue more than one written confirmation of ownership for a Share and the delivery thereof to the first named of several joint holders shall be sufficient delivery to all.

### **Characteristics of the Shares**

#### Classes

With the prior approval of the MFSA and notification to all existing functionaries, the Directors may from time to time issue separate classes of Shares which may comprise different series on such terms as the Directors may resolve.

Investor Shares will be issued fully paid.

#### Voting Rights and Class Meetings

Subject to the consent required in the event of a change in rights of the Investor Shares, Investor Shares carry no voting rights.

The rights attaching to the Investor Shares may only be altered by the Company with the consent, whether by way of a class meeting or in writing of three fourths (3/4<sup>ths</sup>) of the holders of the issued Investor Shares in that class.

Holders of the Founder Shares are entitled to one vote for every Founder Share held. The holders of the Founder Shares shall have the exclusive right to appoint the Directors of the Company. Any changes to the name of the Company shall also be decided exclusively by the holders of the Founder Shares.

### **Alterations to the Company's Share Capital**

The Company may increase or reduce the maximum number of Shares which may be issued by the Company by an extraordinary resolution (i.e. a resolution notice of which has been given prior to the meeting, and which is approved by 75% of the Founder Shareholders present at the meeting and entitled to vote thereon and at least 51% of all Founder Shareholders who are entitled to vote thereon).

### **Amendment to the Memorandum and Articles of Association**

Subject as provided herein, the Memorandum and Articles may be altered or amended only by the passing of an extraordinary resolution of the holders of the voting Shares in the Company to such effect.

### **Variation of Class Rights**

If at any time the authorised capital is divided into classes of shares, the rights attached to any then existing class (unless otherwise provided by the terms of issue of the Shares of that class), may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths ( $3/4^{\text{th}}$ ) of the issued shares of that class and of any other class of shares which may be affected by such variation. The said consent can also be obtained by the Company through a request for consent in writing in a circular sent to the holders of the effected shares.

It shall not be deemed to be a variation of the rights attaching to any particular class of shares for the Company to create or issue further shares ranking pari passu with the existing shares.

### **Winding Up**

The Company may be wound up either voluntarily or by the Court. On a winding-up the liquidator shall, subject to any limitations or restrictions imposed by law, apply the assets of the Company in satisfaction of creditors' claims in such manner and order as he thinks fit. The Company shall at least 2 weeks prior to any decision, inform the MFSA of its intention to wind up the Company.

### **Annual Reports**

The Company will be audited in accordance with International Standards of Auditing. Copies of the audited financial statements of the Company, which will be prepared in the Base Currency and will be up to 31 December of each year, will be sent to the holders of Founder Shares at their registered address not less than 14 working days before the date fixed for the general meeting of the Company at which they will be presented. Copies of the latest Annual Reports, (if any) are available, on request, at the registered office of the Company and Financial Intermediaries. In addition, Annual Reports will be sent to each Investor at the address shown in the Company's Register.

The following information will be included in the annual report and will also be made available upon request:

- i. the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature;
- ii. the current risk profile of the Company and the Sub-Fund/s and a description of the risk management systems employed to manage those risks;
- iii. any new arrangements for managing the liquidity of the Company;
- iv. any changes to the maximum level of leverage which the Company may employ on behalf of the Sub-Fund/s as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement;
- v. the total amount of leverage employed by the Company or the Sub-Fund/s.

## **General**

### *Risk management*

The Investment Manager employs, on behalf of the Company and its Sub-Fund, risk management processes which enable it to monitor the risks of the Sub-Fund.

The Investment Manager also maintains, on behalf of the Company and its Sub-Fund, a liquidity management process to monitor liquidity risk, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions. The liquidity management systems and procedures allow the application of various tools and arrangements which are necessary to measure and monitor the liquidity of the Sub-Fund's portfolio. Arrangements may also be used in response to redemption requests, including the temporary suspension or deferral of such redemption requests in certain circumstances which, if activated, will restrict the redemption rights which Investors benefit from in normal circumstances.

### *Sustainability Matters*

The Investment Manager maintains a policy as to the integration of sustainability risks in its investment decision-making process, where relevant. As at the date hereof, the Investment Manager does not deem sustainability risks to be relevant to the Company and the Sub-Fund and the investments made by the Company's Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities. Accordingly, when making investment decisions, the Investment Manager does not consider sustainability factors and/or the adverse impacts of investment decisions on sustainability, as this does not fit with: (1) the current or intended future composition of the Sub-Fund's portfolios; and (2) the investment strategies and/or policies of the Sub-Fund.

### *Collateral Reuse*

If leverage is permitted in terms of the relevant Fund Particulars Supplement, any party lending to the Company (in respect of the Sub-Fund/s) will not be able to reuse any collateral granted by the Company under borrowing arrangements.

### *Applicable law and Jurisdiction*

This Offering Memorandum and any statements made herein as well as shareholders' rights in relation to Shares under the memorandum and articles of the Company are based on, subject to and governed by Maltese law. By investing in the Sub-Fund/s, Investors submit to the exclusive jurisdiction of the Courts of Malta.

Without prejudice to the above choice of jurisdiction, judgements awarded by a competent court outside Malta would be recognised as a valid judgement and enforceable in the courts of Malta without re-examination of the merits of any matters treated in that judgment, subject to the following:



- (a) in the case of judgments falling within the scope of the EC Regulation 44/2001 on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters (the “**European Judgements Regulation**”), the recognition and enforcement would be subject to the provisions contained in the European Judgements Regulation<sup>1</sup>;
- (b) in the case of judgments falling within the scope of the Convention on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters signed in Lugano on the 30 October 2007 between the European Community, the Kingdom of Denmark, the Republic of Iceland, the Kingdom of Norway and the Swiss Federation (the “**Lugano Convention**”), the recognition and enforcement of judgments delivered in Member states of the Lugano Convention, other than judgements which fall within the European Judgements Regulation, would be subject to the provisions contained in the Lugano Convention; and
- (c) in the case of judgements neither falling within the scope of the European Judgments Regulation nor the Lugano Convention, the recognition and enforcement would be subject to the applicable law of Malta imposing judgment registration or confirmation in Malta, provided that the judgement: (i) does not contain dispositions contrary to public policy and (ii) cannot be set aside on any of the grounds for re-trial as contemplated in the law of Malta on civil procedure.

#### *Information to be provided before Investing*

In addition to this Offering Memorandum, a prospective investor is, before investing, entitled to be provided with (and should request):

- (a) The latest annual report of the Company;
- (b) The latest Net Asset Value; and
- (c) The historical performance of the Fund.

Prior to providing the above information, the Company may require appropriate confidentiality undertakings to be put in place or impose additional conditions. Where such conditions are required, compliance with such conditions should be considered as additional eligibility requirements to subscribe for Shares.

#### *Fair Treatment of Investors*

The Company has established policies and procedures and made arrangements to ensure the fair treatment of investors. Such arrangements include, but are not limited to, ensuring that no one or more investors are given preferential treatment over any rights and obligations in relation to their investment in the Company. All rights and obligations to investors, including those related to subscription and redemption requests, are set out in this Offering Memorandum, the Fund Particulars Supplement or the Memorandum and Articles.

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<sup>1</sup> Malta also has a reciprocal enforcement agreement with the United Kingdom but this operates in relation to money judgements only. Judgements are registered, by application, with the Court of Appeal in accordance with and subject to the terms of the British Judgements (Reciprocal Enforcement) Act (Cap. 52, Laws of Malta).

### *Investors' rights against Service Providers*

The Company is reliant on the performance of service providers, including, among others, the Investment Manager, the Administrator, the Custodian and the Auditor. Investors should note that they have no contractual relationship with the service providers appointed by the Company, and, accordingly will have no right to proceed against the same in the event of a breach of the contracts appointing them.

In addition, investors should note the following:

- i. The Company does not have, nor has it had since incorporation, any employees.
- ii. Save as disclosed above or in any Fund Particulars Supplement, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company.
- iii. The Directors are not required to hold any qualification Shares. There is no age limit at which the Directors are required to retire.
- iv. At the date of this Offering Memorandum, the Company has no loan capital (including term loans) outstanding or created but unissued and no outstanding charges or other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.
- v. The Directors may from time to time, in the interest of the Investors and subject to the prior approval of the MFSA, amend this Offering Memorandum.
- vi. The Company and the Sub-Funds have been established for an indefinite duration.

## Appendix 1 - Determination of Net Asset Value

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The Company shall on each Valuation Day determine the Net Asset Value, and the Net Asset Value per Share of the relevant class/series of each Sub-Fund. Each Sub-Fund's Net Asset Value shall be the value of that Sub-Fund's assets less its liabilities. The Net Asset Value per share of each class/series of each Sub-Fund shall be the Net Asset Value divided by the number of Investor Shares in issue in such class and such series. The Net Asset Value shall be expressed in the relevant Base Currency (or in such other currency as the Directors may determine) as a per Share figure for each class of Investor Shares in issue (rounding down to the fourth decimal figure of the relevant Base Currency) and shall be determined for each Valuation Day in accordance with the Articles and as may otherwise be provided in the Offering Memorandum and Fund Particulars Supplement.

The assets and liabilities of each Sub-Fund of the Company, including any new Sub-Funds that may be created by the issue of new classes of Investor Shares, shall constitute and be treated as a patrimony distinct and separate from the assets and liabilities of each other Sub-Fund of the Company. In the event that the liabilities of a particular Sub-Fund exceed its assets, then the proportion of liabilities in excess of the assets shall not be allocated to the other Sub-Fund/s and the creditors of that Sub-Fund whose liabilities exceed its assets shall have no claim or right of action against the assets of the other Sub-Fund/s.

There shall be established a pool of assets and liabilities for each Sub-Fund in the following manner and the assets and liabilities shall be allocated among the Sub-Funds as follows:-

- i. the proceeds from the issue of Investor Shares representing a Sub-Fund shall be applied in the books of the Company to the pool of assets established for that Sub-Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions hereof;
- ii. where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Sub-Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Sub-Fund;
- iii. where the Company incurs an expense or a liability which relates to any asset of or attributable to a particular Sub-Fund or to any action taken in connection with an asset of or attributable to a particular Sub-Fund, such an expense or a liability shall be allocated to the relevant Sub-Fund, save for such liabilities in respect of a particular Sub-Fund which are expressly referred to herein or in the relevant Fund-Particulars Supplement as liabilities of and to be discharged by the Company payable out of its general assets;
- iv. where an asset or a liability of the Company cannot be considered as being attributable to a particular Sub-Fund, but as attributable to all the existing Sub-Funds of the Company at the relevant time, or to the Company in general, or to two or more Sub-Funds but not to all the existing Sub-Funds of the Company at the relevant time, such asset or liability, shall be allocated to all the Company's Sub-Funds at the relevant time or (as the case may be) to all the relevant Sub-Funds to which such asset/liability is attributable pro-rata to the latest NAV of each Sub-Fund at the time; it being provided, for the avoidance of

doubt, that the foregoing provisions of this sub-paragraph (iv): (a) shall not apply to the general assets of the Company (essentially consisting but not limited to the capital contributed by the Founder Shareholder(s), any bank interest or other yield thereon which will remain for the benefit of the holder(s) of Founder Shares and any creditors of general liabilities of the Company which have not been attributed to the Sub-Funds in terms hereof (if any)); and (b) shall apply to all general expenses and liabilities of the Company which have been allocated and attributed to the Sub-Funds as provided under the section titled 'Fees, Charges and Expenses', but shall not apply to general expenses and liabilities of the Company (if any) which may be expressly said in this Offering Memorandum to be liabilities of and to be discharged by the Company payable out of its general assets;

Provided further that without prejudice to the allocation and attribution rules contained herein, the net proceeds of the issue of the Founder Shares as well as any bank interest or other yield thereon shall be included in the Company's general assets and shall not be included in the assets of, and shall not be available for the creditors or holders of Investor Shares in any Sub-Fund of the Company.

- v. upon the payment of dividends or redemption proceeds or other payments and distributions to the holders of Shares in any Sub-Fund, the Net Asset Value of such Sub-Fund shall be reduced by the amount of such payment.

When issuing a class of Investor Shares in regard to any Sub-Fund, the Company may allocate commission, duties and charges and ongoing expenses on a basis which is different from that which applies in the case of Investor Shares in other Sub-Funds.

If the Directors determine that, notwithstanding the foregoing, in respect of any Sub-Fund, the assets or liabilities shall be attributed to one class of Investor Shares on a basis different to that of another class of Investor Shares as may be set out in the Company's Offering Memorandum from time to time, the number of undivided parts in the net assets of the Sub-Fund to which each such Share shall be entitled shall be adjusted in such manner as the Directors shall determine so as to give effect to the different basis of attribution.

The Company may sue and be sued in respect of a particular Sub-Fund as apply at law in respect of companies.

In any proceedings brought by any Investor holding Investor Shares, any liability of the Company to such Investor in respect of such proceedings shall only be settled for any proved liability paid out of the assets of the Sub-Fund in which the Investor Shares in question are in issue without recourse in respect of such settlement or liability or any allocation thereof of any other Sub-Fund of the Company.

## **Appendix 2 - Temporary Suspension of Determination of NAV and/or Redemptions**

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The Company at any time may, but shall not be obliged to, temporarily suspend the (a) determination of the NAV of any class of Investor Shares and/or (b) the sale and redemption (as the case may be) of such Investor Shares or the repurchase of only part of the Investor Shares for which repurchase requests have been received, in any Sub-Fund, in any of the following instances:-

- i. during any period (other than holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the investments, or in which trading thereon is restricted or suspended; or
- ii. during any period when disposals of investments by the Company or any Sub-Funds cannot be effected normally or without seriously prejudicing the interests of Investors; or
- iii. during any period when for any reason the prices of investments cannot be reasonably, promptly or accurately ascertained; or
- iv. during any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for investments cannot, in the opinion of the Company, be carried out for any reason whatsoever; or
- v. during any period when an emergency exists as a result of which disposal by the Company of investments which constitute a substantial portion of the assets of the Company/Sub-Fund to which such class of Investor Shares relates is not practically feasible; or
- vi. during any period when the Sub-Fund is unable to repatriate funds for the purpose of making payments on the redemption of Investor Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Investor Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange; or
- vii. during any period when the Directors determine that no ready market exists for the disposal of the underlying investments.

The Directors may elect to treat the first Valuation Day or (as the case may be) as the first Dealing Day on which the conditions giving rise to the suspension have ceased as a substitute Valuation Day or (as the case may be) as a substitute Dealing Day in which case the NAV calculations and all sales and redemptions of Investor Shares shall be effected on the substitute Valuation Day or (as the case may be) substitute Dealing Day.

The Administrator shall inform in any manner it may deem appropriate, the persons who have made an application to the Company for the purchase and redemptions of Investor Shares in the Company. Any suspension shall be immediately notified, by the Company to the MFSA.

The dealing in shares shall also be suspended upon the lawful order of the MFSA or other competent authority in terms of the Regulations.

### Appendix 3 - Valuation of Assets

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The NAV of the Investor Shares in the Company shall at all times be equal to the value of the assets of any kind of the particular Sub-Fund after the deduction of such Sub-Fund's liabilities, divided by the total number of such Investor Shares outstanding on the Valuation Day.

Unless otherwise stated or supplemented in this Offering Memorandum or in the Fund Particulars Supplement of any Sub-Fund, the value of the assets comprised in each of the Sub-Funds shall be ascertained by a valuation committee appointed by the Board of Directors of the Investment Manager (the "**Valuation Function**") on the following basis:-

- A) the value of any investment quoted, listed or normally dealt in, on, or under the rules of any Regulated Market shall be calculated in the following manner:
- i) by reference to the price appearing to the Valuation Function to be the latest available dealing price or (if bid and offer quotations are made) the latest available middle market quotation on such Regulated Market as the Valuation Function may consider more appropriate; and
  - ii) if an investment is quoted, listed or normally dealt in, on or under the rules of more than one Regulated Market, the Valuation Function may adopt the price or, as the case may be, the middle quotation on the Regulated Market which, in their opinion, provides the principal market for such Investment; and
  - iii) in the case of any Investment which is quoted, listed or normally dealt in, on or under the rules of a Regulated Market but in respect of which, for any reason:
    - a) prices on that Regulated Market may not be available at any relevant time, or
    - b) the value thereof based on the said prices or a quotation as described in paragraphs (i) and (ii) above does not establish, in the opinion of the Valuation Function, the fair value of any investment.

the value thereof shall be determined by such professional person as may be appointed by the Valuation Function for such purpose or generally in relation to some or all the Investments of the Company and for such time as may be determined by the Valuation Function.
  - iv) the Valuation Function shall not be under any liability by reason of the fact that a value reasonably believed by them to be the latest available price or, as the case may be, middle quotation for the time being may be found not to be such; and
  - v) there shall be taken into account interest accrued on interest-bearing investments up to the date at which the valuation is made unless such interest is included in the price or quotation referred to above;
- B) the value of any investment which is not quoted, listed or normally dealt in on or under the rules of a Regulated Market and is not immovable property shall be either:
- i) the initial value thereof or the fair value (i.e. the amount at which an asset could be acquired or sold in a current transaction between willing parties in which the parties each acted knowledgeably, prudently, and without compulsion) as assessed on the latest revaluation, both made in accordance with the provisions hereinafter contained. For this purpose:

- a) the initial value of such an Investment shall be the amount expended out of the Sub-Fund in the acquisition thereof (including in each case the amount of stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof of the Company for the account of a Sub-Fund. In estimating the fair value of any particular such Investment upon any revaluation, the Valuation Function, or such competent professional person/s as may be appointed for such purpose by the Valuation Function, will take into consideration all indications of fair value that are available (including, but not limited to, financial standing of issuer, similar companies in a quoted market, third party transactions/offers to purchase, changes in economic conditions, and financial statements of issuer) together with results obtained from different valuation techniques as determined by the Valuation Function.; and
  - b) the Valuation Function may at any time cause a revaluation to be made of any such investment by such professional person as may be appointed for such purpose by the Valuation Function. The Valuation Function may also adopt other valuation techniques as may be established from time to time by the Valuation Function to determine the fair value of unquoted securities. Unquoted securities shall be valued at least annually. The value so established will be reviewed on a regular basis throughout the year.
- C) This paragraph B shall not apply to the valuation of immovable property, which shall be valued in accordance with paragraph C below. Immovable property shall be valued at least once annually at fair value on the basis of a full valuation in accordance with the provisions hereinafter contained by an appropriate, reputable, independent valuer appointed for this purpose by the Valuation Function. The value so established will be reviewed by the Valuation Function on a regular basis throughout the year, and at minimum on each NAV calculation date.

The fair value of immovable property held by way of investment is usually the market value thereof. Fair value is measured as the most probable price reasonably obtained in the market at the valuation point. The fair value of any such investment reflects, among other things, current prices on an active market, recent prices on less active markets with adjustments to reflect any changes in economic circumstances, and/or discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (where possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows. The Valuation Function may also adopt other valuation techniques as may be established from time to time by the Valuation Function to determine the fair value of immovable property held by way of investment.

Where independent valuers are required by the Valuation Function, such independent valuers will be required to satisfy the MFSA's standard criteria for such valuers, namely:

- that the incumbent is independent from the Scheme, its officials, or any service providers to the Scheme; and

- that the incumbent is of good standing with recognised and relevant qualifications and an authorised member of a Recognised Professional Body in the jurisdiction of the assets in questions.
- D) the Valuation Function shall be entitled to value certain financial instruments held, directly or indirectly by the Company, that are:
- i) Quoted non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the positive intention and ability to hold to maturity; and / or
  - ii) Non-derivative unquoted financial assets with fixed and determinable payments; at amortised cost using the effective interest method.
- E) the value of each unit or Share in any collective investment scheme which provides for the units or Investor Shares therein to be realised at the option of the Investor out of the assets of that scheme shall be the last published net asset value per unit or Share or (if bid and offer prices are published) at a price midway between the last published bid and offer prices applicable to the scheme as the Valuation Function may consider appropriate;
- F) the value of any futures contract shall be:-
- i) in the case of a futures contract for the sale of the subject matter thereof, the positive or negative amount produced by applying the following formula:
 
$$a - (b + c)$$
  - ii) in the case of a futures contract for the purchase of the subject matter thereof, the positive or negative amount produced by applying the following formula:-
 
$$b - (a + c)$$
- where:
- a = the contract value of the relevant futures contract (the "relevant contract");
  - b = the amount determined by the Valuation Function to be the contract value of such futures contract as would be required to be entered into by the Company in order to close the relevant contract, such determinate to be based on the latest available price or (if bid and offered quotations are made) middle quotation on the Regulated Market in which the relevant contract was entered into by the Company; and
  - c = the amount expended out of the Company in entering into the relevant contract, including the amount of all stamp duties, commissions and other expenses but excluding any deposit or margin provided in connection therewith;
- G) cash, deposits and similar property shall be valued at their face value (together with accrued interest) unless, in the opinion of the Valuation Function, any adjustment should be made;
- H) property other than investments and futures contracts shall be valued in such manner and at such time or times as the Valuation Function shall from time to time determine;
- I) notwithstanding any of the foregoing sub-paragraphs, the Valuation Function may adjust the value of any investment or other property or permit some other method of valuation to be used if it considers that in the circumstances (including without limitation a material volume



of subscription or redemptions of Investor Shares in any Sub-Fund; or the market ability of the investments or other property; or such other circumstances as the Valuation Function deems appropriate) such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investment or other property;

- J) every Share allotted by the Company shall be deemed to be in issue and the relevant Sub-Fund shall be deemed to include the net amount of any cash or other property to be received in respect of each such Share;
- K) where, in consequence of any notice or redemption request duly given, a reduction of any Sub-Fund by the cancellation of Investor Shares has been or is to be effected but payment in respect of such reduction has not been completed, the Investor Shares in question shall be deemed not to be in issue and any amount payable in cash or investments out of the Sub-Fund in pursuance of such reduction shall be deducted;
- L) where any investment or other property has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such investment or other property shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration excluded or included as the case may require as if such acquisition or disposal had been duly completed;
- M) there shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Valuation Function may have determined to amortise less the amount thereof which has previously been or is then to be written off;
- N) where an amount in one currency is required to be converted into another currency the Valuation Function may affect such conversion using the latest available rates of exchange as the Valuation Function shall determine at the relevant time except where otherwise specifically provided therein;
- O) where the current price of an investment is quoted, or calculated ex dividend or interest, there shall be added to the assets a sum representing the amount of such dividend or interest receivable by the Company but not yet received;
- P) there shall be added to the assets the amount (if any) available for allocation in respect of the last preceding accounting period of the Company but in respect of which no allocation has been made;  
  
Any amount of dividend which has been declared by the Company but not paid will continue to be treated as an Investment until it is actually paid.
- Q) there shall be deducted from the assets such sum in respect of tax (if any) as in the estimate of the Valuation Function will become payable in respect of the current accounting period;
- R) there shall be deducted from the value of any investment in respect of which a call option has been written the value of such option calculated by reference to the latest available dealing price on a Regulated Market or (if bid and offered quotations are made) middle quotation on such Regulated Market or if no such price is available the value thereof shall be determined by such professional person as may be appointed for such purpose by the Valuation Function;
- S) there shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including outstanding borrowings and

accrued interest on borrowings (if any) but excluding liabilities taken into account in subparagraph (R) above.

Notwithstanding the foregoing, when the above system of valuation would not reflect the current value of the assets accurately, the Valuation Function shall be entitled to value the Investor Shares using the amortised cost method of valuation, whereby the investments of the Company are valued at their cost of acquisition, adjusted for amortisation of premium or accretion of discount on the investments, rather than at the current market value of the investments.

Where independent valuers are required by the Valuation Function, such independent valuers will be required to satisfy the MFSA's standard criteria for such valuers, namely:

- that the incumbent is independent from the Scheme, its officials, or any service providers to the Scheme
- that the incumbent is of good standing with recognised and relevant qualifications and an authorised member of a Recognised Professional Body in the jurisdiction of the assets in question; and
- that they shall be appointed by the Valuation Committee,

The Directors have delegated their function in connection with the calculation of the NAV to the Administrator.

In order to issue the NAV of the Fund, the Administrator may rely, without further enquiry, on the valuations provided by the Valuation Function and/or any reputable external valuer. For the avoidance of doubt, the Administrator is under no obligation to value the underlying assets in calculating the Net Asset Value. The duties of the Administrator shall be limited to the calculation of the NAV by applying the rules relating to the determination of the Net Asset Value as set out herein. Accordingly, the Administrator shall not be responsible for any liability to investors and/or third parties in respect of losses or damages arising from the incorrect or inaccurate valuation of the underlying assets, provided it had sourced the valuations from the Valuation Function. Furthermore, the Administrator shall not be responsible for the selection, oversight or monitoring of any external valuer appointed by the Valuation Function and shall not be liable for any losses or damages incurred by any investor and/or third parties due to any act or omission of such external valuer.

The Company, the Valuation Function and the Administrator shall not be responsible for any error in calculating the value of assets of the Company provided they have acted in good faith when making such calculations, and no adjustments shall be made to the values of any assets unless the valuation error exceeds 0.5% (half a percentage point) of the NAV in which case it will be adjusted. The MFSA shall be notified of such event together with information on such remedial action that the Company, the Valuation Function or the Administrator propose to take to ensure that such error does not occur again.

#### **Appendix 4 - Authorised Investors**

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The Articles provide that:-

1. Investor Shares shall not be allotted or issued to or transferred to or be beneficially owned by a person who does not fall within the definition of an “Authorised Investor” as defined in this Offering Memorandum and who has not provided the Company with a written declaration confirming his/her/its status as such.
2. The Minimum Initial Investment which an AIF may accept is as provided for in the Fund Particulars Supplement of the respective Sub-Funds. Once the minimum investment has been made any additional amount may be invested subject to specific restrictions in the Fund Particulars Supplement of the respective Sub-Funds. Furthermore, the total amount invested must not at any time be less than the Minimum Holding as specified in the Fund Particulars Supplement of the respective Sub-Funds (save where this relates to a decline in the net asset value).
3. No Investor Shares shall be allotted or issued to or transferred to or be beneficially owned by any U.S. Person except with the consent of the Directors. Each Subscriber for Investor Shares shall be required to certify whether he is acquiring such Investor Shares on behalf of, or for the benefit of, a U.S. Person and that such Subscriber will not sell or offer to sell or transfer, pledge or otherwise assign such Investor Shares in the United States or to, or for the benefit of, a U.S. Person without the consent of the Directors. No transfer of Investor Shares shall be recorded on the Register (except with the consent of the Directors) unless:-
  - i) the seller shall certify to the Company that such sale is not being made directly or indirectly to a U.S. Person; and
  - ii) the purchaser shall certify to the Company that it is not, nor is it acquiring such Investor Shares on behalf of or for the benefit of, a U.S. Person.
4. The Directors shall have power (but shall not be under any duty) to impose such restrictions (other than a restriction on transfer which is not expressly referred to in the Articles) as they may think necessary for the purpose of ensuring that no Investor Shares are acquired or held by any person as described in paragraph 3 above or paragraph 7 below.
5. The Directors may upon an application for the subscription of Investor Shares or for the registration of a transfer or transmission of Investor Shares or at any other time and from time to time require such evidence or declarations to be furnished to them in connection with the matters stated in paragraphs 1 and 6 as they shall in their discretion deem sufficient.
6. If a person becomes aware that he is holding or owning Investor Shares in contravention of the Articles he shall forthwith in writing request the Company to repurchase such Investor Shares in accordance with the Articles or shall transfer such Investor Shares to a person duly qualified to hold the same unless he has already received a notice under paragraph 7 below.

7. If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Investor Shares are owned directly or beneficially by:-
- i) any person in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Investor Shares; or
  - ii) any person who is, or has acquired such Investor Shares on behalf of or for the benefit of, a U.S. Person without the consent of the Directors; or
  - iii) any person who is, or has acquired such Investor Shares on behalf of or for the benefit of a person who is not an Authorised Investor; or
  - iv) any person or persons in circumstances which, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons whether connected or not, or any other circumstances appearing to the Directors to be relevant) in the opinion of the Directors might result in the Company or any Investor incurring any liability to taxation or suffering pecuniary or administrative disadvantages which the Company or such Investor might not otherwise have incurred or suffered; or
  - v) Any person who does not supply any of the information or declarations required hereunder within seven days of a request to do so being sent by the Directors

the Directors shall be entitled to give notice (in such form as the Directors deem appropriate) to such person or persons requiring him or them to transfer such Investor Shares to a person who is qualified or entitled to own the same or to request in writing the repurchase of such Investor Shares in accordance with the Articles.

7.2 Moreover, if the following circumstances occur:

- i) where the net asset value of a Sub-Fund falls below an amount established in the Fund Particulars Supplement of a Fund; or
- ii) in other circumstances stipulated in the relevant Fund Particulars Supplement; or
- iii.) in all other circumstances stipulated in the Articles including without limitation in the case that the Net Asset Value of the Company or of a Sub-Fund falls below a prescribed minimum; or
- iv.) under any other circumstances as determined by the Board of Directors provided that the Investors are given prior notice of such redemption of Shares.

the Directors shall be entitled to give notice (in such form as the Directors deem appropriate) to such person or persons requiring him or them to transfer such Investor Shares to a person who is qualified or entitled to own the same or to request in writing the repurchase of such Investor Shares in accordance with the Articles.

8. If any person upon whom such a notice is served as aforesaid does not within 20 days of the date of such notice transfer such Shares or request in writing the Company to repurchase the Shares he shall be deemed forthwith upon the expiration of 20 days to have so requested the repurchase of all of his Shares which are the subject of such notice whereupon he shall

be bound to deliver the confirmation of ownership in respect of the Shares to the Company forthwith and the Directors shall be entitled to appoint any person to execute such documents as may be required for the purposes of the repurchase. The deemed request to repurchase the Investor Shares may not be withdrawn, notwithstanding that the determination of the NAV for such Investor Shares may have been suspended.

9. Subject to any requisite official consents first having been obtained, settlement shall be effected by depositing the repurchase monies or proceeds of sale in a bank for payment to the person entitled upon such consents being obtained and, if relevant, against production of such evidence of ownership as the Directors may require representing the Investor Shares previously held by such person, together with the repurchase request duly signed. Upon deposit of such repurchase monies as aforesaid such person shall have no further interest in such Investor Shares or any of them or any claim in respect thereof except the right to claim without recourse to the Company the repurchase monies so deposited (without interest) upon such consents being obtained and against the production of the said evidence of ownership with the repurchase request duly signed.
10. The Directors may resolve that the provisions of the foregoing paragraphs shall be applied, in whole or in part, for a defined period or otherwise.

## Appendix 5 - Bankers

The bankers appointed as at the date hereof pertain to following banking groups:

| Ultimate parent                          | Country | Address  |
|--|---------|--|
| Erste Group Bank AG                      | Austria | Am Belvedere 1, Vienna, AT-9 1100, Austria.                              |
| Raiffeisen Bank International AG         | Austria | Am Stadtpark 9, Wien, AT-9 1030, Austria.                                |
| KBC Group NV                             | Belgium | AVENUE DU PORT 2, MOLENBEEK-SAINT-JEAN, BE-BRU 1080, Belgium.            |
| BNP Paribas S.A.                         | France  | 16 BD DES ITALIENS, 75009 PARIS 9, PARIS 9 75009, France.                |
| Crédit Agricole S.A.                     | France  | 12 PL DES ETATS UNIS, 92127 MONTROUGE CEDEX, MONTROUGE 92120, France.    |
| HSBC Continental Europe                  | France  | 38 AVENUE KLÉBER, PARIS, FR-IDF 75116, France.                           |
| Société Générale S.A.                    | France  | 29 BD HAUSSMANN, PARIS 9, FR-75 75009, France.                           |
| Aareal Bank AG                           | Germany | Paulinenstraße 15, Wiesbaden, DE-HE 65189, Germany.                      |
| Deutsche Pfandbriefbank AG               | Germany | Parkring 28, Garching, DE-BY 85748, Germany.                             |
| J.P. Morgan AG                           | Germany | Taunustor 1 (TaunusTurm), Frankfurt am Main, DE-HE 60310, Germany.       |
| Landesbank Hessen-Thüringen Girozentrale | Germany | Neue Mainzer Str. 52-58, Frankfurt am Main, DE-HE 60311, Germany.        |
| COMMERZBANK Aktiengesellschaft           | Germany | Kaiserstraße 16, Frankfurt am Main, DE-HE 60311, Germany.                |
| Deutsche Bank AG                         | Germany | Taunusanlage 12, Frankfurt am Main, DE-HE 60325, Germany.                |
| Barclays Bank Ireland PLC                | Ireland | ONE MOLESWORTH STREET, HATCH STREET, DUBLIN, IE-D D02 RF29, Ireland.     |
| Intesa Sanpaolo S.p.A.                   | Italy   | PIAZZA SAN CARLO, 156, TORINO, IT-TO 10121, Italy.                       |
| UniCredit S.p.A.                         | Italy   | PIAZZA GAE AULENTI, 3 TOWER A, MILAN, IT-MI 20154, Italy.                |
| Bank of Valletta plc                     | Malta   | 58, Zachary Street, Valletta, MT-60 VLT 1130, Malta.                     |
| Sparkasse Bank Malta plc                 | Malta   | 101, TOWNSQUARE, IX-XATT TA' QUI-SI-SANA, SLIEMA, MT-56 SLM 3112, Malta. |

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|---|-------------|--|
| ING Groep N.V.  | Netherlands | Bijlmerdreef 106, Amsterdam-Zuidoost, Amsterdam, NL-NH 1102 CT, Netherlands. |
| ABN AMRO Bank N.V.  | Netherlands | Gustav Mahlerlaan 10, Amsterdam, NL-NH 1082PP, Netherlands.                  |
| Bank Polska Kasa Opieki S.A.                                  | Poland      | Warszawa Grzybowska 53/57, Warszawa, PL-14 00-844, Poland.                   |
| POWSZECHNA KASA<br>OSZCZĘDNOŚCI BANK<br>POLSKI SPÓŁKA AKCYJNA | Poland      | WARSZAWA PUŁAWSKA 15, WARSZAWA, PL-14 02-515, Poland                         |
| ABANCA Corporación Bancaria S.A.                              | Spain       | Calle Canton Claudio Pita, 2, Betanzos, A Coruña, ES-C 15300, Spain.         |
| Banco Bilbao Vizcaya<br>Argentaria, S.A.                      | Spain       | Plaza de San Nicolás, 4, Bilbao, ES-BI 48005, Spain.                         |
| Banco de Sabadell, S.A.                                       | Spain       | Oscar Esplà 37, Alicante/Alacant, ES-A 03007, Spain.                         |
| Banco Santander, S.A.   | Spain       | Paseo de Pereda 9-12, SANTANDER, ES-S 39004, Spain.                          |
| CaixaBank, S.A.   | Spain       | CALLE PINTOR SOROLLA 2 - 4, Valencia, ES-B 46002, Spain.                     |

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## Directory

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### **Directors of the Company**

Mr. Milan Kratina  
Mr. Michal Bialas  
Mr. Chris Casapinta  
Mr. Zdenek Soustal  
Mr. Malcolm St. John

### **Registered Office**

Vision Exchange Building,  
Territorials Street, Zone 1,  
Central Business District,  
Birkirkara CBD 1070  
Malta

### **Investment Manager**

Accolade Investment Company Ltd  
Vision Exchange Building,  
Territorials Street, Zone 1,  
Central Business District,  
Birkirkara CBD 1070  
Malta

### **Administrator**

Alter Domus Fund Services (Malta) Limited  
Vision Exchange Building,  
Territorials Street, Zone 1,  
Central Business District,  
Birkirkara CBD 1070  
Malta

### **Auditors**

KPMG  
Portico Building  
Marina Street  
Pieta' PTA 9044  
Malta

### **Company Secretary**

Nicole Anne Demicoli  
10, Alley Nr.4  
Parish Street,  
MQABBA  
MALTA



**Custodian**

Alter Domus Fund Services (Malta) Limited  
Vision Exchange Building,  
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Malta

**Legal Counsel as to Maltese law**

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Malta