

# PRIVATE PLACEMENT MEMORANDUM

December 2016

## **GARIM S.C.A., SICAV-SIF**

an investment company with variable capital  
(*société d'investissement à capital variable – SICAV*)

organized as a specialised investment fund  
(*fonds d'investissement spécialisé – FIS*)

in the corporate form of a corporate partnership limited by shares  
(*société en commandite par actions – S.C.A.*)

incorporated under applicable Luxembourg laws and regulations

REGISTERED OFFICE:

5, rue Jean Monnet  
L-2180 Luxembourg

**VISA 2016/105561-7338-0-PC**

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité

Luxembourg, le 2016-11-21

Commission de Surveillance du Secteur Financier



Subscriptions of shares in GARIM S.C.A., SICAV-SIF can only be accepted on the basis of the Private Placement Memorandum, the *document d'émission* in the sense of the 2007 Law accompanied by the latest annual report (if any).

No information other than that contained in the Private Placement Memorandum, in the periodic financial reports or in any other document mentioned in the Private Placement Memorandum may be given in connection with this offer.

Prospective investors are not to construe the contents of the Private Placement Memorandum as legal advice. The Fund has not engaged any legal or other advisors to represent investors. Each prospective investor should consult its own advisors as to legal, tax and related matters concerning an investment in the Fund. Recipients of the Private Placement Memorandum should note that there may have been changes in the affairs of the Fund since the date hereof.

The Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Private Placement Memorandum and Articles, copies of which are available as mentioned herein.

## IMPORTANT INFORMATION

An investment in the Fund involves significant risks. Investors should read the Private Placement Memorandum in its entirety and should consider the risks described in the Private Placement Memorandum under clause 19 “Risk Factors” below and the specific risks of the relevant Sub-Fund before investing in the Fund. Investors must rely on their own examination of the Fund and the terms of offering contemplated hereby, including the risks and merits involved. Prospective Investors should also seek independent legal, financial, tax and other advice in considering the Private Placement Memorandum and an investment in the Fund. The Shares have not been recommended by any securities commission or regulatory authority of any state or country. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Private Placement Memorandum. Any representation to the contrary is a criminal offence.

No person has been authorised to give any information or to make any representations, other than those contained in the Private Placement Memorandum and in the documents referred to herein, in connection with the offer hereby made, and, if given or made, such information or representation must not be relied upon if not authorised by the Fund.

### Restrictions of ownership of Shares

The Fund reserves the right to:

- (a) refuse on a discretionary basis all or part of a subscription / redemption / transfer / conversion application for Shares;
- (b) repurchase, at any time, Shares held by investors not authorised to buy or own the Shares and return the proceeds to such investors as set forth in the Fund Documents.

### Well-Informed Investors

The issue, sale, transfer and ownership of Shares is restricted to investors, which qualify as Well-Informed Investors.

A Well-Informed Investor shall be an institutional investor, a professional investor or any other investor who meets the following conditions:

- (a) he has confirmed in writing that he adheres to the status of well-informed investor; and
- (b) he invests a minimum of EUR 125,000 (one hundred and twenty-five thousand euro) in the specialised investment fund,

or

has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive

2004/39/EC or by a management company within the meaning of Directive 2009/65/EC certifying his expertise, his experience and his knowledge in adequately appraising an investment in the specialised investment fund.

These requirements do not apply to the directors, managers or other persons who are involved in the management of the Fund.

Furthermore, the Fund will not give its approval to any transfer of Shares that would result in a non-qualifying investor becoming a Shareholder. The Fund, at its full discretion, will refuse the issue or transfer of Shares, if there is not sufficient evidence that the person to whom the Shares are sold or transferred to is a Well-Informed Investor.

Considering the qualification of a prospective investor or a transferee as Well-Informed Investor, the Fund will have due regard to the applicable laws and regulations or recommendations (if any) of the CSSF. Well-Informed Investors subscribing in their own name, but on behalf of a third party, must certify that such subscriptions are made on behalf of a Well-Informed Investor as aforesaid and the Fund may require at its sole discretion, evidence that the beneficial owner of the Shares is a Well-Informed Investor.

#### **Marketing restrictions in respect of the Shares**

The distribution of the Private Placement Memorandum and the offering or purchase of the Shares may be restricted in certain jurisdictions. No person receiving a copy of the Private Placement Memorandum in any such jurisdiction may treat the Private Placement Memorandum as constituting an offer or invitation to them to purchase or subscribe for Shares unless in the relevant jurisdiction such an offer or invitation could lawfully be made to them. Accordingly, the Private Placement Memorandum does not constitute an offer or invitation to anyone in any jurisdiction in which such offer or invitation is not lawful or in which the person making such offer or invitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or invitation. It is the responsibility of any person in possession of the Private Placement Memorandum to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction.

The general partner of the Fund, having been appointed as General Partner accepts responsibility for the information contained in the Private Placement Memorandum. To the best knowledge and belief of the General Partner (which has taken all reasonable care to ensure that such is the case), the information in the Private Placement Memorandum at the time of its issuance does not omit anything likely to affect the importance of the information.

The Shares have not been, and will not be, registered under the 1933 Act, any of the securities laws of any of the states of the United States. The Fund has not been and will not be registered neither under the 1940 Act, nor under any other US federal laws. Therefore, the Shares in the Sub-Funds may not be offered, sold, resold, transferred or delivered directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the 1933 Act.

Further, the General Partner has decided that the Shares shall not be offered or sold, directly or indirectly, to any ultimate beneficial owner that constitutes a Prohibited Person. As such,

the Shares may not be directly or indirectly offered or sold to or for the benefit of a Prohibited Person.

Holders of Shares are required to notify the General Partner of any change in their non-Prohibited Person status. Prospective investors are advised to consult their legal counsel prior to investing in Shares in order to ascertain their status as non-Prohibited Persons.

The General Partner may refuse to issue Shares to Prohibited Persons or to register any transfer of Shares to any Prohibited Person. Moreover, the General Partner may at any time compulsorily forcibly redeem the Shares held by a Prohibited Person.

Statements made in the Private Placement Memorandum, except where otherwise stated, are based on the laws, regulations and practices currently in force in Luxembourg and are subject to changes therein.

#### **Note on the Foreign Account Tax Compliance Act (“FATCA”)**

The Fund opted for the status of Restricted Fund under FATCA and, as a result, its Interests cannot be sold directly or indirectly to any Excluded Investor.

As a result, the General Partner shall refuse any contribution of any Excluded Investors or to register any transfer of Interests to any Excluded Investors. Moreover, the General Partner shall at any time compulsorily forcibly redeem the Interests held by any Excluded Investors and close all accounts held for such person(s). This redemption shall be made as soon as reasonably achievable and, at the latest, within 6 (six) months from the date of discovery of such person status. In such case, the General Partner will send a notice that the redemption will take within 30 (thirty) days. After 30 (thirty) days, the General Partner will redeem all the Interests of the Excluded Investors at nominal value. All expenses in relation with this redemption will be borne by this Excluded Investor. However, the redemption price will be paid at the next distribution decided by the General Partner.

The Fund’s distributor, as defined under section 12 of the present Private Placement Memorandum, has to mandatorily notify the Fund of a change in its chapter 4 FATCA status within a 90 (ninety) day period following such change as required by the Intergovernmental Agreement concerning FATCA between Luxembourg and the United States signed on 28 March 2014.

#### **Note on Common Reporting Standard (“CRS”)**

The Fund acknowledges to be an investment entity (*entité d’investissement*) in the meaning of the section VIII A. 6) of the CRS Law and therefore to be qualified as a declaring financial institution (*institution financière déclarante*) in the meaning of the section VIII A. of the CRS Law. Therefore the Investors should be aware that, if the Investor is in the scope of the CRS Law and the CRS Regulation, the Fund shall comply with the due diligence or reporting or any other obligations set out in the CRS Law or the CRS Regulation.

For this purpose, (i) the Fund will request from the Investors the relevant information to be gathered pursuant to the CRS Law and the CRS Regulation and (ii) the Fund will, to the extent required by the CRS Law and the CRS Regulation, report on the Investor being in the scope of the CRS Law and the CRS Regulation.

### **Cautionary note regarding forward-looking statements**

The Private Placement Memorandum contains forward-looking statements, which provide current expectations or forecasts of future events. Words such as “may,” “believes,” “expects,” “plans,” “future” and “intends,” and similar expressions, may identify forward-looking statements, but the absence of these words does not mean that the statement is not forward-looking. Forward-looking statements include statements about the Fund’s plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are subject to known and unknown risks and uncertainties and inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Potential investors should not unduly rely on these forward-looking statements, which apply only as of the date of the Private Placement Memorandum.

### **Data protection policy**

1. Investors must be aware that personal information given on the subscription form or otherwise in connection with an application to subscribe for Shares and details of their shareholding may be disclosed to the other companies affiliated to the Fund for the purpose of developing and processing the business relationship with the Shareholders.
2. Investors must be aware that the personal data will be disclosed (i) to Credit Suisse Fund Services (Luxembourg) S.A. (as defined under clause 3.11 below) and any other member of the Credit Suisse group and other parties which intervene in the process of the business relationship (e.g. external processing centres, dispatch or payment agents), including companies based in countries where data protection laws might not exist or be of a lower standard than in the European Union or (ii) when required by law or regulation (Luxembourg or otherwise). Such disclosure of personal data to Credit Suisse Fund Services (Luxembourg) S.A. and any other company within the Credit Suisse group will allow the Shareholder access *inter alia* information regarding such Shareholder’s participation in the Fund through a secure web-enabled Credit Suisse information system.

### **Anti-money laundering regulations**

In accordance with the Luxembourg laws of 19 February 1973 (as amended) intended to combat drug dependence, and with the law of 5 April 1993 (as amended) on the financial sector, as well as the law of 12 November 2004 (as amended) concerning the fight against money laundering and the financing of terrorist activities, and in accordance with the various circulars of the regulatory authorities, professionals in the financial sector must prevent collective investment organisations-such as the Fund-from being used as a means of laundering money. In this light, measures have been imposed concerning the verification of the identity of Shareholders or the identity of any intended beneficial owners of the Shares (if they are not the subscriber e.g. where the subscriber is a corporate entity or acts as trustee or nominee). The completed Subscription Form must include – in the case of a private investor –

a copy of his passport or identity card and in the case of a corporate body, an up-to-date copy of its articles of association and an extract from the relevant Trade and companies registry (*Registre de commerce et des sociétés*). These copies must be certified conform by an ambassador, a consul, a notary or by the local police. This identity check may be judged unnecessary by the Fund in the following circumstances:

- the Subscription Form comes from an intermediary who is recognised as a member of the financial sector and is domiciled in Luxembourg or in any other country which imposes identity checks identical to those in force in Luxembourg with the aim of stopping money laundering; or
- the Subscription Form comes from a branch or a subsidiary of a professional of the financial sector subjected to identity checks equivalent to those in force in Luxembourg insofar as the law or group policy imposes the same identity check measures on branches and subsidiaries.

It is generally held that professionals of the financial sector domiciled in a country which has ratified the conclusions of the GAFI report are obliged to apply identity check measures equivalent to those in force in Luxembourg.

The Shareholders may be required to provide additional documents to complete the identity check prior to the acceptance of their Subscription Form. Any subscription or transfer of Shares may be rejected by the Central Administration Agent and the subscription or transfer shall not become effective until the Investor has provided the required information under the applicable know your customer and anti-money laundering rules.

The Fund reserves the right to refuse all or a part of an application for subscription. In the case of non-acceptance of an application, the amount of the subscription or the balance remaining from a partial acceptance shall be reimbursed to the applicant within 5 (five) working days of the refusal either by cheque or by wire transfer, in which case all charges shall be borne by the applicant.

Any information provided in this context is collected for anti-money laundering compliance purposes only.

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**GENERAL PARTNER, DEPOSITARY, ADMINISTRATION AND PARTIES INVOLVED**

<b>REGISTERED OFFICE OF THE FUND</b>	5, rue Jean Monnet L-2180 Luxembourg
<b>INITIATOR</b>	Mr. Ramon Alfonso
<b>GENERAL PARTNER</b>	GAR Investment Managers 35, Avenue Monterey L-2163 Luxembourg R.C.S. Luxembourg N° B 165359
<b>DEPOSITARY</b>	Crédit Suisse (Luxembourg) S.A. 5, rue Jean Monnet L-2180 Luxembourg R.C.S. Luxembourg N° B11756
<b>REGISTRAR AND TRANSFER, DOMICILIARY, PAYING AND CENTRAL ADMINISTRATION AGENT</b>	Crédit Suisse Fund Services (Luxembourg) S.A. 5, rue Jean Monnet L-2180 Luxembourg R.C.S. Luxembourg N° B45727
<b>AUDITOR</b>	PWC, PriceWaterhouseCoopers 400, route d'Esch L-1014 Luxembourg R.C.S. Luxembourg N°B65477
<b>TAX AND LEGAL ADVISOR IN LUXEMBOURG</b>	VANDENBULKE 35, Avenue Monterey L-2163 Luxembourg R.C.S. Luxembourg N°B183487  CHARLES RUSSELL SPEECHLYS 2, rue Jean Monnet L-2180 Luxembourg

## PART I. PROVISIONS APPLICABLE TO THE FUND GENERALLY

The following provisions of Part I contain general information on the Fund.

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1. DEFINITIONS

Unless defined elsewhere in the Private Placement Memorandum or unless the context indicates otherwise, capitalised words and expressions in the Private Placement Memorandum have the meaning as described below.

<b>1915 Law</b>	the Luxembourg law dated 10 August 1915 on commercial companies, as amended;
<b>1933 Act</b>	the United States Securities Act of 1933, as amended;
<b>1940 Act</b>	the United States Investment Company Act of 1940, as amended;
<b>2005 Law</b>	the Luxembourg law dated 23 December 2005 on introduction of a lump sum withholding tax on certain interests on savings, as amended;
<b>2007 Law</b>	the Luxembourg law dated 13 February 2007 on specialised investment funds, as amended from time to time;
<b>Affiliate</b>	any corporation or undertaking which, in relation to the person concerned, is a holding company or parent undertaking or a subsidiary or a subsidiary of any such holding company or parent undertaking;
<b>AIF</b>	any alternative investment fund as defined under the AIFM Law;
<b>AIFM</b>	any alternative investment fund manager as defined under the AIFM Law;
<b>AIFM Directive</b>	the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers;
<b>AIFM Law</b>	the Luxembourg law dated 12 July 2013 on alternative investment funds managers and implementing the AIFM Directive;

<b>Articles</b>	the articles of incorporation of the Fund, as amended from time to time, which comprise the terms and conditions on which the Fund and each Sub-Fund exists and operates and to which each Investor agrees to be bound by executing a Subscription Form when subscribing for Shares;
<b>Auditor</b>	PWC, PricewaterhouseCoopers, or any other entity entrusted with the Fund’s audit from time to time;
<b>Board</b>	the members of the board of managers of the General Partner in case there is more than one manager and, in case the General Partner is managed by one manager only, this sole manager;
<b>Business Day</b>	a day on which banks are open for business in Luxembourg;
<b>Central Administration Agent</b>	Credit Suisse Fund Services (Luxembourg) S.A., a Luxembourg public company limited by shares ( <i>société anonyme</i> ), or any other entity to whom part or all of the central administration and domiciliary duties of the Fund will be or have been entrusted;
<b>Central Administration Agreement</b>	the agreement entered into by the Fund and the Central Administration Agent as more fully described in clause 3.11;
<b>Class or Classes</b>	each class of Shares in issue or to be issued in each Sub-Fund by the General Partner;
<b>Class A Shares</b>	a Share of the Share Class A issued by the Fund;
<b>Class B Shares</b>	a Share of the Share Class B issued by the Fund;
<b>CRS Law</b>	means the Luxembourg law dated 18 December 2015 on the automatic exchange of financial account information in the field of taxation, and any other law completing, amending or replacing the said law of 18 December 2015;
<b>CRS Regulation</b>	means the Grand Ducal Regulation dated 15 March 2016 on article 2 (4) of the CRS Law with regard to the common reporting standard and any other regulation or circular completing, amending, or replacing the said Grand Ducal Regulation of 15 March 2016;
<b>CSSF</b>	the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority of the financial sector;
<b>Depository</b>	Credit Suisse (Luxembourg) S.A.;
<b>Depository and Paying Agent Services Agreement</b>	the agreement entered into by the Fund and the Depository as more fully described in clause 3.10;

<b>Distributions</b>	any distributions of a Sub-Fund’s cash proceeds;
<b>Euro or EUR</b>	the single currency unit used by the majority of the European Union’s Member States, approved by the European Council on 15 and 16 December 1995 in Madrid;
<b>Excluded Investor</b>	any specified US Persons, Non-Participating Foreign Financial Institutions and Passive NFFEs (each of these terms as defined under FATCA) with one or more substantial US owners as defined under the Intergovernmental Agreement concerning FATCA between Luxembourg and the United States signed on 28 March 2014;
<b>Fund</b>	GARIM S.C.A., SICAV-SIF , an investment company with variable capital ( <i>société d’investissement à capital variable – SICAV</i> ) organized as a specialised investment fund ( <i>fonds d’investissement spécialisé – FIS</i> ) in the corporate form of a corporate partnership limited by shares ( <i>société en commandite par actions – S.C.A.</i> ) incorporated under applicable Luxembourg laws and regulations;
<b>Fund Documents</b>	collectively the Private Placement Memorandum and the Articles;
<b>General Partner</b>	GAR Investment Managers, a private limited liability company ( <i>société à responsabilité limitée</i> ) acting as general managing partner of the Fund;
<b>Initiator</b>	Mr. Ramon Alfonso;
<b>Interests</b>	any equity and/or debt interests of the Fund;
<b>Investment</b>	any investment made by the Fund including without limitation (i) any add-on investment, (ii) the refinancing of any one or more of such investments and (iii) any such investment made through a joint venture with a third party;
<b>Investment Advisor</b>	the investment advisor(s) of the Fund appointed by the General Partner to advise it on the management of the underlying assets;
<b>Investment Advisory Agreement</b>	the agreement entered into by the Fund and the Investment Advisor;
<b>Investor</b>	a Well-Informed Investor who has made a subscription for Shares in a Sub-Fund of the Fund;
<b>Luxembourg Residents</b>	Shareholders who are domiciled, resident or have a permanent place of business in Luxembourg;

<b>LuxGAAP</b>	Luxembourg Generally Accepted Accounting Principles;
<b>Management Fee</b>	the remuneration to be received by the General Partner for its management services provided to the Fund, which shall be those expressed in the Sub-Fund Specifications;
<b>Management Share</b>	The unlimited liability Share ( <i>action de commandité</i> ) subscribed for by the General Partner;
<b>Member State</b>	a member State of the European Union;
<b>NAV</b>	the net asset value per Share;
<b>Person</b>	a natural or legal person, cooperative, partnership, trust, association, estate, governmental body or pronouns;
<b>Private Placement Memorandum</b>	the Private Placement Memorandum ( <i>document d'émission</i> ) issued in respect of the Fund in accordance with article 52 (1) of the 2007 Law, as amended from time to time;
<b>Prohibited Person</b>	The term "Prohibited Person" means any person, corporation, limited liability company, trust, partnership, estate or other corporate body, whose holding of Shares of the relevant Sub-Fund may be detrimental to the interests of the existing Shareholders or of the relevant Sub-Fund if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the relevant Sub-Fund or any subsidiary or investment structure (if any) may become exposed to tax or other legal, regulatory or administrative disadvantages, fines or penalties that it would not have otherwise incurred or, if as a result thereof the relevant Sub-Fund or any subsidiary or investment structure (if any), the General Partner, the Fund and/or the Central Administration Agent, may become required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply. The term "Prohibited Person" includes <i>inter alia</i> (i) any investor which does not meet the definition of Well-Informed Investor, (ii) any U.S. Person, (iii) any Excluded Investor or (iv) any person who has failed to provide any information or declaration required by the General Partner or the Central Administration Agent within one calendar month of being requested to do so.
<b>Redemption Request</b>	the request on the basis of which a Shareholder that seeks the redemption of some or all of his Shares approaches the General Partner;
<b>Restricted Fund</b>	as defined under section IV E paragraph 5. of the intergovernmental agreement entered into on 28 March 2014 between the U.S.A. and Luxembourg in relation to FATCA, and being the FATCA status of the Fund;

<b>Shareholder</b>	a Well-Informed Investor who has already subscribed for Shares in a Sub-Fund recorded as such in the Fund’s register of Shareholders;
<b>Shareholders Register</b>	the shareholders’ register of the Fund;
<b>Share(s)</b>	registered share(s) of the Fund of no par value in issue of any Class and in any Sub-Fund;
<b>Sub-Fund</b>	GARIM S.C.A., SICAV-SIF - World Equity, GARIM S.C.A., SICAV-SIF - Global Allocation, as well as any future Sub-Fund, to which specific Shares and/or Class(es) of Shares relate;
<b>Sub-Fund Specifications</b>	the particular specifications pertaining to a given Sub-Fund, as amended from time to time;
<b>Subscription Form</b>	the subscription form entered into by Investors and Shareholders in respect of a given Sub-Fund and setting forth (i) the Sub-Fund investment of such Investor or Shareholder, (ii) the rights and obligations of such Investor or Shareholder in relation to its subscription for Shares and (iii) representations and warranties, if applicable, given by such Investor or Shareholder in favour of the Fund and the relevant Sub-Fund;
<b>United States or US</b>	the United States of America (including the States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction;
<b>US Person</b>	(i) a “United States person” as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), (ii) a “U. S. person” as such term is defined in Regulation S of the 1933 Act; (iii) a person that is “in the United States” as defined in Rule 202(a)(30)-1 under the 1940 Act, or (iv) a person that is not a “Non-United States Person” as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7., or (v) generally, a citizen or resident of the United States, a corporation, partnership or any entity created in or under the laws of the United States as well as any person defined as a U.S. Person under the Intergovernmental Agreement concerning FATCA between Luxembourg and the United States signed on 28 March 2014;
<b>Valuation Day</b>	a day as of which the NAV of any Class of any Sub-Fund is calculated (taking into account the last available prices), being at least once per year as set forth in the relevant Sub-Fund Specifications; and
<b>Well-Informed Investor</b>	a well-informed investor as per article 2 of the 2007 Law.

## 1.2. GENERAL PARTNER

Unless the context requires otherwise in the Private Placement Memorandum, any reference to an action of the General Partner means an action of the General Partner or any agent or service provider appointed by either the General Partner or any agent acting on behalf of the Fund and any reference to an action on behalf of the Fund, means an action on behalf of a specific Sub-Fund, unless stated otherwise.

## 2. THE FUND

The Fund is an investment company with variable share capital (*société d'investissement à capital variable*) organised as an umbrella specialised investment fund (*fonds d'investissement spécialisé à compartiments*) in the corporate form of a corporate partnership limited by shares (*société en commandite par actions*) in accordance with the provisions of the 2007 Law and the 1915 Law. The subscription, sale and holding of Shares of the Fund is restricted to Well-Informed Investors subscribing on their own behalf or to Well-Informed Investors subscribing on behalf of other Well-Informed Investors.

The Fund has been incorporated in Luxembourg with an initial share capital of EUR 31,000 (thirty one thousand euro) represented by 1 (one) management Share, 30 Class A Shares of no par value of the sub-fund GARIM S.C.A., SICAV-SIF World Equity on 1 December 2011 for an unlimited duration. The Articles have been filed with the Luxembourg trade and companies registry (*Registre de commerce et des sociétés*) where they are available for inspection and where copies can be made and have been published in the Luxembourg gazette (*Mémorial C, Recueil des Sociétés et Associations*) N° 3161 on 23 December 2011. The Fund is registered with the Luxembourg trade and companies registry under number B 165433. Copies may also be obtained at the registered office of the Fund.

The share capital of the Fund shall at all times be equal to the NAV of all Shares of the Fund and is expressed in Euro. It is represented by Shares issued with no par value and fully paid-up. Variations in the share capital shall be effected *ipso jure* and there are no provisions requesting publications and entry of such variations in the Luxembourg trade and companies registry (*Registre de commerce et des sociétés*).

The Fund is not subject to the law dated 10 July 2005 on the prospectuses for securities.

The minimum share capital shall be EUR 1,250,000 (one million two hundred and fifty thousand euro). This minimum must be reached within 12 (twelve) months from the date on which the Fund is authorised as an undertaking for collective investment under the 2007 Law.

The Fund is an umbrella fund that consists of different sub-funds. Each Sub-Fund shall be comprised of all that has been paid or contributed on the Shares in the relevant Sub-Fund, all that has been obtained by the relevant Sub-Fund with the said payments and contributions, all resulting benefits and all debts, liabilities and other commitments incurred by the Fund for the account of the Sub-Fund concerned. Each Sub-Fund has its own investment, subscription and profit allocation policies. The introduction of a Sub-Fund is effected pursuant to a decision to that end by the General Partner setting the terms and conditions of the relevant Sub-Fund. Each Sub-Fund may have similar or different investment strategies and other specific features (including, but not limited to, specific investment advisors, if any, specific fee structures, permitted investments, investment restrictions and distribution policies) as the General Partner shall determine from time to time in respect of each Sub-Fund.

The assets and liabilities of each Sub-Fund shall be segregated from the assets and liabilities of the other Sub-Funds, with creditors having recourse only to the assets of the Sub-Fund concerned. As between the Shareholders, each Sub-Fund will be deemed to be a separate entity.

There is no cross liability between Sub-Funds and each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

The different Classes in issue or to be issued in each Sub-Fund may differ *inter alia* in their fee structure, distribution policy, currency or any other criteria to be determined by the General Partner.

The proceeds of the issue of Shares in respect of each Sub-Fund will be invested for the exclusive benefit of the relevant Sub-Fund in accordance with the investment policy determined by the General Partner from time to time in respect of the relevant Sub-Fund and as set forth under the Sub-Fund Specifications. All Shares of the same Class in a particular Sub-Fund shall have equal rights as to dividends declared (if any), income, realised and unrealised investment gains, redemption proceeds and liquidation proceeds.

The Fund is an Alternative Investment Fund (AIF) with its General Partner as external AIFM pursuant to the AIFM Law. However, since the targeted Fund size does not exceed the threshold value provided under article 3 (2) a of the AIFM Law, i.e. the Fund's assets under management, including assets acquired with leverage effect, are lower than 100 million, the General Partner is not required to apply for an AIFM-specific authorisation to the CSSF, but rather falls under the registration regime provided by the AIFM Law.

Under this registration regime, the General Partner shall register with the CSSF, duly identify itself as responsible AIFM to the CSSF, provide information on the investment strategies of the Fund at the time of its registration and regularly provide the CSSF with information on the main instruments in which the Fund is trading on the principal

exposures and most important concentrations of the Fund on an annual basis, starting in 2014.

### **3. MANAGEMENT AND ADMINISTRATION**

#### **3.1. THE INITIATOR**

Mr. Ramon Alfonso is the initiator (the “**Initiator**”) of the Fund. The Fund is the first Luxembourg fund being initiated by the Initiator.

#### **3.2. THE GENERAL PARTNER**

The Fund shall be managed by its General Partner, GAR Investment Managers, a private limited liability company (*société à responsabilité limitée*), incorporated under the laws of the Grand-Duchy of Luxembourg pursuant to a deed of Me Léonie Grethen, notary residing in Luxembourg, on 1 December 2011, published in the *Mémorial C, Recueil des Sociétés et Associations*, N° 3160 of 23 December 2011, with registered office at 35, Avenue Monterey, L-2163 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg trade and companies registry (*Registre de Commerce et des Sociétés*) under number B 165 359.

The General Partner will itself be managed by its board of managers. The Board is composed of the 5 (five) following members:

(i) Mr. Ramon Alfonso

Ramon Alfonso has devoted all his professional life to the financial markets and fund management (25 years of experience).

Having started his professional experience as a junior financial markets analyst on behalf of a Spanish industrial group in 1984, he joined Arthur Andersen as an auditor in 1987. Between 1990 and 1993 he was appointed as financial controller in the British group Shandwick. In 1994 he joined the Banco Sabadell’s Treasury Department as a financial analyst and in 1997 he moved to GesCaixa, the fund management company of “la Caixa”. In 1999 he was appointed Investment Director at Gesfibanc. Between the years 2000 and 2004 he was Chief Investment Officer at Credit Andorra. He also worked during these last years as Senior Analyst with Strategic Investment Advisors.

After 2004 he worked as an investment and financial consultant for several family firms. Since 1995 he has given many lectures and courses in a number of business schools, such as IEF, Esade, University of Barcelona, UPC, and a range of in-company training to financial institutions.

He was born in Barcelona (Spain), and studied at the Universidad Autonoma de Barcelona.

(ii) Mr. Laureano Gris

Laureano Gris has devoted all his professional life to the financial markets and fund Management (15 years of experience).

Having started his professional experience as Equity Fund Manager on Fibanc a Spanish Bank in January 2000 with main function to Management of equity investment funds, Unit Links, Pensions, SICAVs and investment portfolios.

He joined Credit Andorrà an Andorran Bank in October 2001 as Director of “Taula de Mercats” with the main function to manage of SICAVs and investment portfolios. Between March 2004 and September 2007 he becomes Director of Equity Funds with main function to Management of equity investment funds and portfolios. In September 2007 he moved to the Treasury of Credit Andorra as Head of Trading Desk with main function to Short-term trading of fixed and variable income, currencies and commodities.

Since 1999 he has taken a lot of courses to improve knowledge on financial markets and personals skills.

He was born in Barcelona (Spain), and studied Degree in Business Administration and Management at University of Barcelona and two Masters (Master in “Mediation and Financial Advisory” and Master “Higher Diploma in Financial Derivative Products”).

(iii) Mr. Rafael Rabat

Rafael Rabat has devoted all his professional life to the financial markets (22 years of experience).

Having started his professional experience as a junior trader in a financial brokerage firm based in Barcelona (Spain) in 1994, he joined Caixa Catalunya in 1997 as a senior trader in its Treasury department, and in Bankpyme in 2000 till he was appointed as Director of the Treasury and Capital Markets department in 2003. In 2004 he joined Crèdit Andorrà (first Andorran bank) as a Managing Director of the Treasury and Capital Markets department becoming in 2010 appointed as a Global Treasurer, in charge of four Treasury departments, the headquarters in Andorra, and the Luxembourg, Spain and Panama ones. As a Managing Director, he was appointed bank’s member of the Asset and Liability Committee, the Product Committee and the Strategic Committee.

He was born in Barcelona (Spain), and studied at the Universidad de Barcelona. He holds a degree from IESE Business School.

(iv) Mr. Rodrigo de Freitas-Branco

Rodrigo de Freitas-Branco has more than twenty years of management experience in the international Banking & Financial services industry.

He is currently the Managing Director of Rodricks SA, which is a Luxembourg-based private office incorporated in 2009 and operating as a business agent for international clients.

Rodrigo's career started in Finance & Treasury combining all aspects of trading, cash management and risk management supervision for Sogen securities, Central Hispanoamericano (now Banco Santander) and Banque Nationale de Paris.

His banking experience continued at Banco Espírito Santo as Strategic Marketing Director acting as a promoter for group synergies through innovative cross-selling protocols and also designing and structuring service solutions for the Private Banking clientèle.

He came to Luxembourg for the Crédit Agricole Indosuez Bank as a international Private Banker and then joined the Foyer SA group, as a International Board of Director's member before creating his own company.

Rodrigo studied Political Sciences in the Institut d'Etudes de Relations Internationales, in Paris.

In 2002, Rodrigo was appointed by the Portuguese Republic as International Adviser for the Economic and Innovation Minister.

(v) Mr. Javier Valls

Javier Valls was born in Barcelona, Spain. He arrived to Luxembourg 20 years ago, back in 1995 directly from Boston, U.S.A.

He holds a Bachelor of Science Degree in Finance & Business Administration from Northeastern University, Boston. During his studies in Boston, Javier collaborated with several financial institutions, such as Salomon Smith Barney, Stanidh Ayer & Wood and State Street Bank.

With Salomon Smith Barney, he worked closely with Senior Private bankers as a portfolio analyst. Javier also did a traineeship with Standish Ayer & Wood (acquired by Mellon Corporation back in 2001) in the custody department. After his graduation, State Street Bank employed Javier and after one year, he was offered to move to Luxembourg to continue his professional career within their branch in Europe.

He also acquired experience in the fund industry taking important responsibilities with CACEIS, Banque Privee Edmond de Rothschild and finally with Adepa Asset Management, a Luxembourg based Asset Management firm, where he was member of the Executive Committee as well as shareholder of the firm.

Due to his extended experience in the fund industry business, he currently acts as an independent Director in few investment fund structures.

Javier speaks fluent French, English and Spanish (native).

### **3.3. OBJECT OF THE GENERAL PARTNER**

The object of the General Partner is the acquisition of participations on behalf of the Fund, in Luxembourg or abroad, in any companies or enterprises in any form whatsoever and the management of such participations. The General Partner shall in particular be appointed as and act as the managing general partner of the Fund.

### **3.4. POWERS OF THE GENERAL PARTNER**

The General Partner is vested with the broadest powers to perform all acts of administration and disposition in the Fund's interest which are not expressly reserved by the 2007 Law or by the Articles to the general meeting of Shareholders, in compliance with the investment objectives and strategy of the Fund as set out above.

Without prejudice to the generality of the preceding paragraph, the General Partner shall have *inter alia* full power and authority, on behalf of the Fund and to bind the Fund thereby:

- (a) to identify, evaluate and negotiate investment opportunities, to (or to agree to) subscribe, purchase or otherwise acquire, alone or together with others, investments falling within the investment policy of the Fund, and to sell, exchange or otherwise dispose of investments for the account of the Fund, and to enter into or execute investment agreements on behalf of the Fund accordingly (in each case whether personally or through an attorney or other agent) and, where appropriate, to give warranties and indemnities in connection with any such acquisition, sale, exchange or other disposal;

- (b) to enter into, or require the Fund to enter (directly or through a company owned by the Fund) into underwriting commitments, to acquire investments in a syndicate with other investors, to buy/sell derivative products on behalf of the Fund;
- (c) to monitor the performance of and, where appropriate, to nominate directors of subsidiary companies, to exercise all rights conferred upon the Fund under the terms of any investment agreement or otherwise in respect of a subsidiary or portfolio company and to liaise with, consult, assist or procure assistance to be given to subsidiary and portfolio companies and generally to take any action the General Partner considers appropriate for the protection of the Fund's assets;
- (d) to enter into, make and perform such contracts, agreements and other undertakings, and to give such guarantees in connection with Investments or proposed investments and to do all such other acts or things as it may deem necessary and/or advisable, for or as may be incidental to the conduct of the business of the Fund;
- (e) to commence, conduct, settle or defend litigation that pertains to the Fund or to any of the Fund's assets (or to direct the Fund acting through the General Partner to do so itself);
- (f) to open accounts with banks or with Depositarys, for and in the name of the Fund, maintain such accounts, give payment and other instructions to banks or Depositarys in respect of such accounts and receive and pay into such accounts capital contributions, Investment income or other sums arising from or on the disposal of Investments and any other income of the Fund and any fees to which the Fund is entitled;
- (g) to make interim distributions to the Shareholders;
- (h) to deliver reports and valuations to Shareholders in accordance with the provisions of the Articles and the 2007 Law;
- (i) to engage employees, independent agents, lawyers, accountants, operators, Depositarys, paying and collecting agents and financial and other advisors and consultants as it may deem necessary or advisable in relation to the affairs of the Fund to perform or assist in the performance of all or any of the activities set forth in the Articles; and
- (j) to do all or any other acts as are required of the General Partner by the Articles or as are necessary or desirable in the reasonable opinion of the General Partner in furtherance of the foregoing powers and consistent with the terms of the Articles.

### **3.5. REMOVAL OF THE GENERAL PARTNER**

The General Partner may not be removed from its capacity as General Partner of the Fund, except as provided by the applicable Luxembourg laws and regulations and by the Articles.

Indeed, subject to the prior approval of the CSSF, the General Partner may be removed from its capacity as General Partner in a general meeting of Shareholders representing a majority of 75% (seventy-five per cent) of the votes cast where at least 75% (seventy-five per cent) of the voting rights are represented, on the occurrence of an act of fraud, gross negligence or willful misconduct, or any other cases specified by the applicable Luxembourg laws and regulations.

Upon removal of the General Partner, a new general partner of the Fund shall, upon approval by the CSSF, be appointed by the Shareholders in a general meeting of Shareholders with the majority requirements set out in the Articles, which shall substitute the General Partner as general partner of the Fund by the accomplishment of any relevant and appropriate formalities, and which shall assume the General Partner's obligations as general partner of the Fund.

The Private Placement Memorandum will each time be amended accordingly. Upon removal of the General Partner, the corporate denomination of the Fund and of each Fund's company shall be modified accordingly so as to no longer bear any resemblance with the former General Partner.

### **3.6. TRANSFER OF THE MANAGEMENT SHARE**

The Management Share held by the General Partner is not transferable to any person without the consent given at a general meeting of Shareholders in accordance with article 11.2 of the Fund's Articles regarding the quorum and majority requirements for the amendment of the Fund's Articles. However, the General Partner may, at its expense, and without the consent of any Shareholder, but subject to the prior approval of the CSSF, transfer its Management Share to one or more of its Affiliates in accordance with applicable Luxembourg laws and regulations.

In the event of the transfer of the Management Share the General Partner's assignee or transferee shall be substituted in its place and admitted to the Fund as a general partner of the Fund pursuant to applicable Luxembourg laws and regulations and with the prior consent of the CSSF. Immediately thereafter, such substituted general partner will be authorized to continue and shall continue the business of the Fund.

### **3.7. DELEGATION OF POWERS**

The General Partner may, from time to time, appoint officers or agents of the Fund as required for the operation and management of the Fund, provided however that the Shareholders may not act on behalf of the Fund without risking their limited liability

status. The appointed officers or agents shall be entrusted with the powers and duties conferred to them by the General Partner.

The General Partner shall be the general managing partner (*associé-gérant-commandité*) and shall be personally, jointly and severally liable with the Fund for all liabilities which cannot be met out of the assets of the Fund.

In carrying out its functions hereunder, the General Partner shall be acting on behalf of the Fund and references herein to the General Partner performing any action shall be deemed to be in such capacity, unless otherwise stated. In addition, in the Private Placement Memorandum, reference to the General Partner means the General Partner and its appointed agents, unless the context requires otherwise.

### **3.8. THE INVESTMENT ADVISOR**

Unless otherwise provided for in the Sub-Fund Specifications, the General Partner may appoint an investment advisor in respect of the Fund and each of its Sub-Funds.

The rights and duties of the Investment Advisor will be set forth accordingly in an investment advisory agreement, drawn-up pursuant to applicable Luxembourg laws and regulations.

The Investment Advisor will have the responsibilities set out in the Investment Advisory Agreement subject to the overall supervision and liability of the General Partner. Among other things, the Investment Advisor will provide the Fund with the following services:

- (a) recommendations on the investment portfolio of the Fund;
- (b) supervision of the investment portfolio of the Fund; and
- (c) implementation of investment decisions of the Fund,

in accordance with the investment objective, strategy and restrictions of a given Sub-Fund.

### **3.9. OTHER INVESTMENT MANAGERS AND ASSET MANAGERS**

The rights and duties of any investment manager (if any), will each time be set forth in an agreement to be entered into with the General Partner acting on behalf of a given Sub-Fund in accordance with applicable Luxembourg laws and regulations as further detailed in the relevant Sub-Fund Specifications. These agents' remuneration shall be determined on a Sub-Fund by Sub-Fund basis in accordance with applicable market standards.

Each Sub-Fund shall be responsible for all costs and expenses incurred in relation to such services.

### **3.10. THE DEPOSITARY**

The Fund has appointed Credit Suisse (Luxembourg) S.A. as the Depositary. As at 31.07.2011 the subscribed share capital of Credit Suisse (Luxembourg) S.A. amounted to CHF 42,962,000 (forty-two million nine hundred and sixty-two thousand swiss franc).

The rights and duties of the Depositary are set forth in the Depositary and Paying Agent Services Agreement effective as of 1 December 2011, and made under the applicable Luxembourg laws and regulations. It may be terminated by either party with not less than 90 (ninety) days prior written notice.

In accordance with the 2007 Law, and pursuant to the Depositary and Paying Agent Services Agreement the Depositary carries out the usual duties regarding custody, cash and securities deposits, without any restriction. In particular, and upon the instructions of the Fund or its delegated agents, it will execute all transactions with securities and other permitted assets including managed accounts (safekeeping; purchase and sale; exchanges; deliveries; stock dividends; related proxies and notes) and provide all banking facilities (open and maintain bank accounts; collect, receive and deposit in such accounts all income and other payments with respect to the securities and other permitted assets held).

In the fulfilment of its duties, the Depositary is liable as provided for by any applicable Luxembourg laws and regulations.

The Fund's assets may be deposited with correspondents of the Depositary under the conditions stipulated in the Depositary and Paying Agent Services Agreement.

In case of termination of the Depositary and Paying Agent Services Agreement, a new Depositary shall be appointed within 2 (two) months. Until it is replaced, the resigning or, as the case may be, removed Depositary shall take all necessary steps for the good preservation of the interests of the Investors.

### **3.11. THE CENTRAL ADMINISTRATION AGENT**

The Fund has appointed Credit Suisse Fund Services (Luxembourg) S.A., 5, rue Jean Monnet, L-2180 Luxembourg, R.C.S. Luxembourg N° B45727, as its Central Administration Agent.

Credit Suisse Fund Services (Luxembourg) S.A. is regulated by the CSSF.

Pursuant to a Central Administration Agent Agreement between the Central Administration Agent and the Fund, the Central Administration Agent will be responsible, under the ultimate supervision of the General Partner, for matters pertaining to the administration of the Fund, namely: (a) calculating the NAV and preparing monthly financial reports; (b) maintaining the financial books and records of the Fund; (c) providing registrar and transfer agent services in connection with the issuance, transfer and redemption of the Shares; and (d) performing other

administrative and clerical services necessary in connection with the administration of the Fund. The Central Administration Agent is a service provider to the Fund and does not have any responsibility or authority to make investment decisions, nor render investment advice, with respect to the assets of the Fund.

The Central Administration Agreement may be terminate by either party by notice in writing, delivered or dispatched by registered mail to the other party thereto, not less than 90 (ninety) days prior to the date upon which such termination becomes effective.

In the fulfilment of its duties, the Central Administration Agent is liable as provided for by any applicable Luxembourg laws and regulations.

### **3.12. AUDITOR**

The accounting data included in the annual report of the Fund shall be examined by an Auditor (*réviseur d'entreprises*) appointed by the General Partner and remunerated by the Fund. The Auditor shall fulfil the duties prescribed by the 2007 Law.

The Fund has appointed PWC, PriceWaterhouseCoopers as the Auditor.

### **3.13. INDEMNIFICATION**

The Board member(s), the Investment Advisor, the Depositary, the Central Administration Agent, and their Affiliates, as well as each of their respective officers, directors, shareholders, agents and employees, and the members of any committees or any agents are indemnified out of the assets of each Sub-Fund against any liabilities, actions proceedings, claims, costs, demands and expenses incurred or threatened by reason of it or him having been a Board member, the Investment Advisor, the Depositary, the Central Administration Agent, an officer, director, shareholder, agent or employee of the Investment Advisor, the Depositary, the Central Administration Agent, or a member of any committee of the Fund provided that such person has acted pursuant to the receipt of proper instructions, where applicable, and within the terms and conditions of any contractual agreement in full force and in effect between the indemnified person and the Fund.

## **4. INVESTMENT OBJECTIVES AND POLICY**

### **4.1. INVESTMENT OBJECTIVE AND POLICY**

The objective of the Fund is to achieve superior long-term returns with a low volatility by the inception of a specialized “boutique” offering author portfolio management with high added value. Different Sub-Funds could be opened for each management style and manager associated with it. The process of opening a new Sub-Fund will be related directly to the selection of a portfolio manager and its specific style of portfolio management. Each Sub-Fund will be differentiated from the other Sub-Fund thank to their type of objectives and returns.

**THERE CAN BE NO ASSURANCE THAT THE SUB-FUNDS' INVESTMENT OBJECTIVES WILL BE ACHIEVED. INVESTMENT RESULTS MAY SUBSTANTIALLY VARY OVER TIME.**

Each Sub-Fund's specific investment objectives and investment policy as well as its specific investment restrictions, if any, are referred to in the relevant Sub-Fund Specifications.

**4.2. INVESTMENT RESTRICTIONS**

The Fund shall specify more detailed and specific investment policies and restrictions on a Sub-Fund by Sub-Fund basis subject to the following general guidelines in compliance with CSSF Circular 07/309, whereby any given Sub-Fund shall not invest, generally, more than 30% (thirty per cent) of its assets in subscribing for securities of the same kind issued by the same issuer.

When using short sales, short sales shall not result in a given Sub-Fund to hold an uncovered exposure in respect of securities of the same kind issued by the same issuer, which account for more than 30% (thirty per cent) of the Sub-Fund's assets.

When using derivative financial instruments, each Sub-Fund shall ensure a comparable level of risk spreading by an appropriate level of diversification of the underlying assets. For the same purpose, the counterparty risk shall in respect of certain over-the-counter trades be limited subject to the quality and the qualification of the counterparty as set forth in further detail in the Sub-Fund Specifications. Such level of diversification should not exceed 30% (thirty per cent) of the Sub-Fund's assets.

**4.3. BORROWINGS**

Except otherwise stated in the Sub-Fund Specifications, the Fund may not use financial leverage for direct nor indirect investments in accordance with market practice on a Sub-Fund by Sub-Fund basis.

**4.4. USE OF DERIVATIVES**

The Fund may, acting for and on behalf of a given Sub-Fund, use derivative instruments, on a case by case basis, in order to manage, on an ancillary basis, the currency exchange interest rate risk and equity exposures of the relevant Sub-Fund.

**4.5. HEDGING ARRANGEMENTS**

While the Fund may enter into certain hedging arrangements in order to manage and mitigate currency exchange, interest rate risks and equity exposures, there is no certainty that such arrangements will be entered into or established, or, even if entered into or established, that they will be sufficient to cover those risks.

#### **4.6. SUB-FUND SPECIFICATIONS**

Specific matters relating to the offering of Shares of each Sub-Fund are referred to in the relevant Sub-Fund Specifications.

#### **4.7. SHARES**

All the Shares are issued in registered form only.

Unless otherwise provided for in the relevant Sub-Fund Specifications, the General Partner shall be authorised, without limitation, at any time and for any period, to issue an unlimited number of Shares of no par value at a price and in accordance with the conditions and procedures provided for in the relevant Sub-Fund Specifications, without granting to existing Shareholders a preferential right to subscribe for the Shares to be issued.

Shares may be issued in one or more Classes in each Sub-Fund, each Class having features or being offered to different types of Well-Informed Investors as more fully described in the relevant Sub-Fund Specifications. The General Partner may, however, decide that no such Classes will be available in any of the Sub-Funds or alternatively that such Class may only be purchased upon prior approval of the General Partner as more fully described in the relevant Sub-Fund Specifications.

The General Partner may refuse to issue Shares to a Prohibited Person.

#### **4.8. SUBSCRIPTION PROCESS**

The subscription process applicable in respect of each Sub-Fund shall be set forth in the relevant Sub-Fund Specifications. The General Partner may delegate the performance of all or part of the subscription process to the Central Administration Agent.

By executing a Subscription Form and/or by the acquisition of Shares, each Shareholder fully adheres and accepts the Fund Documents which determine the contractual relationship between the Shareholders, the Fund and any other agents of the Fund, as well as among the Shareholders themselves.

### **5. SUBSCRIPTION FOR SHARES**

#### **5.1. CLASSES OF SHARES**

At the launching of the Fund, Shares shall be offered for subscription at the discretion of the General Partner.

3 (three) Classes of Shares will be issued:

- 1 (one) Management Share (*action de commandité*) issued to the General Partner;

- Class A Shares issued to Shareholders investing in EUR; and
- Class B Shares issued to Shareholders investing in USD.

Within each Class the General Partner can issue different categories of Shares with regard to the income and profit entitlements.

Neither Class A Shares nor Class B Shares will not confer any right to dividend payments in cash or in kind. The share of the profits tracked to this category of Shares will be capitalized and will increase the net asset value of this category and Class of Shares. Thus, the percentage of the net assets to be attributed to the total number of Shares of this category will be reduced in proportion to the amount of dividends distributed whereas the percentage of net assets to be attributed to the total number of Shares of the other category will increase.

The Management Share confers to its holders the right to perceive a management fee the amount of which is fixed within the Sub-Funds Specifications for the management of this class of Shares.

The Management Share confers to its holders the right to perceive a performance fee in the form of a dividend distribution in cash the amount of which is fixed within the Sub-Funds Specifications on the performance of this class of Shares, i.e. on the profits and the capital gains realized and effectively received by the Fund, the depletion realized or not realized being deducted from the realized profits and capital gains.

The General Partner shall still have a discretionary right to issue additional Classes of Shares and set the terms thereof as it sees fit. These Sub-Fund Specifications will each time be updated accordingly.

## **5.2. SHAREHOLDING AND REGISTRATION**

All Shares issued by the Fund are indivisible and the Fund recognises only one holder per Share. In the event that a Share is held by more than one Person, the Fund has the right to suspend the exercise of all rights attached to that Share until one Person has been appointed or designated by the joint holders as the sole owner in relation to the Fund.

The Fund may decide to issue fractional shares, up to 3 (three) decimal places.

All Shares issued by the Fund are and will continue to be in registered form.

The Shares are not certificated, but a written confirmation witnessing the registration of the relevant Shareholder in the Share register of the Fund and the number of Shares held by it shall be issued by the Fund at the request of that Shareholder.

The Shareholders Register shall be kept by the Central Administration Agent. Such Shareholders Register shall set forth the name of each Shareholder, his residence or

elected domicile, the number of Shares held by it, the amounts paid in on each such Share and the transfer of Shares and the dates of such transfers.

Shareholders shall provide the Fund with an address to which all notices and announcements may be sent. Such address will also be entered in the Shareholders Register. A Shareholder may, at any time, change his address as entered in the Shareholders Register by means of a written notification together with the supporting documentation evidencing the change to the Central Administration Agent, as well as to the Fund.

## **6. TRANSFER OF SHARES**

Shares are only transferable between Well-Informed Investors and may be subject to such other transfer conditions as set forth in the Sub-Fund Specifications.

The General Partner has the right to refuse any transfer, assignment or sale of Shares, if the General Partner reasonably determines that it would result in a Prohibited Person holding Shares, either directly or indirectly, as an immediate consequence or in the future.

Any transfer of Shares shall be entered into the Shareholders Register.

## **7. REDEMPTION OF SHARES**

Shareholders may redeem their Shares on any Valuation Day by transmitting an irrevocable redemption order by facsimile or mail to the Central Administration Agent. The redemption order must clearly state the name of the Fund and Sub-Fund, the Share Class/Category (if applicable), the number of Shares to be redeemed or the total value of Shares to be redeemed, together with the Shareholder's name as registered with the Fund. Payments of redemption proceeds will be made in the currency in which the Shareholder's account is denominated.

Please refer to Sub-Fund Specifications for information on the specific details relevant to the redemption of Shares for each Sub-Fund.

Payment of the redemption proceeds (the redemption price less any applicable contingent deferred sales charge) will be made by the Depositary or its agents, usually within the settlement date established for each Sub-Fund in the Sub-Fund Specifications, to the account of the registered Shareholder, provided that a redemption order has been received by the Central Administration Agent, in the appropriate form. Payments can be made only to the registered owner of the Shares; third party payments cannot be made. Please note that payment of redemption proceeds may be delayed if the Central Administration Agent, has not received all required original documentation from Shareholders or their financial advisers, as appropriate, via mail.

The General Partner will endeavour to ensure, for any Valuation Day, that an appropriate level of liquidity is maintained in respect of each Sub-Fund so that redemption of Shares may, under normal circumstances, be made promptly on such date to Shareholders requesting redemption. However, the General Partner may limit the redemption of Shares to a maximum percentage of the NAV of a Sub-Fund in the event a Sub-Fund receives redemption requests in excess of the maximum redemption limit set out in the specific Sub-Fund's Summary under "Redemption Limit" in the Sub-Fund Specification, In the event a Sub-Fund receives redemption requests in excess of the Redemption Limit, redemption requests may be fulfilled on a pro rata basis up to the Redemption limit. Any part of a redemption request to which effect is not given by reason of the exercise of this power by or on behalf of the General Partner will be treated as if a request has been made in respect of the next Valuation Day and all following Valuation Days (in relation to which the General Partner has the same power) until the original request has been satisfied in full. Any such limitation will be notified to those Shareholders who have applied for redemption. In addition, under certain circumstances, the General Partner may suspend the right of Shareholders to redeem Shares. See section "10. SUSPENSION OF THE CALCULATION OF THE NAV".

If the General Partner discovers at any time that any beneficial owner of the Shares is a Prohibited Person either alone or in conjunction with any other person, whether directly or indirectly, the General Partner may at its discretion and without liability, compulsorily redeem the Shares, and upon redemption, the Prohibited Person will cease to be the owner of those Shares. The General Partner may require any Shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person. Further, Shareholders shall have the obligation to immediately inform the Fund to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a Prohibited Person.

## **8. CONVERSION OF SHARES**

Except if allowed in the Sub-Fund Specifications, conversion of Shares from one Class in a Sub-Fund into Shares of another Class of the same Sub-Fund or of another Sub-Fund is not permitted.

## **9. CALCULATION OF THE NAV**

The reference currency of the Fund is the EUR. Each Sub-Fund may have a different reference currency. The NAV of each Sub-Fund's Shares is expressed in the reference currency of the respective Sub-Fund and within each Sub-Fund the NAV of each Class, if applicable, is expressed in the reference currency of the respective Class, as further described in the Sub-Fund Specifications. The NAV is calculated by the Central Administration Agent under the ultimate responsibility of the General Partner.

The NAV (being the assets less the liabilities) is calculated on a Class by Class basis on such frequency as set forth in the relevant Sub-Fund Specifications.

For the purpose of determining the NAV, the net assets attributable to each Class within each Sub-Fund shall, if not denominated in EUR, be converted into EUR and the NAV of the Fund shall be the aggregate of the net assets of all the Sub-Funds.

As regards relations between Shareholders, each Sub-Fund is treated as a separate entity, generating without restriction its own contributions, capital gains and capital losses, fees and expenses. The Fund constitutes a single legal entity. However with regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

The General Partner has adopted a policy of valuing the Investments at fair value (*juste valeur*). The General Partner, in its discretion and in good faith, may permit some other method of valuation to be used, if it considers that such valuation better reflects the fair value (*juste valeur*) of any asset of the Fund.

All valuation regulations and determinations shall be interpreted and made in accordance with LuxGAAP.

In the absence of bad faith, negligence or manifest error, every decision in calculating the NAV taken by the Central Administration Agent, under the ultimate responsibility of the General Partner, shall be final and binding on the Fund and present, past or future Shareholders.

With respect to securities for which market quotations are readily available, the market value of a security held by a Sub-Fund will be determined as follows:

- (1) securities listed on an exchange are valued at the last sale price reflected on the consolidated tape at the close of the exchange on the first Business Day before the relevant Valuation Day. If there has been no sale on such day, the securities are valued at the mean of the closing bid and asked prices on such day. If no bid or asked prices are quoted on such day, then the security is valued at fair value by, or in accordance with procedures established by, the General Partner;
- (2) securities traded on more than one exchange are valued in accordance with paragraph (1) above by reference to the principal exchange on which the securities are traded;
- (3) securities traded in the OTC market, including securities listed on an exchange whose primary market is believed to be OTC (but excluding securities traded on The Nasdaq Stock Market, Inc. ("NASDAQ")) are valued at the mean of the current bid and ask prices;
- (4) securities traded on NASDAQ are valued in accordance with the NASDAQ Official Closing Price;

- (5) listed put or call options purchased by a Sub-Fund are valued at the last sale price. If there has been no sale on that day, such securities will be valued at the closing bid prices on that day. If there are no bid prices available for the relevant Valuation Day, the last available bid price will be used;
- (6) open futures contracts and options thereon will be valued using the closing settlement price or, in the absence of such a price, the most recent quoted bid price. If there are no quotations available for the relevant Valuation Day, the last available closing settlement price will be used;
- (7) United States government securities and other debt instruments having 60 days or less remaining until maturity are valued at amortized cost if their original maturity was 60 days or less, or by amortizing their fair value as of the last day prior to maturity if their original term to maturity exceeded 60 days (unless in either case it is determined, in accordance with procedures established by the General Partner, that this method does not represent fair value);
- (8) fixed-income securities may be valued on the basis of prices that reflect the market value of such fixed-income securities and that are provided by a pricing service when such prices are believed to reflect the fair market value of such securities. The prices provided by a pricing service take into account market factors, include institutional size, trading in similar groups of securities and any developments related to specific securities. For securities where the investment manager has determined that an appropriate pricing service does not exist, such securities may be valued on the basis of a quoted bid price or spread from a major broker-dealer in such security;
- (9) OTC and other derivatives are valued on the basis of a quoted bid price or spread from a major broker-dealer in such security; and
- (10) all other securities will be valued in accordance with readily available market quotations as determined in accordance with procedures established by the General Partner. In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the General Partner is authorized to follow other rules prudently and in good faith in order to achieve a fair valuation of the assets of the Fund.

The assets and liabilities of different Sub-Funds or different Classes of Shares shall be allocated as follows:

- (1) the proceeds to be received from the issue of Shares of a Sub-Fund shall be applied in the accounts of the Fund to the relevant Sub-Fund;
- (2) where an asset is derived from another asset, such derived asset shall be applied in the books of the Fund to the same Sub-Fund as the assets from which it was derived and on each revaluation of an asset, the increase or diminution in value shall be applied to the relevant Sub-Fund;

- (3) where the Fund incurs a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, such liability shall be allocated to the relevant Sub-Fund;
- (4) upon the record date for determination of the person entitled to any dividend declared on Shares of any Sub-Fund, the assets of such Sub-Fund shall be reduced by the amount of such dividends; and
- (5) in the case where any asset or liability of the Fund cannot be considered as being attributable to a particular Sub-Fund, such asset or liability shall be allocated to all the Sub-Funds pro rata to the NAV of the relevant Sub-Fund or in such other manner as determined by the General Partner acting in good faith.

For the purposes of the NAV computation:

- (1) Shares of the Fund to be redeemed hereof shall be treated as existing and taken into account until immediately after the time specified by the General Partner on the relevant valuation time and from such time and until paid by the Fund the price therefore shall be deemed to be a liability of the Fund;
- (2) Shares to be issued by the Fund shall be treated as being in issue as from the time specified by the General Partner on the valuation time, and from such time and until received by the Fund the price therefore shall be deemed to be a debt due to the Fund;
- (3) all investments, cash balances and other assets expressed in currencies other than the currency in which the NAV for the relevant Sub-Fund is calculated shall be valued in EUR at the applicable rates on the last Business Day of the financial year; and
- (4) where on any valuation time the Fund has contracted to:
- (5) purchase any asset, the value of the consideration to be paid for such asset shall be shown as a liability of the Fund and the value of the asset to be acquired shall be shown as an asset of the Fund;
- (6) sell any asset, the value of the consideration to be received for such asset shall be shown as an asset of the Fund and the asset to be delivered shall not be included in the assets of the Fund;

provided however, that if the exact value or nature of such consideration or such asset is not known on such valuation time, then its value shall be estimated by the General Partner.

**10. SUSPENSION OF THE CALCULATION OF THE NAV**

The Fund is authorised to temporarily suspend the calculation of the NAV and the issue of any Class in any Sub-Fund in the following cases:

- (a) when for any reason the prices of any Investments owned by the Fund attributable to any Sub-Fund cannot promptly or accurately be ascertained; or
- (b) during the existence of any state of affairs which constitutes an emergency in the opinion of the General Partner as a result of which disposals or valuation of assets owned by the Fund attributable to such Sub-Fund would be impracticable; or
- (c) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or values on any stock exchange or other market in respect of the assets attributable to such Sub-Fund; or
- (d) during any period when the General Partner is unable to repatriate funds for the purpose of making payments on the redemption of the Shares of such Sub-Fund or during which any transfer of funds involved in the realisation or acquisition, of investments or payments due on redemption of Shares cannot in the opinion of the General Partner be effected at normal rates of exchange; or
- (e) if a resolution calling for the liquidation of the Fund has been adopted; or
- (f) if an underlying asset in which the Fund has invested in excess of 5% (five per cent) of the NAV of the Fund suspends the redemption of its shares; or
- (g) in exceptional circumstances which might adversely affect the interests of the Shareholders or in the event of large-scale applications (as more fully detailed in the Sub-Fund Specifications in the section related to Redemption Limit) to redeem shares.

Where possible all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

**11. DIVIDEND POLICY**

Any distributions of Sub-Fund cash proceeds, either during the life of a given Sub-Fund, or prior to or upon its liquidation, will be made at the sole discretion of the General Partner or upon a decision of the general meeting of Shareholders as the case may be. Any Distributions shall be based on the provisions as set forth hereafter, unless the

General Partner decides that a special distribution policy as set out in the relevant Sub-Fund Specifications, shall apply.

Distributions shall be made by the Fund on its Shares on an interim basis when declared by the General Partner in accordance with the Articles and the Private Placement Memorandum. The General Partner may, at its sole discretion, determine that no Distributions will be made by the Fund before the end of the 1<sup>st</sup> (first) year after the incorporation of the Fund. Prior to that date, such proceeds may, at the discretion of the General Partner, be reinvested by the Fund. All income and realisation proceeds to the extent not retained in the Fund, and as described below will, after satisfying any expenses and liabilities of the Fund and subject to payment of the Management Fee and re-investment rights, be distributed in the following order of priority:

#### **11.1. DIVIDEND RIGHTS**

Except where stated in the Sub-Fund Specifications, the Fund will not distribute any dividend.

#### **11.2. LIQUIDATION DISTRIBUTION**

In case of a liquidation surplus payment, the entitlement to the liquidation surplus shall be effected according to the above principles and calculation method.

#### **11.3. LOSSES**

Losses (if any) of the Fund shall be determined by reference to applicable Luxembourg laws and regulations and accounting practice and they shall be allocated to the Shareholders according to the above principles and calculation method.

### **12. DISTRIBUTION**

The distribution will be performed by the General Partner, as distributor of the Fund. The General Partner however reserves the right to appoint various companies to assist in this process.

The distributor of the Fund is an agent who sends marketing material, and distributes the Private Placement Memorandum and Subscription Forms to prospective investors. The distributor will coordinate with the Central Administration Agent to insure that all subscriptions are being processed correctly but will never collect or deal with subscription monies directly.

### **13. COSTS AND EXPENSES**

Unless otherwise provided for in the Sub-Fund Specifications, any costs and expenses incurred during the launch, operation or liquidation of the Fund and any of its Sub-Funds shall be allocated as follows:

#### **13.1. COSTS BORNE BY THE FUND AND ITS SUB-FUNDS**

Formation costs

The Fund shall bear its incorporation expenses, including the costs of drawing up and printing the Private Placement Memorandum, notary public fees, the filing costs with administrative authorities and any other costs pertaining to the setting up and launching of the Fund.

These expenses shall be borne equally pro rata temporis by each Sub-Fund created during the first 5 (five) years following the launch of the Fund and its first Sub-Fund, provided that the maximum amount contributed by a Sub-Fund to cover these expenses may be capped to a certain amount as set forth in the relevant Sub-Fund Specifications. These expenses will be amortised on a straight line basis over 5 (five) years from the date on which the respective Sub-Fund commenced business. The General Partner may, in its absolute discretion, shorten the period over which such costs and expenses are amortised.

The expenses incurred by the Fund in relation to the launch of an additional Sub-Fund will be borne by and payable out of the assets of the relevant Sub-Fund and will be amortised on a straight line basis over 5 (five) years from the launch date of the relevant Sub-Fund, unless the General Partner shortens this period.

#### **13.2. OPERATIONAL COSTS AND EXPENSES**

Unless otherwise provided for in the Sub-Fund Specifications, each Sub-Fund shall pay all operational costs and expenses incurred for its own account, including:

- (i) transaction costs and expenses directly related to Investments; provided, however, that the General Partner acting for a given Sub-Fund will seek to require the payment by a prospective target of a transaction fee whenever appropriate and possible, which would be applied against these potential expenses;
- (ii) accounting expenses, auditing fees, bank charges, legal fees, representation and publicity expenses, and other direct out-of-pocket cost, fees and expenses charged to the Fund and a given Sub-Fund by lawyers, auditors, accountants, brokers, finders and other professional advisers;

- (iii) each Sub-Fund will also bear the managerial fees and operational expenses attributable to its own Investments, including, but not limited to, performance fees for the managers of those Investments, if any;
- (iv) taxes payable by the Fund, if any;
- (v) the costs of any listing application, if any, as well as the costs incurred with the ongoing listing of any of the Shares of the Fund or any Sub-Fund thereof;
- (vi) the cost of reasonable Board members' fees per person per year; as well as the costs of reasonable travel, accommodation and out of pocket expenses incurred by the Board members;
- (vii) the costs of reasonable directors' and officers' liability insurance on behalf of the members of the Board;
- (viii) the costs incurred in connection with any litigation, arbitration or other proceedings in relation to the Fund or the Sub-Funds; and
- (ix) the costs relating to the convening and holding of Shareholders' meetings (including reasonable travel, accommodation and out of pocket expenses).

Each Sub-Fund shall thus pay for the costs and expenses directly attributable to it including any value-added taxes. Costs and expenses which cannot be allotted to one specific Sub-Fund will be charged to the different Sub-Funds in equal parts or, as far as it is justified by the amounts concerned, proportional to their respective net assets.

### **13.3. FEES OF THE DEPOSITARY, CENTRAL ADMINISTRATION AGENT AND DISTRIBUTOR**

The costs of the Depositary, the Central Administration Agent and any distributors, as applicable, will be paid out of the assets of the Fund and calculated in accordance with customary banking practice in Luxembourg.

## **14. TAX STATUS**

### **14.1. TAXES AND DUTIES OF THE FUND**

In accordance with applicable Luxembourg laws and regulations, the Fund is not subject to any Luxembourg tax on income or capital gains regardless of its legal form. The Fund is moreover exempt from Luxembourg annual net wealth tax.

In addition, the Fund is subject to the annual *taxe d'abonnement* of 0.01% (zero point zero one per cent) paid quarterly and calculated based on the net asset value (certain exemptions can apply) at the end of the quarter to which the tax relates.

## **14.2. TAXES AND DUTIES OF THE SHAREHOLDERS**

### **14.2.1. Non-Resident Shareholders**

Further to the dispositions laid down by the article 99bis (1) of the amended law of 4 December 1967 (the “**Luxembourg Income Tax Law**”), non-resident shareholders of the Fund can be subject to tax in Luxembourg on capital gains realized upon sale of their shares. Non-resident shareholders shall be however, exempted from tax in Luxembourg, to the extent that (a) the sale concerns a participation in the Fund not falling within the meaning of article 100 of the Luxembourg Income Tax Law i.e. representing less than 10% (ten per cent) of the share capital, and (b) the sale occurs six months after acquiring the shares.

According to the article 156 (8) of the Luxembourg Income Tax Law, any capital gains realized by non-resident shareholders upon sale of their participation in the Fund shall be taxable in Luxembourg provided that (a) the non-resident shareholder has been resident in Luxembourg for more than 15 (fifteen) years and, (b) has disposed of the shares prior to 5 (five) years before becoming non-resident.

As per the article 66 of Law of 13 February 2007 relating to specialized investment funds, the amount distributed by the Fund shall not be subject to withholding tax in the hands of the non-resident shareholders. This is without prejudice to the provisions of the amended Law dated 21 June 2005 implementing in Luxembourg law Directive 2003/48/EC on taxation of saving incomes in the form of interest payment.

The above provisions should apply without prejudice to any double tax treaty in Luxembourg.

### **14.2.2. Resident Shareholders**

Resident Shareholders may under certain circumstances be taxed on their participation in the Fund's capital. Resident Shareholders of the Fund should not be subject to withholding tax on profit distributions by the Fund.

Resident Shareholders holding debt claims in the Fund can be subject to a 10% (ten per cent) withholding tax under the 2005 Law on the introduction of a lump sum withholding tax on certain interest payments. The interest payments subject to this withholding tax are not included in the taxpayer's annual tax return.

## **14.3. DISCLAIMER**

The above information is based on current applicable Luxembourg laws, regulations and practices and may be subject to change.

## **15. CERTAIN SHAREHOLDER MATTERS**

### **15.1. MEETINGS AND REPORTS**

The annual general meeting of Shareholders is held every year at the Fund's registered office or at any other address in Luxembourg stipulated in the convening notice.

The annual general meeting of Shareholders shall be held on the first Tuesday of May of each year at 11.00 am (CET) and for the first time in 2013. If this date is not a Business Day, the annual general meeting shall be held on the next following Business Day.

Except as otherwise provided for by the applicable Luxembourg laws and regulations or the Articles, notices of all general meetings are sent by mail to all registered Shareholders, to their address indicated in the register of Shareholders, at least 8 (eight) calendar days before the general meeting.

These notices shall indicate the time and place of the general meeting, the admission conditions, the agenda and the Luxembourg legal quorum and majority requirements. Each Shareholder may participate in the meetings of Shareholders by appointing in writing, via mail, e-mail or facsimile, another person as his proxy. The Shareholders of a specified Sub-Fund may, at any time, hold general meetings with the aim to deliberate on a subject which concerns only their Sub-Fund.

At general meetings, each Shareholder has the right to one vote for each whole Share held.

Unless otherwise stipulated by applicable Luxembourg laws and regulations or in the Articles, the decisions of the general meeting of a specified Sub-Fund will be reached by a simple majority vote of the Shareholders present or represented.

The financial year of the Fund begins each year on the 1 of January and ends on the 31 of December of the same year, with the exception of the first financial year, which shall begin on the date of the Fund's incorporation and shall terminate on the 31 of December of the following year.

The accounts of the Fund will be expressed in EUR. For this purpose, all figures expressed in another currency than the EUR will be converted into EUR at the applicable rates on the last Business Day of the financial year.

As required by the 2007 Law, the Fund will publish an annual report drawn up as per the 31 of December, available to Shareholders at the registered office of the Fund ultimately 6 (six) months after the end of the financial year of the Fund.

The annual report includes a balance sheet or a statement of assets and liabilities, an income and expenditure account for the financial year, a report on the activities of the past financial year as well as any significant information enabling Shareholders to make

an informed judgment on the development of the activities and of the results of the Fund.

The financial information of the Fund shall be prepared in accordance with LuxGAAP, provided that the General Partner may decide to use different accounting methods in respect of any Sub-Fund level, as set forth in the relevant Sub-Fund Specifications.

The General Partner may establish any further reports and statements, such as an unaudited balance sheet, an income statement, a cash flow statement and a status report on any Sub-Fund's investments and activities during the applicable period, including deal-related cash flow and budget updates as well as summary descriptions of new acquisitions and dispositions, if any.

The General Partner may establish such further reports as determined in respect of a given Sub-Fund as set forth in the Sub-Fund Specifications.

## **15.2. TERM AND LIQUIDATION OF THE FUND AND OF SUB-FUNDS**

The Fund has been set up for an unlimited term and shall end with the dissolution and liquidation of its last Sub-Fund.

The Sub-Fund(s) may be created for an undetermined period or for a fixed period as provided for in each Sub-Fund Specifications. Sub-Funds created for a fixed period will terminate automatically on their maturity date provided for in each Sub-Fund Specifications.

The General Partner may decide to liquidate a Sub-Fund if its net assets have decreased to, or have not reached, an amount determined by the General Partner to be the minimum level for such Sub-Fund to be operated in an economically efficient manner or if a change in circumstances relating to the Sub-Fund concerned would justify such liquidation.

Shareholders of the relevant Sub-Fund will be notified by the General Partner of any decision to liquidate the relevant Sub-Fund prior to the effective date of the liquidation and the notice will indicate the reasons for, and the procedures applicable to the liquidation.

Unless otherwise provided for in the Sub-Fund Specifications, the Shareholders of the Sub-Fund concerned may request the redemption of their Shares upon or prior to the liquidation by application of the applicable liquidation NAV as determined by the General Partner. Assets which cannot be distributed to their beneficiaries upon the close of liquidation of the Sub-Fund concerned will be deposited with the *Caisse des Consignations* on behalf of their beneficiaries.

In addition to the above, should the share capital of the Fund fall below 2/3 (two thirds) of the minimum share capital, an extraordinary general meeting of Shareholders

must be convened to consider the dissolution of the Fund. Any decision to liquidate the Fund must be taken by a majority of the Shares present or represented at the meeting.

Where the share capital falls below  $\frac{1}{4}$  (one quarter) of the minimum capital, the General Partner must convene an extraordinary general meeting of Shareholders to decide upon the liquidation of the Fund. At that meeting, the decision to liquidate the Fund may be taken by Shareholders holding together  $\frac{1}{4}$  (one quarter) of the Shares present or represented.

As soon as the decision to wind up the Fund is taken, the issue of Shares in all Sub-Funds is prohibited and shall be deemed void.

### **15.3. AMALGAMATION**

Unless otherwise provided for in the Sub-Fund Specifications, the General Partner may decide to terminate one Sub-Fund by contributing its assets and liabilities into another existing or new Sub-Fund or into another existing or new collective investment scheme or an assimilated entity.

The General Partner may also organise the amalgamation of two or more Sub-Funds into an existing or a new Sub-Fund.

The General Partner may also organise the amalgamation of two or more Classes of Shares within a Sub-Fund.

Shareholders will be notified of any such decision as well as the relevant information in relation to the new Sub-Fund, the new collective investment scheme or assimilated entity or the new Class of Shares. Notice will be provided at least 1 (one) month before the amalgamation in order to enable Shareholders to request that their Shares be redeemed before the amalgamation is completed.

### **15.4. CONSOLIDATION/SPLITTING OF SHARES**

The General Partner may decide to consolidate or split the Shares of a Sub-Fund within a given Share Class.

## **16. INFORMATION AVAILABLE**

Shareholders may receive copies of the Articles, the Private Placement Memorandum (including the Sub-Fund Specifications relating to the Sub-Fund(s) in which they hold Shares), the latest financial reports, if available, as well as any further documents and/or reports in respect of the Sub-Fund(s) in which they hold Shares, by mail upon their request and free of charge as well as during office hours at the registered office of the Fund.

Shareholders may only receive communication of the Sub-Fund Specifications relating to the Sub-Fund in which they have invested.

Copies for material contracts the Fund has entered into are available for inspection during business hours at the registered office of the Fund.

The NAV per Share of each Sub-Fund shall be available on each Valuation Day at the Fund's registered office.

Claims of Shareholders against the Fund lapse 5 (five) years after the date of the event giving rise to the rights invoked.

English shall be the governing language for the Private Placement Memorandum.

**17. LATE TRADING**

Late trading is to be understood as the acceptance of a subscription or redemption order after the cut-off time on the relevant day and the execution of such order at the price base on the NAV applicable to such same day.

The Fund considers that the practice of late trading is not acceptable as it violates the provisions of the Private Placement Memorandum which provide that an order received after the cut-off time is dealt with at a price based on the next applicable NAV. As a result, subscriptions and redemptions of Shares shall be dealt with at an unknown NAV. The cut-off time for subscriptions and redemptions is set out in the present Private Placement Memorandum.

**18. CONFLICTS OF INTEREST**

No contract or other transaction between the Fund and any other company or firm shall be affected or invalidated by the fact that any one or more of the managers or officers of the Fund is interested in, or is a director, associate, officer or employee of such other company or firm. Any manager or officer of the Fund who serves as a director, officer or employee of any company or firm, with which the Fund shall contract or otherwise engage in business shall, by reason of such affiliation with such other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

In the event that any manager or officer of the Fund may have in any transaction of the Fund an interest different to the interests of the Fund, such manager or officer shall make known to the Board such conflict of interest and shall not consider or vote on any such transaction and such transaction, and such manager's or officer's interest therein shall be reported to the next succeeding meeting of Shareholders.

The term conflict of interests, as used in the preceding paragraph, shall not include any relationship with or interest in any matter, position or transaction involving the Initiator, the Investment Advisor, the Depository, the Central Administration Agent, the

distributors as well as any other person, company or entity as may from time to time be determined by the General Partner in its discretion.

## **19. RISK FACTORS**

Potential investors should consider the following risk factors before investing in the Fund. Potential investors should also inform themselves of, and where appropriate consult their professional advisers, as to the tax consequences of application for buying, holding, exchanging, redeeming or otherwise disposing of Shares under the law of their country of residence or domicile. This information is not intended to be an exhaustive listing of all potential risks associated with an investment into the Shares.

### **19.1. GENERAL**

The Fund must be considered for investors accepting a significant level of risk and who are aware that there is no assurance that the Fund's objectives will be achieved or that there will be any return of capital.

Prospective investors should consider carefully these and the following risk factors applicable to the Fund and relating particularly to the opportunistic investment strategy of the Fund prior to making any investment.

Investment in the Fund should be considered only by sophisticated investors who are willing and able to assume the risk of loss and degree of illiquidity involved by the type of investment made by the Fund.

### **19.2. RISK SPECIFIC TO INVESTING IN AN UMBRELLA FUND**

#### **19.2.1. General business risk**

In this clause 19 a reference to the Fund includes a reference to (any of) the Sub-Funds or to its or their investments as the case may be. An investment in the Fund involves certain risk factors and considerations relating to the Fund's structure and investment objective which prospective investors should evaluate before making a decision to subscribe for Shares. No assurance can be given that the Fund will succeed in meeting its investment objective or that there will be any return on capital. Moreover, past performance is not a guarantee of future results.

Before making any investment decision with respect to the Shares, any prospective investors should consult their professional advisors and carefully review and consider such an investment decision in light of the risk factors included below in this clause 19. The following is a brief description of certain factors, which should be considered along with other matters discussed elsewhere in the Private Placement Memorandum. The following does however, not purport to be a comprehensive summary of all the risks associated with an investment in the Shares or the Fund generally. Rather, the following are only certain particular risks to which the Fund is subject and that the

Fund wishes to encourage prospective investors to discuss in detail with their professional advisors.

#### **19.2.2. Long-term investments**

Although investments by the Fund may occasionally generate current income, the return of capital and capital gains, if any, from an investment of the Fund will generally occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the investment is made.

#### **19.2.3. Restrictions on transfer of Shares**

Investors will not have the right to transfer their Shares to other Well-Informed Investors, except as set out in the Private Placement Memorandum and the Sub-Fund Specifications and there is not expected to be a liquid, secondary trading market for the Fund's Shares. For these reasons, Investors will be required to bear the financial risks of their investment for the entire term of the Sub-Fund.

#### **19.2.4. Newly formed entity**

The Fund will be a newly formed fund with no operating history. There can be no assurance that the Fund's investment objectives will be achieved. Given the factors as described in this clause 19 there exists a possibility that an Investor could suffer a substantial or total loss as a result of an investment in the Fund.

#### **19.2.5. Distributions**

Except as stated in the Sub-Fund Specifications, no dividend will be distributed by the Fund to its Shareholders. Furthermore, the timing and the ability of the investments to make payments may be limited by applicable Luxembourg laws and regulations.

#### **19.2.6. Increased competition**

The Fund will engage in a business which is competitive. The entry of competitors, or decline in the number or size of investments being offered may adversely affect the Fund's ability to achieve its investment objectives. While the General Partner believes that attractive investments of the type in which the Fund intends to invest are currently available, there can be no assurance that such investment opportunities will be available when the Fund commences operations or that then available investments will meet the Fund's investment objectives.

#### **19.2.7. Suitability of the investment**

Investment in the Fund is only suitable for some investors. An investment is only adapted for Well-Informed Investors in accordance with article 2 of the 2007 Law and such Investors must have the financial capability and willingness to accept the risks and

illiquidity inherent to an investment in the Fund. Prospective Investors with doubts as to the suitability of an investment in the Fund for their situations should consult their financial advisors.

#### **19.2.8. Taxation**

An investment in the Fund involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Fund will have investments, or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Fund to its Shareholders. No assurance can be given on the actual level of taxation suffered by the Fund. Shareholders should consult their own tax advisors on the tax implications for them of investing, holding and disposing of Shares and receiving distributions in respect of Shares in the Fund.

#### **19.2.9. Changes in Applicable Law**

The Fund must comply with various legal requirements, including requirements imposed by the securities laws and company laws in various jurisdictions, including Luxembourg. Should any of those laws change, the legal requirements to which the Fund and the Shareholders may be subject could differ materially from current requirements.

#### **19.2.10. Possible Adverse Effect of Large Redemptions**

The investment strategy of a Sub-Fund could be disrupted by a large number of redemptions of Shares of the Sub-Fund. As a result of a large number of redemptions, a Sub-Fund may have to prematurely liquidate securities positions that have not yet adequately matured.

#### **19.2.11. AIFMD-related risk**

Further to the adoption of the AIFM Directive which regulates managers and operators of non-retail collective investment structures defined in the AIFM Directive as AIF, Luxembourg passed the AIFM Law implementing the AIFM Directive.

It appears that the Fund qualifies as an AIF, and depending on the potential development and future growth of the total value of assets under management the Fund may be within the scope of the AIFM Directive, which in turn would result in the necessity to either appoint an external, duly authorized AIFM or to apply itself for the status as a duly authorized AIFM in accordance with the AIFM Law.

Both the appointment of an external AIFM or the status of the Fund as a self-managed AIFM will have an impact on the structure, costs and prospectus of the Fund.

As various requirements of the AIFM Directive are applicable at fund level, such as reporting to regulators and investors on leverage and in relation to the acquisition of a controlling influence in listed or non-listed companies, additional operating costs may

be incurred by the Fund as a result of these requirements, which may in turn affect the actual returns of the Fund.

## **20. AMENDMENTS**

The Fund Documents may be amended by a decision of the general meeting of Shareholders subject to and in accordance with the requirements provided for by the 1915 Law for the amendment of the Articles, provided that the General Partner may amend the Private Placement Memorandum without the involvement of the general meeting of Shareholders to:

- (a) reflect the outcome of decisions validly taken by the General Partner or by any of the agents of the Fund (e.g. on amalgamation or liquidation of a Sub-Fund);
- (b) reflect a change in the name of the Fund or any of its Sub-Funds;
- (c) make any change that is necessary or desirable to cure any ambiguity or to correct or supplement any provision of the Private Placement Memorandum that would otherwise be inconsistent with any other provision of the Private Placement Memorandum or the Articles; and
- (d) make a change that is necessary or desirable to satisfy any applicable requirements, conditions or guidelines contained in any opinion, directive, order, statute, rule or regulation of any governmental entity so long as such change is made in a manner which minimises any adverse effect on the Investors.

The General Partner will inform the Shareholders and any agent of the Fund of any amendment to the Private Placement Memorandum promptly after it is made.

No major change may be made to the Private Placement Memorandum before the change has been approved by or filed with the CSSF.

## PART II. SUB-FUND SPECIFICATIONS

### GARIM S.C.A., SICAV-SIF -WORLD EQUITY

1. **Name of the Sub-Fund: GARIM S.C.A., SICAV-SIF WORLD EQUITY**

2. **Definitions:**

Unless defined elsewhere in the Sub-Fund Specifications or unless the context indicates otherwise, capitalised words and expressions in these Sub-Fund Specifications have the meaning as described in Part I of the Private Placement Memorandum.

**Initial Issue Price** the price per Share applicable at the launching of the Sub-Fund;

**Person** an individual, a corporation, limited liability company, trust, partnership, estate, unincorporated association or other legal entity, including but not limited to the Initiator; and

**Sub-Fund Proceeds** all income and fees received or gains realised within the Sub-Fund from its Investments taking into account (i) the Sub-Fund's expenses, including any advisory fees, if any, as well as the payment of any other amount which may, in the reasonable opinion of the General Partner, be payable in respect of the Sub-Fund within 12 (twelve) months of the distribution or allocation, and (ii) any obligation made with respect to realised Investments such as warranties and/or indemnities given with respect to such Investments in respect of the Sub-Fund.

These Sub-Fund Specifications must be read in conjunction with Part I of the Private Placement Memorandum.

In case of a conflict between any of the contents of any of the clauses of these Sub-Fund Specifications and any of the contents of any of the clauses of Part I of the Private Placement Memorandum, these Sub-Fund Specifications will prevail.

3. **Term:** the present Sub-Fund was created for an unlimited duration.

4. **Investment Policy and Rationale:** the investment policy of the Fund through the present Sub-Fund is to identify, select and invest mainly in equity. If the market situation is adverse, the Sub-Fund could reduce its equity position to any level in order to protect the assets under management. The Sub-Fund does not use any leverage at any time. The Sub-Fund invest in

companies that offer value, without any particular regard to market capitalization. All investments are selected according to strict fundamental analysis. The investment process starts with a top-down analysis and continues with a bottom-up process focused on individual companies. In this way, the target is to identify companies that are undervalued in price by the market but with sound fundamentals. The use of derivatives is used for hedging purposes to protect the value of the portfolio. On an ancillary basis, derivatives could also be used under certain conditions to take positions in equity while maintaining a cash position.

The Sub-Fund may also invest up to 10% (ten per cent) of its net assets in investment funds.

The General Partner seeks to outperform the Sub-Fund's benchmark while maintaining a moderate risk profile. The General Partner employs a process that combines research, valuation and stock selection to identify companies that have an history of above-average growth or which the General Partner believes will achieve above-average growth in the future. Growth companies purchased for the Fund include those with leading competitive positions, predictable and durable business models and management that can achieve sustained growth with reasonable business multiples.

The General Partner may sell a security for several reasons. A security may be sold due to a change in the company's fundamentals or if the General Partner believes the security is no longer attractively valued. Investments may also be sold if the General Partner identifies a stock that it believes offers a better investment opportunity or when market conditions change.

5. **Hedging of Currency Exposure:** In order to protect cash flows against the fluctuation of currencies, the Sub-Fund may enter into transactions, the object of which is the purchase or the sale of forward foreign exchange contracts, cross currency swaps or other derivative instruments. Transactions of this type will be done with first class financial institutions specialising in these types of transactions. Currency hedging may also be in the form of currency loans.

The financial instruments mentioned above may have a leverage component.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency (including a currency bearing a substantial relation to the value of the Reference Currency (known as "Cross Hedging")) may not exceed the total valuation of such assets and liabilities nor may they, as regards their duration, exceed the period where such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

Each of the Classes of Shares of the Sub-Fund can be hedged independently in accordance with the transactions referred to above irrespective of the currency in which each of them is denominated.

6. **Benchmark:** The Sub-Fund benchmark for Class A in Euros is MSCI World in Euros ex-dividends (MXWO Index divided by EUR/USD Exchange rate). The Sub-Fund benchmark for Class B in USD is MSCI World in USD ex-dividends (MXWO Index).
7. **Currency:** The Sub-Fund is denominated in EUR. There are two classes of Shares: Class A Shares denominated in EUR and Class B Shares denominated in USD.
8. **Size of the Sub-Fund:** The General Partner is seeking to reach up to EUR 10,000,000, (Ten Million euros) within 30 days of the launch of the Sub-Fund.
9. **Investment Restrictions:** The Sub-Fund shall not invest more than 30% (thirty per cent) of the Sub-Fund assets in any single underlying asset.
10. **Minimum subscription:** Each Investor shall invest at least EUR 125,000,- (one hundred twenty-five thousand euro).
11. **Borrowing:** Except otherwise provided herein, the Sub-Fund shall use no leverage.
12. **Offering Period:** The offering period has taken place on 1 November 2011 and closed on 31 december 2011 or any date sooner or later at the discretion of the General Partner. The initial subscription monies had to be received by the Depositary in cleared funds, no later than 23:50(CET), by 31 December 2011.
13. **Share Classes:** The General Partner may issue further Classes of Shares as appropriate, which may carry different rights and obligations *inter alia* with regard to the income and profit entitlements, the redemption features, reporting obligations, fee and cost features or the relevant Shareholder.

Shares have no preferential or pre-emption rights and are subject to any transfer restrictions as set forth in these Sub-Fund Specifications. Shareholders of the same Class will be treated equally *pro rata* to the number of Shares of the same Class held by them.

14. **Initial Issue Price:** The initial issue price shall be :  
EUR 1,000 (one thousand euro) for Class A Shares and USD 1,000 (one thousand US dollars) for Class B Shares.
15. **Subscription process:**  
Purchase orders for a given Valuation Day must be accepted and received by the Central Administration Agent before 3 p.m. (CET) on the Business Day immediately preceding that Valuation Day. Valid and complete orders received and accepted by the Central Administration Agent or its agents within this time frame are processed as of such Valuation Day, in the relevant Offered Currency, at the NAV per Share of the appropriate Class/Category determined for such Valuation Day. Orders received and accepted after 3 p.m. (CET) on the Business Day immediately preceding a given Valuation Day are processed on the next Valuation Day at the appropriate Net Asset Value, in which case the Valuation Day in respect of such purchase, redemption or exchange request will be such Valuation Day. Payment of subscription monies must be received by telegraphic transfer in the Transfer Agent's specified account within two

business days after the Valuation Day. At the discretion of the General Partner. Valuation Days or the foregoing cut-off times may be changed and additional Valuation Days and cut-off times may be designated. The General Partner will notify Shareholders of any such changes. In the event the General Partner has suspended or postponed the determination of NAV as set out in the Part I of the Private Placement Memorandum, the Net Asset Value determined at the next Valuation Day will be utilized.

Orders generally will be forwarded to the Central Administration Agent directly by the prospective Shareholder or by the intermediating distributor on the date received, provided the order is received by the distributor prior to such deadline as may from time to time be established by the office in which the order is placed.

16. **Subscriptions/Redemption of Shares/Cut-off time:** Requests for subscription/redemption of Shares must be received by 3 p.m. (CET) on the Business Day immediately preceding the relevant Valuation Day.
17. **Redemption:** Please refer to clause 7. “REDEMPTION OF SHARES” of the Private Placement Memorandum.
18. **Redemption Limit:** The redemption limit is stated at redemption higher than 5% (five per cent) of the NAV of the Sub-Fund.
19. **Valuation Day:** The NAV will be calculated each Business Day. If this Valuation Day is not a Business Day, the following Business Day after this day will be the Valuation Day.
20. **Settlement:** The settlement of the subscriptions, redemption and conversion (if any) is made two Business Days after the relevant Valuation Day.
21. **Transfer:** The transfer, exchange or assignment of Shares, which is not affiliated with the transferor, is subject to the prior approval of the General Partner. A transfer, exchange or assignment to an affiliate does not require the approval of the General Partner, if the transferee has a credit rating equal to or better than that of the transferor.

A Shareholder that wishes to transfer, exchange, or assign any interest in the Shares must notify the General Partner of the number of Shares it wishes to transfer, exchange or assign, the identity of the proposed transferee.

A Shareholder that wishes to pledge any interest in the Shares must notify the General Partner of the number of Shares it wishes to pledge, the identity of the proposed pledgee and the relationship, if any, between the pledgor and the pledgee.

The General Partner may not unreasonably withhold its consent unless:

- i. it is not in the best interests of the Fund or the Sub-Fund to approve the transfer, exchange, assignment or pledge; or
- ii. the transferee or pledgee does not qualify as a Well-Informed Investor.

Any request for a transfer, exchange, assignment or pledge must be introduced within 15 (fifteen) Business Days after the end of each quarter. It may be carried forward to the next quarter end at the discretion of the General Partner.

22. **Reporting:** The Sub-Fund's fiscal year is equal to the calendar year. The General Partner shall provide the Sub-Fund's Shareholders at no cost (within 6 (six) months after the year end and in any event before the annual general meeting of the Fund) with an audited annual report.

This report shall contain at least a balance sheet, a statement of loss and income, explanatory notes, as well as a summary review of the currency exposure.

The first audited report shall be issued in respect of the financial year ending 31 December 2012.

23. **Valuation Policy:** The calculation of the NAV will be performed by the Central Administration Agent under the responsibility of the General Partner.

24. **Accounting Methodology:** The accounting information with respect to the Sub-Fund shall in principle be prepared in accordance with LuxGAAP, provided that the General Partner may decide to use different accounting methods if and when appropriate.

25. **Distributions:** The distribution shall be made in accordance with clause 11 of part I of the Private Placement Memorandum.

26. **Setting-up costs:** The costs of the setting-up of the Fund and its registration as a SIF in Luxembourg will be borne by the Fund. These costs are estimated at approximately EUR 60,000 and will be written off over a period of 5 (five) years from incorporation.

27. **Management Fee:** The remuneration to be received by the General Partner for its management services provided to the Sub-Fund, which shall be equal to a 2% (excluding VAT) per year on the NAV of the Sub-Fund.

28. **Performance Fee:** The General Partner will be entitled to a performance fee of 10 (ten) per cent p.a. of the positive return realised by the Sub-Fund on the day of calculation of the Performance Fee.

The Performance Fee will be calculated and accrued on each Valuation Day on the aggregate Net Asset Value of the Sub-Fund and will be payable annually.

## **SUB-FUND GARIM S.C.A., SICAV-SIF - GLOBAL ALLOCATION**

1. **Name of the Sub-Fund:** GARIM S.C.A., SICAV-SIF – GLOBAL ALLOCATION

2. **Definitions:**

Unless defined elsewhere in the Sub-Fund Specifications or unless the context indicates otherwise, capitalised words and expressions in these Sub-Fund Specifications have the meaning as described in Part I of the Private Placement Memorandum.

**Initial Issue Price** the price per Share applicable at the launching of the Sub-Fund;

**Sub-Fund Proceeds** all income and fees received or gains realised within the Sub-Fund from its Investments taking into account (i) the Sub-Fund's expenses, including any advisory fees, if any, as well as the payment of any other amount which may, in the reasonable opinion of the General Partner, be payable in respect of the Sub-Fund within 12 (twelve) months of the distribution or allocation, and (ii) any obligation made with respect to realised Investments such as warranties and/or indemnities given with respect to such Investments in respect of the Sub-Fund.

These Sub-Fund Specifications must be read in conjunction with Part I of the Private Placement Memorandum.

In case of a conflict between any of the contents of any of the clauses of these Sub-Fund Specifications and any of the contents of any of the clauses of Part I of the Private Placement Memorandum, these Sub-Fund Specifications will prevail.

3. **Term:** the present Sub-Fund was created for an unlimited duration.

4. **Investment Policy and Rationale:** the investment policy of the Sub-Fund is to invest in all types of transferable securities and money market instruments issued by companies without regard to market capitalization. All investments are selected according to strict fundamental analysis. The investment process starts with a top-down analysis and continues with a bottom-up process focused on the individual companies.

The Sub-Fund may also invest in all types of investment funds.

The Sub-Fund has a flexible approach to asset allocation and may vary the exposure to the different asset classes and markets in response to market conditions and opportunities.

5. **Hedging of Currency Exposure:** In order to protect cash flows against the fluctuation of currencies, the Sub-Fund may enter into transactions, the object of which is the purchase or the sale of forward foreign exchange contracts, cross currency swaps or other derivative instruments. Transactions of this type will be done with financial institutions specialising in these types of transactions. Currency hedging may also be in the form of currency loans.

The financial instruments mentioned above may have a leverage component.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency (including a currency bearing a substantial relation to the value of the Reference Currency (known as “Cross Hedging”)) may not exceed the total valuation of such assets and liabilities nor may they, as regards their duration, exceed the period where such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

Each of the Classes of Shares of the Sub-Fund can be hedged independently in accordance with the transactions referred to above irrespective of the currency in which each of them is denominated.

6. **Currency:** The Sub-Fund is denominated in EUR. There are two classes of Shares: Class A Shares denominated in EUR and Class B Shares denominated in USD.
7. **Size of the Sub-Fund:** The General Partner is seeking to reach up to EUR 3,000,000.- (three million euro) within 30 days of the launch of the Sub-Fund.
8. **Investment Restrictions:** The Sub-Fund shall comply with the investment restrictions set out under 4.2. of Part I of the Private Placement Memorandum.
9. **Risk Factors:**

#### **Emerging Markets**

Shareholders should note that where the Sub-Fund invests in emerging markets these investments may carry risks with failed or delayed settlement and with registration and custody of securities. Companies in emerging markets may not be subject to accounting, auditing and financial reporting standards or be subject to the same level of government supervision and regulation as in more developed markets. Government involvement in the economy may affect the value of investments in certain emerging markets and the risk of political instability may be high. The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets which may result in problems in realizing investments. Lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Investment Manager may experience difficulty in purchasing or selling holdings of securities.

#### **Investment in Debt Securities**

The Sub-Fund, where investing in securities such as bonds, may be affected by credit quality considerations and changes at prevailing interest rates. The issuer of a bond or other debt securities (including but not limited to, government and their agencies, State and provincial government entities, supranationals and companies) may default on their obligations by failing to make payments due or, repay principal and interest in a timely manner which will affect the

value of debt securities held by the Sub-Fund. Debt securities are particularly susceptible to interest rates changes and may experience significant price volatility. If interest rates increase, the value of a Sub-Fund's investment generally declines. In a historically low interest environment, risks associated with rising interest rates are heightened. On the other hand, if interest rates fall, the value of investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.

### **Investment in Equity**

The value of the Sub-Fund where investing in equities fluctuates daily. Prices of equity can be influenced and affected by many macro and micro factors such as economic, political, market and issuer-specific changes. Such changes may adversely affect the value of the equities which can go up and down, regardless of company specific performance. Additionally different industries, financial markets and securities can react differently to these changes. Such fluctuations of the Sub-Fund's value are often exacerbated in the short-term as well. The risk that one or more companies in the Sub-Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period and the Sub-Fund investing in equities could incur significant losses.

### **Investment in Investment Funds**

The Sub-Fund's performance is directly impacted by the performance of any investment fund held by it. The ability of the Sub-Fund to achieve its investment goal is directly related to, in part, the ability of the investment funds to meet their investment goal.

Investing in other investment funds can be more costly than if the Sub-Fund had invested in the underlying securities directly. Shareholders of the Sub-Fund will indirectly bear the fees and expenses of the underlying investment fund. As the Sub-Fund's allocation among investment funds change from time to time, or to the extent that the expense ratios of the underlying investment fund change, the expenses borne by the Sub-Fund may increase or decrease. In addition, the determination of the net asset value per share of any particular investment fund held by the Sub-Fund may be suspended. In the event this were to happen, it could impede the ability of the Sub-Fund to meet a redemption request.

The Sub-Fund's investment in investment funds may subject the Sub-Fund to additional risks than if the Sub-Fund would have invested directly in the investment fund's underlying assets.

Another risk of investing in investment funds is the possibility that one investment fund may buy the same securities that another investment fund sells. If this happens, an investor in the affected Sub-Fund would indirectly bear the costs of these transactions without accomplishing the intended investment purpose. Also, the Sub-Fund or the investment fund may hold common portfolio securities, thereby reducing the diversification benefits of the Sub-Fund.

- 10. Minimum subscription:** Each Investor shall invest at least EUR 125,000.- (one hundred twenty-five thousand euro) or their equivalent in USD.

11. **Borrowing:** Except otherwise provided herein, the Sub-Fund shall use no leverage.
12. **Offering Period:** The offering period has taken place on 15 September 2013 and closed on 4 November 2013 or any date sooner or later at the discretion of the General Partner. The initial subscription monies had to be received by the Depositary in cleared funds, no later than 23:50 (CET), by 4 November 2013.
13. **Share Classes:** The General Partner has issued Class A Shares and Class B Shares, within the Sub-Fund.

The General Partner may issue further Classes of Shares as appropriate, which may carry different rights and obligations *inter alia* with regard to the income and profit entitlements, the redemption features, reporting obligations, fee and cost features or the relevant Shareholder.

Shares have no preferential or pre-emption rights and are subject to any transfer restrictions as set forth in these Sub-Fund Specifications. Shareholders of the same Class will be treated equally *pro rata* to the number of Shares of the same Class held by them.

14. **Initial Issue Price:** The initial issue price shall be :  
  
EUR 1,000.- (one thousand euro) for Class A Shares and USD 1,000.- (one thousand US dollars) for Class B Shares.
15. **Subscription process:**

Purchase orders for a given Valuation Day must be accepted and received by the Central Administration Agent before 3 p.m. (CET) on the Business Day immediately preceding that Valuation Day. Valid and complete orders received and accepted by the Central Administration Agent or its agents within this time frame are processed as of such Valuation Day, in the reference currency of the relevant Class of Shares, at the NAV per Share of the appropriate Class/Category determined for such Valuation Day. Orders received and accepted after 3 p.m. (CET) on the Business Day immediately preceding a given Valuation Day are processed on the next Valuation Day at the appropriate Net Asset Value, in which case the Valuation Day in respect of such purchase, redemption or exchange request will be such Valuation Day. Payment of subscription monies must be received by telegraphic transfer in the Transfer Agent's specified account within two business days after the Valuation Day. At the discretion of the General Partner. Valuation Days or the foregoing cut-off times may be changed and additional Valuation Days and cut-off times may be designated. The General Partner will notify Shareholders of any such changes. In the event the General Partner has suspended or postponed the determination of NAV as set out in the Part I of the Private Placement Memorandum, the Net Asset Value determined at the next Valuation Day will be utilized.

Orders generally will be forwarded to the Central Administration Agent directly by the prospective Shareholder or by the intermediating distributor on the date received, provided the order is received by the distributor prior to such deadline as may from time to time be established by the office in which the order is placed.

16. **Requests for Subscriptions or Redemption of Shares/Cut-off time:** Requests for subscription/redemption of Shares must be received by 3 p.m. (CET) on the Business Day immediately preceding the relevant Valuation Day.
17. **Redemption:** Please refer to Clause 7 “REDEMPTION OF SHARES” of the Private Placement Memorandum.
18. **Redemption Limit:** There will be no redemption limit in the Sub-Fund provided that the redemption is requested in accordance with Clause 7 “REDEMPTION OF SHARES” of the Private Placement Memorandum.
19. **Valuation Day:** The NAV will be calculated each Business Day. If this Valuation Day is not a Business Day, the following Business Day after this day will be the Valuation Day.
20. **Settlement:** The settlement of the subscriptions, redemption and conversion (if any) is made two Business Days after the relevant Valuation Day.
21. **Transfer:** The transfer, exchange or assignment of Shares, which is not affiliated with the transferor, is subject to the prior approval of the General Partner. A transfer, exchange or assignment to an affiliate does not require the approval of the General Partner, if the transferee has a credit rating equal to or better than that of the transferor.

A Shareholder that wishes to transfer, exchange, or assign any interest in the Shares must notify the General Partner of the number of Shares it wishes to transfer, exchange or assign, the identity of the proposed transferee.

A Shareholder that wishes to pledge any interest in the Shares must notify the General Partner of the number of Shares it wishes to pledge, the identity of the proposed pledgee and the relationship, if any, between the pledgor and the pledgee.

The General Partner may not unreasonably withhold its consent unless:

- i. it is not in the best interests of the Fund or the Sub-Fund to approve the transfer, exchange, assignment or pledge; or
- ii. the transferee or pledgee does not qualify as a Well-Informed Investor.

Any request for a transfer, exchange, assignment or pledge must be introduced within 15 (fifteen) Business Days after the end of each quarter. It may be carried forward to the next quarter end at the discretion of the General Partner.

22. **Reporting:** The Sub-Fund’s fiscal year is equal to the calendar year. The General Partner shall provide the Sub-Fund’s Shareholders at no cost (within 6 (six) months after the year end and in any event before the annual general meeting of the Fund) with an audited annual report.

This report shall contain at least a balance sheet, a statement of loss and income, explanatory notes, as well as a summary review of the currency exposure.

The first audited report shall be issued in respect of the financial year ending 31 December 2014.

23. **Valuation Policy:** The calculation of the NAV will be performed by the Central Administration Agent under the responsibility of the General Partner.
24. **Accounting Methodology:** The accounting information with respect to the Sub-Fund shall in principle be prepared in accordance with LuxGAAP, provided that the General Partner may decide to use different accounting methods if and when appropriate.
25. **Distributions:** The distribution shall be made in accordance with clause 11 of part I of the Private Placement Memorandum.
26. **Setting-up costs:** The costs of the setting-up of the Sub-Fund and its registration as a compartment of the Fund in Luxembourg will be borne by the Fund. These costs are estimated at approximately EUR 22,000 and will be written off over a period of 5 (five) years from incorporation.
27. **Management Fee:** The remuneration to be received by the General Partner for its management services provided to the Sub-Fund shall be equal to a 1.5% (excluding VAT) per year of the NAV of the Sub-Fund payable monthly.
28. **Performance Fee:** The General Partner will be entitled to a performance fee of 10% (ten per cent) p.a. of the positive return realised by the Sub-Fund on the day of calculation of the Performance Fee.

The Performance Fee will be calculated and accrued on each Valuation Day on the aggregate Net Asset Value of the Sub-Fund and will be payable annually.