The Directors of AFRICA SELECT EQUITY FUND (SICAV) p.l.c. (the "Fund") whose names appear on page 36, accept responsibility for the information contained in this Prospectus (the "Prospectus"). To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the accuracy of such information. The Directors accept responsibility accordingly.

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# PROSPECTUS

relating to the offer of Investor Shares

in

## AFRICA SELECT EQUITY FUND (SICAV) P.L.C.

an open-ended collective investment scheme organised as a multi-class public limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370, Laws of Malta). The Company qualifies as a 'Maltese UCITS' in terms of the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18, Laws of Malta).

16th September 2026

MFSA MALTA FINANCIAL SERVICES AUTHORITY

APPROVED IN ACCORDANCE WITH ARTICLE 11 OF THE INVESTMENT SERVICES ACT CAP. 370

**The AFRICA SELECT EQUITY FUND (SICAV) p.l.c. qualifies as a Maltese UCITS and meets the additional conditions prescribed by the Malta Financial Services Authority (the "MFSA") to be marketed to Retail Investors. Authorisation of the Fund by the MFSA does not constitute a warranty by the MFSA as to the performance of the Fund and the MFSA shall not be liable for the performance or default of the Fund. The MFSA has made no assessment or value judgment of the soundness of the Fund or for the accuracy or completeness of statements made or opinions expressed with regard to it.**

**The MFSA has not reviewed or approved this document. Any person making statements to the contrary may be prosecuted under the Maltese Criminal Code (Chapter 9 – Laws of Malta). Investors must rely solely upon their own and their advisors' due diligence in making any decision to invest.**

The distribution of this Prospectus and the offering of the Investor Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus (as defined under "**DEFINITIONS**" hereunder) comes are required to inform themselves about and to observe any such restrictions. This Prospectus does not constitute (and may not be used for the purpose of) an offer or solicitation in any jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

Any further distribution or reproduction of this Prospectus, in whole or in part, or the divulgence of any of its contents, is prohibited. A prospective investor should not subscribe for Investor Shares unless satisfied that he and/or his investment representative has/have asked for and received all information which would enable him or both of them to evaluate the merits and risks of the proposed investment. The Investor Shares are not, and are not expected to be, liquid, except as described in this Prospectus.

No person other than the Fund has been authorised to make any representations or give any information with respect to the Shares except the information contained herein, and any information or representation not contained herein or otherwise supplied by the Fund must not be relied upon as having been authorised by the Fund or any of the Directors. Neither the delivery of this Prospectus nor the issue of Investor Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Fund since the date of this Prospectus.

**There are significant risks associated with an investment in any Fund. There can be no assurance that a Fund will achieve its investment objective and losses may be incurred. Each prospective investor should carefully review this Prospectus and carefully consider the risks before deciding to invest. The attention of investors is drawn to "*Risk Factors and Conflicts of Interest*" hereunder.**

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# 1. Important Information

## Sole Basis of Offer

The Investor Shares are offered solely on the basis of the information and representations contained in this Prospectus. A Key Investor Information Document (the "**KIID**") will be provided free of charge to any prospective investor, however, prospective investors are cautioned that the Prospectus should also be read in their entirety before making an application to acquire Investor Shares. Investors or prospective investors should only rely on the latest published version of the Prospectus, a copy of which may be obtained free of charge upon request from the Administrator or from the Investment Manager.

No persons have been authorised by the Fund, its Directors, or the Investment Manager to make any representations or issue any advertisement or to give any information in connection with the offering or sale of Investor Shares other than those contained in this Prospectus. Consequently, if any further information is given or representations are made, they may not be relied upon as having been authorised by the Fund, its Directors or the Investment Manager. Any purchase or subscription made by any person on the basis of information or representations not contained in or inconsistent with the information or representations contained in the Prospectus shall be solely at the risk of the investor.

Neither the delivery of this Prospectus nor the offer, issue or sale of Investor Shares shall constitute a representation that the information given in this Prospectus and the KIID is correct as of any time subsequent to the date hereof. This Prospectus and any KIID may be amended from time to time.

No representations or warranties of any kind are intended or should be inferred with respect to the economic return from, or the tax consequences of, an investment in any Fund. No assurance can be given that existing laws and/or regulations will not be changed or interpreted adversely. Prospective investors are not to construe this Prospectus as legal or tax advice. Each prospective investor should consult his own counsel and accountant for advice concerning the various legal, tax and economic considerations relating to his investment. Each prospective investor is responsible for the fees of his own counsel, accountants and other advisors.

## Licensing Status and MFSA Disclaimer

The Fund is organised under the laws of Malta as a multi-class public limited liability company with variable share capital (SICAV) pursuant to the Companies Act. The Fund is authorised in terms of the Investment Services Act (Cap. 370, Laws of Malta) as an open-ended collective investment scheme qualifying as a Maltese UCITS, and licensed and regulated by the MFSA.

Authorisation of the Fund by the MFSA does not constitute a warranty by the MFSA as to the performance of the Fund and the MFSA shall not be liable for the performance or default of the Fund.

## No Application to List Shares on any Stock Exchange

No application has been made for a listing on any stock exchange for any of the Investor Shares of the Fund or for the grant of permission for any Investor Shares in the Fund to be traded on any other exchange. If such event occurs for Shares of the Fund, the relevant information will be provided in the Prospectus.

## Information Available to Investors

A copy of the Prospectus, including any KIID can be obtained from the Administrator or the Investment Manager. The Funds is constituted under the Companies Act (Cap. 386, Laws of Malta), consequently the rules relating to the Funds as well as the rights of holders of Shares are set out in detail in the Memorandum and Articles. The Fund's latest Memorandum and Articles and the other documents listed on page 85 are available for inspection by prospective investors during ordinary office hours at the registered office of the Company and the Administrator. Please refer to the Directory on page 91 for relevant office addresses.

## Distribution outside Malta

The offer of Investor Shares in the Fund is deemed to be an offer of securities to the public in terms of the Companies Act, however, the distribution of this Prospectus, any KIID and the offering of Investor Shares may be restricted in other jurisdictions. In this regard, the attention of prospective investors is brought to the part entitled "*Restricted Offer*" below. In terms of the Memorandum and Articles, the Directors may impose such restrictions as they think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or requirements of any country or governmental authority.

## Restricted Offer

This Prospectus and any KIID do not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus, any KIID and the offering of Investor Shares in certain jurisdictions is restricted. Persons to whose attention this Prospectus may come are required to inform themselves about, and to observe, such restrictions.

Prospective investors should inform themselves as to: (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Investor Shares; (b) any foreign exchange restrictions which may affect them; and (c) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Investor Shares. The Directors may from time to time declare categories of persons who do not qualify under applicable laws to purchase Investor Shares.

This Prospectus and any KIID may be translated into other languages and any such translation shall contain the same information and shall make the same statements as are included in the English version of the relative source documents. To the extent that there is any inconsistency between the English versions and the versions translated into any other language, then the English versions shall prevail except to the extent required by the laws of any jurisdiction where the Investor Shares are being offered.

## Investment Risk

Investment in any Fund carries risks normally attributable to investment in collective investment schemes of this type. Investors and potential investors in the Funds are invited to obtain individual professional advice where appropriate so as to be fully aware of how they may be affected financially by such risks. Investors should also inform themselves of, and consider carefully, the tax implications of investing in the Fund, of any laws, rules or regulations or conditions which could affect (by virtue, for instance, of the investor's domicile, residence or nationality) the investment return on these funds, and the right to acquire,

own or dispose of an investment in the Fund. There can be no assurance that the Fund's investment objectives will be achieved and investment results may vary substantially over time. Prospective investors should be aware that the value of investments, as reflected in the NAV per Share, can go down as well as up and the attention of investors is drawn to the Section entitled "*Risk Factors*". Prospective investors should carefully consider whether an investment in Investor Shares is suitable for them in the light of their circumstances and financial resources.

## Right to Refuse Any Subscription Application

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

## Master UCITS Scheme

The Fund qualifies as a Master UCITS in terms of the UCITS Directive and the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18). The Fund has authorised one feeder UCITS, namely GVC Gaesco Africa R. V. I.,FI (the "**Feeder Fund**"), to invest in a dedicated share class of the Fund. The Fund is not itself a feeder UCITS and does not invest in units of any feeder UCITS. In its capacity as a Master UCITS, the Fund shall comply with the supplementary conditions applicable to Master UCITS, including but not limited to those set out in Part BII of the Investment Services Rules for Retail Collective Investment Schemes, issued by the MFSA.

## Applicable Law

This Prospectus, the KIID and any statements made in them are based on and subject to Maltese law.

# 2. Interpretation

## DEFINITIONS

The following words shall, unless the context otherwise requires or implies, have the meanings set opposite them when used in this Prospectus:

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| **ACCOUNTING PERIOD** | Unless otherwise determined by the Directors, a financial period of the Company commencing in the case of the first such period on the date of the registration of the Company and terminating on 31st December and, in respect of subsequent periods, commencing on 1st January in each year and ending on 31st December in the following year; |
| **ACCOUNTING CURRENCY** | U.S. Dollar (U.S.$); |
| **ADMINISTRATOR** | Apex Fund Services (Malta) Limited; |
| **APPROVED COUNTERPARTY** | Counterparties who:<br>(1) are not the Investment Manager and/or the Broker/s associated with the Investment Manager or the Depositary;<br>(2) form part of a group whose head office or parent company is licensed, registered or based in Malta, or in any member of the OECD or the EEA;<br>(3) are subject to prudential supervision in accordance with provisions equivalent to EU Directive 93/6/EEC or EU Directives 73/239/EEC and 79/267/EEC as amended.<br>In the case of an OTC FDI transaction, such counterparty must satisfy the Fund that it has:<br>(1) agreed to value the transaction at least twice a month; and<br>(2) will close out the transaction at the request of the Investment Manager or the Fund at fair value. |
| **APPROVED INSTITUTION** | A credit institution that has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by MFSA as equivalent to those laid down in EU law; |
| **APPROVED REGULATED MARKET** | A stock exchange or any other regulated market, which operates regularly, and is recognised and open to the public, has adequate liquidity and adequate arrangements in respect of the transmission of income and capital, and which has been approved by the MFSA; |

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| **ARTICLES** | The Articles of Association of the Fund, as may be amended from time to time; |
| **AUDITORS** | PricewaterhouseCoopers; |
| **AUTHORISED DISTRIBUTORS** | The entities or individuals which may be appointed by the Fund to distribute Investor Shares subject to the terms of an agreement with such persons in each case; |
| **BASE CURRENCY** | The currency in which a Class of Shares is denominated; |
| **BENCHMARK** | The index utilised for the calculation of the performance fees; defined as; S&P Pan Africa Ex South Africa Capped Index NTR; |
| **BOARD** | The Board of Directors of the Fund or a duly constituted committee of the Board; |
| **BROKER** | An individual or a corporate entity that executes transactions for and on behalf of Shareholders; |
| **BUSINESS DAY** | Except where otherwise stated in the Prospectus or determined by the Board, any day that is not a Saturday or a Sunday and not a public or bank holiday in Malta; |
| **CLASS** | A separate class of Shares in the Fund as the case may be; |
| **CLASS A SHARES** | Redeemable participating shares representing Africa Select Equity Fund (SICAV) P.L.C. (US Dollar) Class A; |
| **CLASS B SHARES** | Redeemable participating shares representing Africa Select Equity Fund (SICAV) P.L.C. (Euro) Class B; |
| **CLASS C FEEDER SHARES** or **FEEDER CLASS** | Redeemable participating shares representing Africa Select Equity Fund (SICAV) P.L.C. (Euro) Class C, which shall be available exclusively for subscription by the Feeder Fund; |
| **CIS** | Collective investment schemes; |
| **CLEARED FUNDS** | Subscription monies that have been credited to the client money account of the Fund maintained with the Depositary and made available for withdrawal; |
| **COMPANIES ACT** | The Companies Act, 1995 (Cap. 386, Laws of Malta); |
| **COMPANY SECRETARY** | The person occupying the post of company secretary of the Company from time to time; |

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| **CRYSTALLISATION DATE** | The date which the Performance Fee is crystallised and credited to the Investment Manager; |
| **DILUTION LEVY** | An anti-dilution adjustment which may be applied to subscriptions and/or redemptions by adding an amount to the Subscription Price or deducting an amount from the Redemption Proceeds, in accordance with Section 3 of this Prospectus, in order to allocate the costs of portfolio dealing arising from subscriptions and/or redemptions to the relevant transacting Shareholders; |
| **DEALING DAY** | Any Business Day that is a Subscription Day and/or a Redemption Day; |
| **DEPOSITARY** | European Depositary Bank SA, Malta Branch; |
| **DEPOSITARY AGREEMENT** | The agreement entered into among the Depositary, Investment Manager and the fund, on or about the date of this Prospectus; |
| **DEPOSITS** | Means deposits of cash held with an Approved Institution; |
| **DIRECTORS** | The Directors of the Fund; |
| **EEA** | The European Economic Area. Unless otherwise specified, references to the EEA and its member states shall encompass the EU and its member states; |
| **ESG** | Environmental, Social and Governance; |
| **EU** | The European Union; |
| **EURO/€/ EUR** | The single currency of the EU; |
| **FEEDER FUND** | **GVC Gaesco Africa R. V. I.,FI**, a collective investment scheme to be established under the laws of Spain, and authorised by the Comisión Nacional del Mercado de Valores as Feeder UCITS, in accordance with the UCITS Directive; |
| **FEEDER UCITS** | A UCITS, or an investment compartment thereof, which:<br>(1) invests at least eighty-five percent (85%)of its assets in another UCITS or of an investment compartment thereof;<br>(2) may hold up to fifteen percent (15%) of its assets in one of the following:<br>(a) ancillary liquid assets in accordance with applicable rules; |

(b) financial derivative instruments which may be used only for hedging purposes; and

(c) movable and immovable property which is essential for the direct pursuit of its business; and

(3) operates within a master-feeder structure in accordance with the applicable provisions of the UCITS Directive;

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| **FDI** | A financial derivative instrument (including an OTC FDI); |
| **FOUNDER SHARES** | Shares with no nominal value having the rights provided for in the Memorandum and Articles; |
| **FUND or COMPANY** | Africa Select Equity Fund (SICAV) p.l.c.; |
| **GROUP COMPANIES** | Companies which are included in the same group for the purposes of consolidated accounts as defined in EU Directive 83/349/EEC in accordance with recognised international accounting rules; |
| **HIGH WATER MARK** | The performance measure used to ensure that a Performance Fee is only charged when the value of the Fund has increased over the Performance Period and above the relevant benchmark. It is based on the Net Asset Value of a Fund on the last Business Day of the Performance Period and where a Performance Fee is payable. If no Performance Fee is payable the High Water Mark will remain unchanged as of the end of the previous Performance Period; |
| **INVESTMENT ADVISOR** | Such person(s), if any, engaged by the Fund and/or the Investment Manager to advise the Fund and/or the Investment Manager in respect of the investment and re-investment of the assets of the Fund; |
| **INVESTMENT MANAGEMENT AGREEMENT** | Any agreement which may be entered into between the Investment Manager and the Fund relating to the engagement and responsibilities of the Investment Manager; |
| **INVESTMENT MANAGEMENT FEE** | The investment management fee which may be payable to the Investment Manager; |
| **INVESTMENT MANAGER** | Mediterrania Capital Partners Limited; |
| **INVESTOR SHARES** | Class A Shares , Class B Shares and Class C Feeder Shares, having the rights set out under Section 5 of this Prospectus; |
| **ISA** | The Investment Services Act (Cap. 370, Laws of Malta); |

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| **INVESTMENT SERVICES RULES** | The rules issued by the MFSA in Part BII of the Investment Services Rules for Retail Collective Investment Schemes applicable to Malta based UCITS Collective Investment Schemes; |
| **INITIAL OFFER PERIOD** | In respect of each Class of Investor Shares, the period commencing on such date and ending on such date as may be determined by the Directors in their sole discretion, during which Shares of the relevant Class may be subscribed for at the applicable Initial Offering Price;<br><br>In respect of the Class A Shares and Class B Shares, the initial offer period commenced on the 10th of November 2023 and ended on the 30th June 2024;<br><br>In respect of the Class C Feeder Shares, the initial offer period shall commence on the date of creation of the Class C Feeder Shares and shall be offered to the Feeder Fund for an indefinite period; |
| **INITIAL OFFERING PRICE** | The price of one hundred U.S. Dollars (US$100) at which Class A Shares are offered during the Initial Period; the price of one hundred Euro (€100) at which Class B Shares are offered during the Initial Offer Period; and the price of one hundred Euro (€100) at which Class C Feeder Shares are offered during the Initial Offer Period; |
| **KEY INVESTOR INFORMATION DOCUMENT / KIID** | The Key Investor Information Document containing salient information relating to a Class or Classes, as required by the UCITS Regulations; |
| **LICENCE CONDITIONS** | The conditions in the relevant licence issued by the MFSA to the Fund; |
| **MALTA** | The Republic of Malta; |
| **MALTESE UCITS** | A UCITS whose registered office and head office are situated in Malta, that is harmonised in accordance with the UCITS Directive and is licensed in terms of the ISA; |
| **MASTER UCITS** | A UCITS, or an investment compartment thereof, which:<br>(1) has at least one or more Feeder UCITS;<br>(2) is not itself a Feeder UCITS; and<br>(3) does not hold units of a Feeder UCITS; |
| **MEMBER STATE** | A member state of the European Union; |
| **MEMORANDUM AND ARTICLES** | The Memorandum of Association of the Fund and the Article; |

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| **MFSA** | The Malta Financial Services Authority or any other successor competent authority of the financial services industry in Malta; |
| **MFSA RULES** | Any guidelines, guides, or rules, issued by the MFSA, and any amendments to them from time to time in force, which may be applicable to the Fund; |
| **MINIMUM HOLDING** | The minimum amount or minimum value of Investor Shares that must be held by any investor in the Fund; |
| **MINIMUM ADDITIONAL INVESTMENT** | The minimum amount or minimum value of Investor Shares for which an additional subscription by an existing Shareholder may be made; |
| **MINIMUM INITIAL INVESTMENT** | The minimum amount or minimum value of Investor Shares for which an initial subscription may be made; |
| **MONEY MARKET INSTRUMENTS** | Instruments normally dealt in on the money market which are liquid, and whose value can be accurately determined at any time; |
| **NAV** | Net Asset Value; |
| **NAV PER SHARE** | The NAV attributable to a Class of Investor Shares divided by the number of outstanding Investor Shares of that Class. The NAV per Share will also be the basis of the price at which the Shares will be redeemed, rounded to four (4) decimal places; |
| **NOMINEE HOLDER** | Any entity that holds Investor Shares in the Fund, on behalf of one or more Underlying Investors, without having a beneficial interest in such Investor Shares; |
| **OFFERING** | The offering of Investor Shares for subscription as described in this Prospectus; |
| **OFFICERS** | In relation to the Fund includes a director, compliance officer, money laundering reporting officer, manager or company secretary; |
| **OTC FDI** | A financial derivative instrument which is dealt in an "over-the-counter" market; |
| **PERFORMANCE FEE** | The performance fee, if any, which may be payable to the Investment Manager in the case of a Class of Investor Shares, calculated and accrued at each Valuation Day; |
| **PERFORMANCE PERIOD** | The Performance Period is twelve (12) calendar months, in line with |

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| | the Fund's Accounting Period; |
| **VALUATION POLICY** | The pricing policy of the Investment Manager and/or the Sub-Investment Manager, if any, specifying the policies to be utilised when valuing the securities and other assets of the Fund; |
| **PROSPECTUS** | All constituent parts of this Prospectus, including all relevant appendices, amendments, addenda, supplements and exhibits to it, as the same may, from time to time be consolidated; |
| **RECENTLY ISSUED TRANSFERABLE SECURITIES** | Means securities in respect of which the terms of issue include an undertaking that application will be made for admission to official listing on an Approved Regulated Market and such admission is secured within a year of issue; |
| **PREVENTION OF MONEY LAUNDERING ACT** | The Prevention of Money Laundering Act, 1994, of Malta (Cap. 373, Laws of Malta); |
| **PROFESSIONAL INVESTOR** | Means an investor which is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II of MiFID; |
| **REDEMPTION DAY** | Unless otherwise determined by the Directors, the first and the 16th day of every calendar month. Where the first and/or the 16th day of any calendar month is not a Business Day, the Redemption Day shall be the following Business Day; |
| **REDEMPTION NOTICE** | The form, a specimen of which is available from the Administrator, or from an Authorised Distributor, which has to be submitted to the Administrator by a Shareholder for the purposes of requesting a redemption of Investor Shares, not later than fifteen (15) calendar days prior to the relevant Dealing Day; |
| **REDEMPTION PRICE** | The price at which Investor Shares accepted for the redemption will be redeemed, which is normally the NAV per Share at the last preceding Valuation Day; |
| **REDEMPTION PROCEEDS** | The Redemption Price multiplied by the number of Investor Shares being redeemed by the redeeming Shareholder, net of any applicable charges payable; |
| **REFERENCE CURRENCY** | The Base Currency used for the Fund's performance measurement and accounting purposes; |
| **REMITTING** | The bank or financial institution from which a Subscriber's |

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| **BANK/FINANCIAL INSTITUTION** | subscription monies are sent to the Fund; |
| **RETAIL INVESTOR** | Means an investor who is not a professional investor; |
| **SFDR** | Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector; |
| **SHAREHOLDER(S)** | Any person(s) who is registered as holding Shares of the Fund; |
| **SHARES** | Shares of no par value in the capital of the Company, which may be divided into different Classes, and which may include fractions of a whole share and includes the Founder Shares and the Investor Shares; |
| **SUBSCRIBER** | A person who has completed a Subscription Application for Investor Shares in the Fund; |
| **SUBSCRIPTION APPLICATION** | The form, a specimen of which is available from the Administrator or from an Authorised Distributor, which has to be submitted to the Administrator by a prospective investor not later than three (3) Business Days prior to the relevant Dealing Day, for the purpose of applying and, if accepted, subscribing to Investor Shares. The Subscription Application shall include any investor declaration forms required; |
| **SUBSCRIPTION DAY** | Unless otherwise determined by the Directors, the first and the 16th day of every calendar month. Where the first and/or the 16th day of any calendar month is not a Business Day, the Subscription Day shall be the following Business Day; |
| **SUBSCRIPTION PRICE** | The price at which Investor Shares may be purchased after the Closing Date, in accordance with the provisions of this Prospectus, that is the NAV per Share at the preceding Valuation Day; |
| **TAXONOMY REGULATION** | Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 |
| **TRANSFERABLE SECURITIES** | As defined in the UCITS Directive; |
| **UCITS** | Undertakings for the collective investment in transferable securities which are harmonised in accordance with the UCITS Directive and which have: |

(1) as sole object the collective investment in transferable securities and/ or in other liquid financial assets of capital raised from the public and which operate on the principle of risk-spreading; and

(2) units which, at the request of holders, may be repurchased or redeemed, directly or indirectly, out of those undertakings' assets. Action taken by a UCITS to ensure that the stock exchange value of its units does not significantly vary from their net asset value shall be regarded as equivalent to such re-purchase or redemption.

**UCITS DIRECTIVE** Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast), as amended from time to time, and includes any implementing measures that have been or may be issued thereunder;

**UCITS REGULATIONS** The Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18, Laws of Malta);

**UNDERLYING FUNDS** Other collective investment schemes that the Fund can invest in, subject to the investment restrictions contained in this Prospectus;

**UNDERLYING INVESTOR** Any person or entity that invests in the Fund through a Nominee Holder, and holds a beneficial interest in the Investor Shares, notwithstanding the fact that said Investor Shares may be legally registered in the name of the Nominee Holder;

**U.S. PERSON**

(1) Pursuant to Regulation S promulgated under the Securities Act, "U.S. Person" means:

(A) any natural person resident in the United States;

(B) any partnership or corporation organised or incorporated under the laws of the United States;

(C) any estate of which any executor or administrator is a U.S. Person;

(D) any trust of which any trustee is a U.S. Person;

(E) any agency or branch of a non-US entity located in the United States;

(F) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;

(G) any discretionary account or similar account (other

than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or

(H) any partnership or corporation if:

(i) organised or incorporated under the laws of any non-US jurisdiction; and

(ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

(2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States shall not be deemed a "U.S. Person."

(3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a U.S. Person if:

(A) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and

(B) the estate is governed by non-US law.

(4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person.

(5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a U.S. Person.

(6) Notwithstanding (1) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a "U.S. Person" if:

(7) the agency or branch operates for valid business reasons; and

(8) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

The International Monetary Fund, the International Bank for

| | |
|---|---|
| | Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans shall not be deemed "U.S. Persons"; |
| **U.S. / UNITED STATES** | United States of America; |
| **USD / US$ / US DOLLARS** | The lawful currency of the United States; and |
| **VALUATION DAY** | The Business Day immediately preceding a Subscription Day and/or a Redemption Day, and such other day as the Directors may, from time to time determine and at least twice a month. There will be an additional Valuation Day on 30th June and 31st December for preparation of Financial Statements in line with Regulations. |

## General

For the purposes of this Prospectus unless the context otherwise requires or implies:

(1) words importing the singular include the plural and *vice versa*;
(2) words which are gender neutral or gender specific include each gender;
(3) other parts of speech and grammatical forms of a word or phrase defined in the Prospectus has a corresponding meaning;
(4) an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate and a government agency;
(5) a reference to "includes" means to include without limitation;
(6) a reference to a law, directive or regulation is a reference to that law, directive or regulation as amended, consolidated, replaced or recast;
(7) a reference to a document includes all amendments or supplements to that document, or replacements or novations of it;
(8) a reference to a Section, Part, Paragraph or Appendix refers to a Section, Part, Paragraph or Appendix of this Prospectus;
(9) a reference to an entity in the Prospectus (as the context requires) includes that entity's successors and permitted assigns; and
(10) all references to currencies shall include any successor currency.

# 3. Principal Features

The following should be read in conjunction with the full text of this Prospectus and is qualified in its entirety by and subject to the detailed information contained elsewhere in the Prospectus.

## The Fund

Africa Select Equity Fund (SICAV) p.l.c. is a collective investment scheme established as a multi-class investment company with variable share capital (SICAV) with limited liability registered under the laws of Malta and licensed by the MFSA under the ISA.

The Fund's constitution is set out in its Memorandum and Articles of Association. The Fund's objects, as set out in its Memorandum of Association, are unrestricted and include the carrying on of the business of an investment company.

The Fund qualifies as a 'Maltese UCITS' in terms of the UCITS Regulations. The Fund further qualifies as a Master UCITS, in terms of the UCITS Directive and the UCITS Regulations, and in accordance with the applicable regulatory framework, operates as a Master UCITS.

## Master-Feeder Structure

The Fund may have one or more Feeder UCITS investing substantially all of their assets in a dedicated share class of the Fund established for the purposes of operating a master–feeder structure in accordance with applicable UCITS legislation. Such feeder investments shall be effected through a specific share class designated for exclusive subscription by the relevant Feeder UCITS.

The Fund, in its capacity as a Master UCITS, shall remain fully subject to, and compliant with, all applicable UCITS requirements, including those relating to eligible assets, diversification, liquidity management, borrowing limits, risk spreading, valuation, leverage, and risk management. The presence of one or more Feeder UCITS shall not operate to disapply, modify or dilute any such regulatory obligations.

All Shareholders shall be treated equitably in accordance with applicable law and the constitutional documents of the Fund. The Fund shall not grant preferential treatment to any Feeder UCITS or other Shareholder, save for differences that are objectively justified by the characteristics of a particular Class, including but not limited to fee structures, minimum subscription amounts, currency denomination, hedging arrangements or distribution arrangements. Any such differences shall be disclosed in this Prospectus and shall not prejudice the rights of other Shareholders.

## Feeder UCITS

The Fund has agreed to accept investments from the Feeder Fund, namely GVC Gaesco Africa R. V. I., FI, a UCITS to be established in Spain and authorised and supervised by the Comisión Nacional del Mercado de Valores (CNMV) pursuant to the Spanish UCITS framework implementing Directive 2009/65/EC, and has created a dedicated share class designated as the "Class C Feeder Shares".

## Creation of the Feeder Class

The Fund has created a dedicated share class designated as the "Class C Feeder Shares" or "Feeder Class". Class C Feeder Shares:

i. may be subscribed to exclusively by the Feeder Fund, it is capacity as a Feeder UCITS;
ii. shall not be offered to other Shareholders or investors; and
iii. may be compulsorily redeemed by the Fund if held by any person other than the Feeder Fund.

Class C Feeder Shares shall be subject to a management fee calculated at 1.75% per annum based on the total assets under management in the Fund attributable to the Feeder Class.

In the context of the master–feeder structure:

(a) 0.75% per annum shall be payable to the investment manager of the Fund in its capacity as investment manager of the Master UCITS; and

(b) the remaining 1.00% per annum shall be payable to the investment manager of the Feeder Fund,

in each case in accordance with the contractual arrangements entered into between the relevant parties.

Any performance fee applicable to the Feeder Class shall be disclosed separately in this Prospectus and allocated in accordance with the relevant contractual arrangements.

The allocation of fees described above shall not result in any duplication of management fees, performance fees or other charges at the level of the Fund and the Feeder Fund. The aggregate fees borne, directly or indirectly, in respect of the Feeder Class shall not exceed the maximum fee levels disclosed in this Prospectus and shall be structured in compliance with the applicable UCITS requirements governing master–feeder arrangements.

## Investment Objectives

The investment objective of the Fund is to provide long-term capital appreciation to investors. The Fund will aim to generate high risk-adjusted returns by investing in equity shares of companies that derive at least fifty percent (50%) of their revenues, profits, assets, or net asset value from Africa, excluding South Africa.

The Fund may invest in securities of issuers traded on African stock exchanges, as well as securities traded in markets outside of Africa, provided that the economic footprint remains mostly derived from Africa (as defined in the criteria above).

## The Offering

During the Initial Offering Period, Class A Shares will be offered at the Initial Offer Price of one hundred US Dollars (U.S.$100) each, Class B Shares will be offered at the Initial Offer Price of one hundred Euro (€100) each, whilst Class C Feeder Shares will be offered at the Initial Offer Price immediately upon the creation of the Class C Feeder Shares. Thereafter, at each Dealing Day, Class A Shares, Class B Shares and Class C Feeder Shares shall be offered at the Subscription Price.

Subject only to the maximum number of Investor Shares specified in the Memorandum and Articles which are at the relevant time available for issue, not being exceeded, the Fund may, at its sole discretion, accept

Subscription Applications for Investor Shares at any time.

## Minimum Subscription and Redemption

The minimum subscription amount for each Class A Share is fifty thousand U.S. Dollars (US$ 50,000).

The minimum subscription amount for each Class B Share is fifty thousand Euro (€50,000).

The minimum subscription amount for each Class C Feeder Share is fifty thousand Euro (€50,000)..

The minimum additional subscription amount for each Class A Share is five thousand U.S. Dollars (US$ 5,000).

The minimum additional subscription amount for each Class B Share is five thousand Euro (€5,000).

The minimum additional subscription amount for each Class C Feeder Share is five thousand Euro (€5,000)..

The Fund may reject a subscription for any reason and is not obliged to disclose the reason, or reasons, for rejecting any subscription application.

The minimum redemption amount for each Class A Share is five thousand U.S. Dollars (US$ 5,000).

The minimum redemption amount for each Class B Share is five thousand Euro (€5,000).

The minimum redemption amount for each Class C Feeder Share is five thousand Euro (€5,000).

## Nominee Holding & Subscription Aggregation

Investors may subscribe for Investor Shares through a Nominee Holder, which may aggregate individual subscriptions and hold shares in its name on behalf of multiple Underlying Investors. For the purpose of determining compliance with the Fund's minimum subscription requirements, the aggregated subscription amount submitted by the Nominee Holder shall be considered as a single subscription, and individual Underlying Investors shall not be required to meet the minimum subscription threshold separately.

## Maximum Subscription

There is no maximum aggregate amount of subscriptions that the Fund will accept.

## Minimum Holding

The minimum holding amount for each Class A Share is fifty thousand U.S. Dollars (US$50,000).

The minimum holding amount for each Class B Share is fifty thousand Euro (€50,000).

The minimum holding amount for each Class C Feeder Share is fifty thousand Euro (€50,000).
Where investors subscribe for Investor Shares through a Nominee Holder, the above-noted minimum

holding requirement shall apply at Nominee Holder level, and individual Underlying Investors shall not be required to hold the minimum amount separately.

## Possible Additional Classes

The Fund may, in due course, issue additional Classes, which may be designated in other currencies. The issue of additional classes of shares shall be subject to the prior approval of the MFSA.

## Return Expectations

The objective of the Fund is to generate high risk-adjusted returns for fund investors, exceeding the return of the Benchmark. No assurances can be given that the Investment Manager's return objectives will be achieved.

## Currency Management

A significant proportion of the Fund's assets would be invested in securities denominated in currencies other than the USD. Prices of assets in currencies other than the USD shall be calculated based on the Funds' NAV in USD applying the currency exchange rate used by the Fund for pricing the underlying securities on the Valuation Day.

## Fund Distributions

Investor Shares are accumulating and therefore no dividends shall be distributed.

## Placement Agents

The Fund acts as the primary placement agent for the Investor Shares it issues. However, the Investment Manager may at its discretion appoint additional placement agents. Such placement agents may be paid a portion of the fees received by the Investment Manager, but no additional fees will be charged to the Fund for the services of such placement agents.

## Publication of Net Asset Value

The Net Asset Value per Share, calculated as at each Valuation Day, will ordinarily be made available via email by the Administrator of the Fund.

## Redemption

Redemptions may be restricted if the gross amount of the redemption requests of the Investor Shares for a relevant Redemption Day is greater than twenty percent (>20%) of the NAV of the Fund for such Redemption Day. Redemptions may also be restricted if the redemption request from an individual account for a relevant Redemption Day is greater than ten percent (>10%) of the NAV of the Fund for such Redemption Day.

The Administrator will not remit redemption proceeds if an investor is not considered to be compliant with all the necessary Anti-Money Laundering legislation and regulations specified below. Nor will the Administrator remit any payment to a third-party bank account.

## Liquidity Risk Management

The Fund intends to manage liquidity risk closely. This will be accomplished by holding a cash buffer to cover fund expenses as they fall due, as well as managing the liquidity of assets and liabilities. This will be done by ensuring that the Fund only invests in highly-liquid to liquid assets. A cap on the Fund's size will be implemented to ensure that the performance is maximized and that the investment universe is not restricted.

## Confirmation of Ownership

A Shareholder shall have his/her/its title to Shares evidenced by having his/her/its name, address and the number of Shares held by him/her/it entered in the Register which shall be maintained in the manner required by the applicable law.

Investor Shares issued in respect of an aggregated subscription shall be registered in the name of the Nominee holder, which shall be recorded as the Shareholder in the Register.

## Accounting Currency

For the purposes of the compilation of the annual financial statements of the Company, the reporting currency for the Company shall be the Accounting Currency, that is U.S. Dollar (US$).

## Master–Feeder Agreements and Information Sharing Arrangements

In accordance with the requirements applicable to master–feeder structures under the UCITS framework, the Fund, in its capacity as a Master UCITS, has entered into a written information-sharing agreement with the Feeder Fund (the "**Master–Feeder Agreement**").

The Master–Feeder Agreement governs the rights and obligations of the parties and establishes the arrangements necessary to ensure the proper functioning of the master–feeder structure and compliance with applicable regulatory requirements. In particular, the Master–Feeder Agreement provides for, *inter alia*:

- the exchange of all information necessary for the Feeder Fund to comply with its legal, regulatory and disclosure obligations;
- coordination of the calculation and publication of the Net Asset Value, including dealing deadlines and valuation procedures;
- procedures for the notification and handling of breaches of investment restrictions or other regulatory limits;
- coordination of suspension of subscriptions, redemptions and/or the calculation of Net Asset Value, including circumstances where a suspension at one level may require or justify a corresponding suspension at the other level;
- the provision of portfolio information, risk exposures and other data necessary for the Feeder Fund's risk management and reporting obligations; and
- arrangements for cooperation between the respective auditors of the Fund and the Feeder Fund.

The Directors are satisfied that the contractual and operational arrangements entered into in connection with the master–feeder structure are sufficient to ensure compliance with the applicable UCITS requirements and

to safeguard the interests of Shareholders.

# 4. Investment Policies and Restrictions

## Investment Policies

The objective of the Fund is to maximize the returns to Shareholders by implementing a disciplined investment process based on bottom-up, research-driven stock selection. The Investment Manager will conduct exhaustive research, entailing regular site visits and management contact as part of the due diligence process. The Investment Manager considers sustainability criteria in the context of the investment policy of the Fund and its risk management procedures.

ESG factors are integrated into the valuation process of companies, focusing on relevance and materiality. ESG risk would not in itself prevent the Fund from making an investment. Instead, sustainability risk forms part of the Fund's overall risk management processes, and is one of many risks which may, depending on the specific investment opportunity, be relevant to the Fund's determination of risk. The Pre-Contractual Document set out under Schedule 1, describes the manner in which the Fund integrates ESG risks in its investment policy and describes the likely effects of sustainability risks on the returns of the Fund. The Pre-Contractual Document set out under Schedule 1, also provides information on the principal adverse impacts on sustainability factors indicated by the Fund.

The Fund shall promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the underlying investments are made follow good governance practices. While the Fund may invest in sustainable investments, it does not have sustainable investment as its core objective in a way which meets the specific criteria contained in Article 9 of the SFDR.

The Fund will seek exposure to a selection of high quality, materially undervalued companies, providing the highest expected return with a low downside risk and a sufficient margin of safety. The portfolio turnover is expected to be low, and the investment philosophy is long-term orientated, which allows the Fund to capitalize on opportunities arising from short-term mispricings in the markets.

Risk will be constantly monitored and diligently managed to protect fund investors at all times. Investment and sustainability risks are managed at a company level (risks reflected in the valuation process), while concentration and liquidity risks will be managed at the portfolio level (weight allocation limits). The Fund will be subject to the investment concentration limits as set out in the prospectus. Currency risk will be managed bottom-up (at a company level); the fund does not intend to use currency hedging.

The Fund is a responsible active investor seeking to play a key role in encouraging and promoting best practice for ESG standards. The Fund will engage with companies' senior management and the Board when deemed necessary to address specific concerns, aiming to unlock value for Shareholders over the long-term. The Fund will not seek control or board representation for any company in which it invests.

The Fund may:

- invest in listed securities dealt on regulated markets;
- under limited circumstances hold stock options or warrants resulting from merger & acquisition activity involving an existing investment; and/or

- invest in recently issued transferable securities to be dealt on a regulated markets approved by MFSA or indicated in this Prospectus or in the Fund's Constitutional Documents, as indicated under Schedule 2, within twelve (12) months (pre-IPOs).

Furthermore, the Fund will invest in Transferable Securities listed on recognised stock exchanges in Africa and other global exchanges. The Fund will utilise a network of reputable Brokers to be able to execute transactions on behalf of the Shareholders. The choice of Brokers will be based on a "best execution policy", taking into account other factors such as experience and expertise of any given Broker in a specific sector/market.

Changes to the investment objectives of the Fund shall be notified to investors in advance of the change.

The change in the investment objectives shall only become effective after all redemption requests received during such notice periods have been satisfied.

The establishment and operation of a master–feeder structure shall not alter, modify or otherwise affect the Fund's investment objective, investment policy, asset allocation strategy or risk profile. The portfolio of the Fund shall be managed in accordance with its stated investment objective and policy as set out in this Prospectus, independently of the identity, size or dealing activity of any Feeder UCITS.

## Restrictions

**Investment Restrictions**

The investment restrictions applied to the Fund under the MFSA Rules and Licence Conditions are set out below. These are, however, subject to the qualifications and certain exemptions contained in the MFSA Rules and in the Licence Conditions.

The Directors may, from time to time, impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders, including in order to comply with the laws and regulations of the countries where Shareholders are resident.

**Breaches of Investment Restrictions**

The following shall apply in the event of inadvertent breach of the Fund's investment restrictions:

i. without prejudice to the duty of the Fund to comply with its investment restrictions and to ensure that such restrictions are not contravened as a direct result of any acquisition of its underlying assets, if one or more of a Fund's investment restrictions are at any time contravened for reasons beyond the control of the Investment Manager or the Fund or as a result of subscription rights, the Investment Manager or the Fund shall take such steps as are necessary to ensure a restoration of compliance with such restriction(s) as soon as is reasonably practicable having regard to the interests of the unit-holders and, in any event, within the period of six (6) months beginning on the date of discovery of the contravention of such restriction(s);

ii. forthwith upon the Depositary becoming aware that circumstances of a kind described above have arisen, the Depositary be required to take such steps as are necessary to ensure that the Fund or Manager comply with the requirement imposed by (i) above; and

iii. a contravention of an investment restriction which may arise due to the circumstances outlined in (i) above is not considered a breach of a licence condition and is not subject to the requirement to notify the MFSA. However, where the contravention is not remedied by the Investment Manager or Fund within the maximum six-month period stipulated in (i) above, a breach of the applicable MFSA rules is deemed to arise and the relevant notification requirements apply.

**Part A – Permitted Investments**

A.1 Subject to the limits for each type of permitted asset class as stated in Part B below, investments of the Fund shall be limited to:

i. Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market within the meaning of Article 4(1) of the Markets in Financial Instruments Directive (Directive 2004/39/EC); and/or

ii. Transferable Securities and Money Market Instruments dealt in on another regulated market in a Member State which operates regularly and is recognized and open to the public; and/or

iii. Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-Member State or dealt in on another regulated market in a non-Member State which operates regularly and is recognized and open to the public provided that the choice of stock exchange or market has been approved by the MFSA or is provided for in the Fund's full Prospectus or the Fund's Constitutional Documents, as indicated under Schedule 2; and/or

iv. recently issued Transferable Securities provided that:
   a. the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognized and open to the public, provided that the choice of stock exchange or market has been approved by the MFSA or is provided for in the Fund's full Prospectus or the Fund's instruments of incorporation;
   b. such admission is secured within a year of issue; and/or

**Part B – Investment Limits**

When investing in any one or more of the Permitted Investments stated in Part A above, the Fund shall observe the following limits:

<u>Transferable Securities</u>

B.1 The Fund or its Investment Manager on its behalf shall ensure that the Transferable Securities referred to in Part A above, satisfy the following criteria:

i. the potential loss which the Fund may incur with respect to holding these instruments is limited to the amount paid for them;
ii. their liquidity does not compromise the ability of the Fund to comply with SLC 12.6 of the Investment Services Rules;
iii. reliable valuation is available for them as follows:

a. in the case of securities admitted to or dealt in on a regulated market as referred to in A.1 (i) to (iv), in the form of accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
b. in the case of other securities, in the form of a valuation on a periodic basis which is derived from information from the issuer of the security or from competent investment research;

iv. appropriate information is available for them as follows:
a. in the case of securities admitted to or dealt in on a regulated market as referred to in A.1 (i) to (iv), in the form of regular, accurate and comprehensive information to the market on the security or, where relevant, on the portfolio of the security;
b. in the case of other securities, in the form of regular and accurate information to the Fund or its Investment Manager on the security or, where relevant, on the portfolio of the security;

v. they are negotiable;

vi. their acquisition is consistent with the investment objectives or the investment policies, or both, of the Fund pursuant to the UCITS Directive;

vii. their risks are adequately captured by the risk management process of the Fund or its Investment Manager.

For the purposes of B.1 (ii) and (v) above, and unless there is information available to the Fund or its Investment Manager that would lead to a different determination, financial instruments which are admitted or dealt in on a Regulated Market in accordance with paragraphs A.1 (i) to (iii) shall be presumed not to compromise the ability of the Fund or its Investment Manager to comply with SLC 12.6 of the Investment Services Rules and shall also be presumed to be negotiable.

When a Transferable Security covered by point (iii) in the definition of this term in the glossary to the Investment Services Rules, contains an embedded derivative component as referred to in SLCs 5.22, the requirements of SLCs 5.18, 5.19, 5.22 and 5.26 to 5.33 shall apply to that component.

<u>Money Market Instruments</u>

B.2 The Fund or its Investment Manager on its behalf shall ensure that the Money Market Instruments referred to in A.1 (viii) satisfy the following criteria:

i. they fulfil one of the following criteria:
a. they have a maturity at issuance of up to and including three hundred ninety-seven (397) days; or
b. they have a residual maturity of up to and including three hundred ninety-seven (397) days; or
c. they undergo regular yield adjustments in line with money market conditions at least every three hundred ninety-seven (397) days; or
d. their risk profile, including credit and interest rate risks, corresponds to that of financial instruments which have a maturity as referred to in (a) or (b), or are subject to a yield adjustment as referred to in point (c).

ii. they fulfil the following criteria:

a. they can be sold at limited cost in an adequately short time frame, taking into account the obligation of the Fund to repurchase or redeem its units at the request of any unit-holder; and
b. they qualify as financial instruments for which accurate and reliable valuations systems, which fulfil the following criteria, are available:
   - they enable the Fund or its Investment Manager or Administrator on its behalf to calculate a net asset value in accordance with the value at which the financial instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
   - they are based either on market data or on valuation models including systems based on amortised costs.

iii. appropriate information is available for them, including information which allows an appropriate assessment of the credit risks related to the investment in such instruments; and

iv. they are freely transferable.

B.3 For Money Market Instruments referred to in paragraphs A.1 (viii)(b) and (d) and Money Market Instruments issued by a local or regional authority of a Member State or by a public international body but that are not guaranteed by a Member State or, in the case of a federal State which is a Member State, by one of the members making up the federation, "appropriate information" as referred to in paragraph B.2 (iii) shall consist in the following:

i. information on both the issue or the issuance programme and the legal and financial situation of the issuer prior to the issue of the Money Market Instrument;

ii. updates of the information referred to in (i) above on a regular basis and whenever a significant event occurs;

iii. the information referred to in (i) above, verified by appropriately qualified third parties not subject to instructions from the issuer; and

iv. available and reliable statistics on the issue or the issuance programme.

B.4 For Money Market Instruments covered by paragraph A.1 (viii)(c), "appropriate information" as referred to in paragraph B.2 (iii) shall consist in the following:

i. information on the issue or issuance programme or on the legal and financial situation of the issuer prior to the issue of the Money Market Instrument;

ii. updates of the information referred to in (i) above on a regular basis and whenever a significant event occurs; and

iii. available and reliable statistics on the issue or issuance programme or other data enabling an appropriate assessment of the credit risks related to the investment in such instruments.

B.5 For all Money Market Instruments covered by paragraph A.1 (viii)(a) except those referred to in paragraph B.3, and those issued by the European Central Bank or by a central bank from a Member

State, "appropriate information" as referred to in paragraph B.2 (iii) shall consist in information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the Money Market Instrument.

B.6 The reference in paragraph A.1 (viii)(c) to "an establishment which is subject to and complies with prudential rules considered by the MFSA to be at least as stringent as those laid down by Community Law" shall be understood as a reference to an issuer which is subject to and complies with prudential rules and fulfils one of the following criteria:

i. it is located in the European Economic Area;
ii. it is located in the OECD countries belonging to the Group of Ten;
iii. it has at least investment grade rating; and
iv. it can be demonstrated on the basis of an in-depth analysis of the issuer that the prudential rules applicable to that issuer are at least as stringent as those laid down by Community law.

B.7 The reference in paragraph A.1 (viii)(d) to:

i. "securitisation vehicles" shall be understood as a reference to structures, whether in the corporate, trust or contractual form, set up for the purpose of securitisation operations; and

ii. "banking liquidity lines" shall be understood as a reference to banking facilities secured by a financial institution which itself complies with paragraph A.1 (viii)(c).

Ancillary Liquid Cash

B.11 The Fund may hold ancillary liquid assets irrespective of its investment objective and policy.

Investments in Transferable Securities and Money Market Instruments

B.12 The Fund may not invest more than ten per cent (10%) of its assets in Transferable Securities and Money Market Instruments other than those referred to in paragraph A.1 above.

B.13 The Fund shall not invest more than five per cent (5%) of its assets in Transferable Securities or Money Market Instruments issued by the same body.

B.14 This five per cent (5%) limit may be raised to a maximum of ten per cent (10%) of the Fund's assets. Provided that the total value of securities held in bodies in which it invests more than five per cent (5%), is less than forty per cent (40%). This limitation does not apply to deposits and OTC-derivative transactions made with financial institutions subject to prudential supervision.

B.15 For the purposes of determining the forty per cent (40%) limit, the Transferable Securities and Money Market Instruments referred to in the next two paragraphs below of this section shall not be taken into account.

B.16 The limit of five per cent (5%) in paragraph B.13 may be raised to a maximum of thirty-five per cent (35%) if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State, or by its local authorities, by a non-Member State or by public international bodies to

which one or more Member States belong. Provided that this limit may be waived in accordance with paragraph B.18.

B.17 The limit of five per cent (5%) in paragraph B.13 may be raised to a maximum of twenty-five per cent (25%) in the case of certain bonds when these are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of these bonds shall be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. Provided that when the Fund invests more than five per cent (5%) of its assets in the bonds referred to above and issued by one issuer, the total value of these bonds may not exceed eighty per cent (80%) of the value of the assets of the Fund.

B.18 By way of derogation from paragraphs B.13 to B.17, B.29 and B.30, the MFSA may authorize the Fund to invest in accordance with the principle of risk-spreading up to hundred per cent (100%) of its assets in different Transferable Securities or Money Market Instruments issued or guaranteed by any Member State, its local authorities, a non-Member State or public international bodies of which one or more Member States are members, provided it is satisfied that unit-holders in the Fund have protection equivalent to that of unit-holders in a Fund complying with the limits laid down in paragraphs B.13 to B.17, B.29 and B.30. The following conditions shall apply:

a. the Fund shall hold securities from at least six different issues, but securities from any one issue may not account for more than thirty per cent (30%) of its total assets;

b. the Fund shall disclose in its Prospectus the names of the states, local authorities or public international bodies issuing or guaranteeing securities in which they intend to invest more than thirty-five per cent (35%) of their assets; and

c. any promotional material shall include a prominent statement drawing attention to such authorization and indicating the states, local authorities and/ or public international bodies in the securities of which it intends to invest or has invested more than thirty-five per cent (35%) of its assets.

Deposits with Credit Institutions

B.19 Not more than twenty per cent (20%) of the assets of the Fund shall be kept on deposit with any one body.

Risk Management Process

B.20 The Fund or its Investment Manager shall use a risk management process, which is adapted to the relevant risk-profile of the Fund, enabling it to monitor, and measure and manage at any time as frequently as appropriate, all material risks relating to the Fund. In particular, the Fund or its Investment Manager shall not solely or mechanistically rely on credit ratings issued by credit rating agencies as defined in Article 3(1) (b) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, for assessing the creditworthiness of the UCITS assets. Upon request of an investor, the Fund or its Manager on its behalf shall provide

supplementary information relating to the quantitative limits that apply in the risk management of the Fund, the methods chosen to this end and to the recent evolution of the main instrument categories' risks and yields.

B.21 The following details of the risk management process shall be notified by the Fund or its Investment Manager to the MFSA in advance, along with any material alteration:

i. the methods for estimating risks in derivative transactions; and
ii. the types of Financial Derivative Instruments to be used within the Fund together with their underlying risks and any relevant quantitative limits.

B.22 The risk management process should take account of the investment objectives and policies of the Fund as stated in the most recent Prospectus.

B.23 The risk management process and any material alteration should be agreed in advance with the Depositary and the MFSA.

B.24 The Fund or its Investment Manager is expected to demonstrate more sophistication in its risk management process for a scheme with a complex risk profile than for one with a simple risk profile. In particular, the risk management process should take account of any characteristic of non-linear dependence in the value of a position to its underlying.

B.25 The Fund should take reasonable care to establish and maintain such systems and controls as are appropriate to its business.

B.26 The risk management process should enable the analysis required by paragraph B.20 to be undertaken at least daily or at each Valuation Point whichever is the more frequent

B.27 The Fund or its Investment Manager shall employ a process for accurate and independent assessment of the value of any OTC-derivative instruments which are made use of.

Uncovered Sales

B.28 The Fund may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments referred to in paragraphs A.1 (v), (vii) and (viii). Uncovered sales are all transactions in which the Fund is exposed to the risk of having to buy securities at a higher price than the price at which the securities are delivered, thus making a loss, and the risk of not being able to deliver the underlying for settlement at the time of the maturity of the transaction.

General Restrictions – Single Issuer Exposures

B.29 Notwithstanding the individual limits laid down in paragraphs B.13 and B.19, and SLC 5.14, the Fund may not combine:

- investments in Transferable Securities or Money Market Instruments issued by; and
- deposits made with; and
- counterparty exposures arising from OTC-derivative transactions undertaken with; and
- other exposures arising from OTC-derivative transactions relating to;

a single body in excess of twenty per cent (20%) of its assets.

B.30 The limits provided for in paragraphs B.13, B.14, B.16, B.17, B.19, B.29 and SLC 5.14 may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body or in deposits or Financial Derivative Instruments made with this body carried out in accordance with the above-mentioned paragraph shall under no circumstances exceed in total thirty-five per cent (35%) of the assets of the Fund.

Companies which are included in the same group for the purposes of consolidated accounts as defined in Directive 83/349/EEC in accordance with recognized international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in paragraphs B.13 to B.17, B.19, B.29 and B.30, and SLC 5.14.

Subject to approval by MFSA, the Fund may effect a cumulative investment in Transferable Securities and Money Market Instruments within the same group up to a limit of twenty per cent (20%).

Investments in Shares and Bonds for Tracking an Index

B.31 Without prejudice to the limits laid down in paragraphs B.38 to B.40, the limits laid down in paragraphs B.13 and B.14 may be raised to a maximum of twenty per cent (20%) for investment in shares and/or debt securities issued by the same body, where the investment policy of the Fund as stated in the most recently published Prospectus, is to replicate the composition of a certain stock or debt securities index which is recognised by the MFSA, on the following basis:

i. its composition is sufficiently diversified in that it complies with the risk diversification rules in this investment limit;

ii. the index represents an adequate benchmark for the market to which it refers, in that the index provider uses a recognised methodology which generally does not result in the exclusion of a major issuer of the market to which it refers; and

iii. it is published in an appropriate manner, in that the index fulfils the following criteria:
   - it is accessible to the public; and
   - the index provider is independent from the Fund.

Point iii. shall not preclude index providers and the Fund forming part of the same economic group, provided that effective arrangements for the management of conflicts of interest are in place.

The above twenty per cent (20%) limit may, subject to MFSA approval, be raised to a maximum of thirty-five per cent (35%), where it proves to be justified by exceptional market conditions, in particular in regulated markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer. The reference in this investment limit to "*replicate the composition of a certain stock or debt securities index*" shall be understood as a reference to the replication of the composition of the underlying assets of an index, including the use of Financial Derivative Instruments or other techniques and instruments as referred to in SLC 5.18.

Investments in Other UCITS and/or Other Collective Investment Schemes

B.32 The Fund may acquire the units of a UCITS and/or other collective investment schemes referred to in paragraph A.1 (v), provided that no more than ten per cent (10%) of its assets are invested in units of a single UCITS or other collective investment scheme.

B.33 Investments made in units of collective investment schemes other than UCITS, may not exceed, in aggregate, ten per cent (10%) of the assets of the Fund.

B.34 Subject to MFSA approval, when the Fund has acquired units of UCITS and/or other collective investment schemes, the assets of the respective UCITS or other collective investment schemes do not have to be combined for the purposes of the limits laid down in paragraphs B.13 to B.17, B.19, B.29 and B.30, and SLC 5.14.

B.35 When the Fund invests in the Units of another UCITS and/or other collective investment schemes that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company may not charge subscription or redemption fees on account of investment schemes.

B.36 Where a commission is received by the Investment Manager by virtue of an investment in the Units of another scheme, that commission shall be paid into the property of the Fund.

B.37 Where the Fund invests a substantial proportion of its assets in other UCITS Schemes and/or collective investment schemes it shall disclose in its Prospectus, the maximum level of the management fees that may be charged both to the Fund itself and to the other UCITS Schemes and/or collective investment schemes in which it intends to invest. In its annual report, it shall indicate the maximum proportion of management fees charged both to the Fund itself and to the UCITS and/or other collective investment scheme in which it invests.

B.38 The Fund or its Investment Manager, taking into account all of the schemes which the latter manages, shall not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of the issuer.

B.39 The Fund may acquire no more than:

i. ten per cent (10%) of the non-voting shares of any single issuing body;
ii. ten per cent (10%) of the debt securities of any single issuing body;
iii. twenty-five per cent (25%) of the units of any single UCITS and/or other collective investment schemes within the meaning of Article 1(2)(a) and (b) of Directive 2009/65/EC; and
iv. ten per cent (10%) of the Money Market Instruments of any single issuing body.

The limits laid out in (ii), (iii) and (iv) above, may be disregarded at the time of acquisition if at that time, the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

B.40 Subject to MFSA approval, paragraphs B.38 and B.39 may be waived as regards:

i. Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;

ii. Transferable Securities and Money Market Instruments guaranteed by non-Member States;

iii. Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;

iv. shares held by the Fund in the capital of a company incorporated in a non-Member State investing its assets mainly in securities of issuing bodies having their registered offices in that State, where, under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policies, the company from the non-Member State complies with the limits laid down in paragraphs B.13 to B.17, B.19, B.29 and B.30, B.32 to B.35, and B.37 to B.39, and SLC 5.14. Where the limits set in paragraphs B.13 to B.17, B.19, B.29 and B.30, B.32 to B.35, B.37, and SLC 5.14 are exceeded, paragraphs B.42 and B.43, and section entitled "*Breaches of Investment Restrictions*" shall apply *mutatis mutandis*; and

v. shares held by the Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-request exclusively on its or their behalf.

Borrowing Limits

B.41 The Fund may borrow:

i. up to ten per cent (10%) of its assets, provided that the borrowing is on a temporary basis;
ii. up to ten per cent (10%) of its assets, provided that the borrowing is to make possible the acquisition of immovable property essential for the direct pursuit of its business.

Provided that, such borrowing referred to above shall not exceed fifteen per cent (15%) of its assets in total.

Provided further that a fund may however acquire foreign currency by means of a "back-to-back" loan.

Miscellaneous

B.42 Provided the principle of risk-spreading is observed, the Fund shall not be required to comply with the investment restrictions in paragraphs B.13 to B.19, B.29 to B.35, and B.37, during the first six (6) months from its launch.

B.43 The Fund is not required to comply with the investment limits laid down in this Section 4 when exercising subscription rights attaching to Transferable Securities or Money Market Instruments, which form part of their assets.

B.44 Without prejudice to anything to the contrary under this Section 4 and SLCs 5.13, the Fund shall not grant loans or act as guarantor on behalf of third parties.

The above shall not prevent such undertakings from acquiring Transferable Securities, Money Market Instruments or other financial instrument referred to in paragraphs A.1 (v), (vii) and (viii) which are not fully paid.

B.45 Material changes to the Investment Policies and Restrictions of the Fund shall be notified to investors in advance of the change.

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

Any changes to the investment objective of the Fund shall require the consent in writing of the holders of three-fourths (¾) of the issued Founder Shares, or the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the Founder Shares, in terms of the Memorandum and Articles.

The change in the investment objectives should only become effective after all pending redemptions linked to the change in the investment objective have been satisfied. Any applicable redemption fee shall be waived accordingly.

The Directors may however, at their sole discretion, alter the investment policies and restrictions as may be applicable to the Fund, provided that any material alterations to the investment policies and restrictions as may apply to the Company as a whole shall be notified to all the Shareholders of the Company, within a period of at least thirty (30) calendar days prior to when the alterations are to come into force.

***THE FUND'S INVESTMENT PROGRAMMES ARE SPECULATIVE AND ENTAIL A NUMBER OF RISKS. MARKET RISKS ARE INHERENT IN ALL SECURITIES AND INVESTMENTS. THE PRACTICES OF ENGAGING IN DERIVATIVE INSTRUMENTS MAY, IN CERTAIN CIRCUMSTANCES, INCREASE THE ADVERSE IMPACT TO WHICH THE INVESTMENT PORTFOLIO OF THE FUND MAY BE SUBJECT. NO ASSURANCE CAN BE GIVEN THAT THE FUND'S INVESTMENT OBJECTIVE WILL BE REALISED. AN INVESTOR MAY LOSE SOME OR ALL OF HIS INVESTMENT.***

# 5. Liquidity Management Tools

## Liquidity Management Framework

The Board has established and maintains a liquidity management framework designed to ensure that the Fund is capable of meeting redemption requests in an orderly manner under both normal and stressed market conditions, whilst safeguarding the interests of the Fund and ensuring the fair and equitable treatment of all Shareholders.

The liquidity management framework forms an integral part of the Fund's overall risk management process and is intended to ensure that the Fund maintains an appropriate balance between the liquidity of its portfolio assets and its redemption obligations. The framework is designed to enable the Fund to manage liquidity risk proactively, mitigate the potential impact of significant subscriptions and redemptions, reduce dilution to the interests of existing Shareholders, and preserve the integrity of the Fund's investment strategy during periods of market stress or reduced market liquidity.

In accordance with Article 18a of Directive 2009/65/EC, as amended by Directive (EU) 2024/927 ("UCITS VI"), the applicable Regulatory Technical Standards ("RTS") and Guidelines issued by the European Securities and Markets Authority, and the applicable regulatory requirements of the MFSA, the Board has undertaken a comprehensive assessment of the Fund's liquidity management needs.

In carrying out this assessment, the Board has considered, amongst other matters:

- the Fund's investment objective and investment strategy;
- the liquidity profile of the Fund's portfolio assets;
- the nature, composition and concentration of the portfolio;
- the characteristics of the markets in which the Fund invests, including prevailing market liquidity and settlement arrangements;
- the Fund's redemption policy, dealing frequency and settlement periods;
- the expected composition and concentration of the investor base;
- historical and anticipated subscription and redemption patterns;
- the potential impact of stressed market conditions on the Fund's liquidity position; and
- the need to ensure the fair treatment of all Shareholders.

Having regard to the outcome of this assessment, the Board has determined that the Liquidity Management Tools described in this Prospectus are appropriate for the Fund, having regard to its investment strategy, liquidity profile, redemption arrangements and the best interests of Shareholders.

The selected Liquidity Management Tools are intended to operate as part of an integrated liquidity management framework and may, where appropriate and permitted by applicable law, be applied individually or in combination, depending on the prevailing market conditions and the specific circumstances affecting the Fund.

The Directors shall exercise their discretion in determining whether and when any Liquidity Management Tool should be applied, taking into account the interests of the Fund as a whole, the principle of equal treatment of Shareholders, applicable legal and regulatory requirements, and the objective of maintaining

the orderly operation of the Fund.

The Board shall review the continued appropriateness and effectiveness of the Fund's liquidity management framework and the selected Liquidity Management Tools on a regular basis, and in any event whenever there is a material change to the Fund's investment strategy, portfolio composition, liquidity profile, redemption policy, investor base, applicable law or regulatory requirements, or where market conditions otherwise warrant such review. Following any such review, the Board may amend, replace or supplement the Liquidity Management Tools available to the Fund, subject to applicable law, regulatory requirements and, where required, appropriate amendments to this Prospectus and the constitutional documents of the Fund.

## Selected Liquidity Management Tools

The Fund has selected the following Liquidity Management Tools:

**(a) Dilution Levy**

The Investment Manager may apply a Dilution Levy on subscriptions and/or redemptions whenever it considers that this is necessary to protect existing Shareholders against the transaction costs associated with significant net subscriptions or net redemptions.

**(b) Redemption Gates**

Where the Directors consider that redemption requests received on any Redemption Day could adversely affect the interests of remaining Shareholders or prejudice the orderly management of the Fund, the Directors may limit the aggregate amount of Shares redeemed on that Redemption Day.

Where redemption requests exceed any limits determined in accordance with this Prospectus, redemption requests may be deferred, either in whole or in part, to one or more subsequent Redemption Days on a fair and equitable basis.

Deferred redemption requests shall generally receive priority over subsequent redemption requests, subject always to applicable law and the equal treatment of Shareholders.

## Extraordinary Liquidity Management Tools

The following tools are regarded as extraordinary Liquidity Management Tools and may be used only in exceptional circumstances where the Directors determine that their use is necessary in the best interests of the Fund and its Shareholders.

**(a) Suspension of Subscriptions, Redemptions and NAV Calculations**

The Directors may, where they determine that exceptional circumstances exist and that such action is justified in the best interests of the Fund or its Shareholders, temporarily suspend the issue, redemption and, where applicable, exchange of Shares, together with the calculation of the Net Asset Value of the Fund or any Class thereof. Such suspension may be imposed where, in the opinion of the Directors, continued dealing would be impracticable or would result in the unfair treatment of Shareholders or otherwise prejudice the interests of the Fund.

Without limiting the generality of the foregoing, the Directors may declare such a suspension where any relevant market or exchange is closed (other than for customary holidays or weekends), where trading on any such market or exchange is restricted or suspended, where market disruption, exceptional illiquidity or other circumstances prevent the orderly acquisition or disposal of portfolio investments, where the value of one or more assets of the Fund cannot be determined fairly, accurately or on a timely basis, where there is a breakdown in the means of communication or valuation systems ordinarily used to determine the value of the Fund's investments, where remittance or repatriation of funds is restricted or cannot be effected at normal

rates of exchange, where operational failures, force majeure events, systemic financial events or other circumstances beyond the reasonable control of the Directors materially affect the operation of the Fund, or where any other circumstance exists in which the Directors reasonably consider that continued dealing would be contrary to the interests of the Fund or its Shareholders.

Any suspension shall be implemented in accordance with the UCITS Directive, applicable law, the constitutional documents of the Fund, the requirements of the MFSA and any applicable guidance issued by the European Securities and Markets Authority from time to time.

**(b) Side Pockets**

Where exceptional circumstances arise affecting specific assets of the Fund, including where such assets become illiquid, difficult to value, impaired or otherwise incapable of being realised without materially prejudicing the interests of Shareholders, the Directors may, subject to applicable law and any required regulatory approvals, segregate such assets into a separate portfolio or class.

The establishment of a Side Pocket is intended to facilitate the orderly management and eventual realisation of affected assets whilst allowing the remainder of the Fund to continue operating in the ordinary course. In doing so, the Directors shall seek to ensure the fair and equitable treatment of Shareholders, including by preventing the dilution of the interests of existing Shareholders and ensuring that subscribing and redeeming investors neither benefit from nor are prejudiced by assets that are no longer capable of being fairly valued or realised in accordance with the Fund's normal investment and redemption procedures.

Shareholders holding Shares at the time the relevant assets are designated as Side Pocket assets shall participate in such assets in proportion to their respective holdings immediately prior to the establishment of the Side Pocket. Interests in Side Pocket assets may be non-redeemable or subject to restricted redemption rights until such time as the relevant assets have been realised, disposed of or otherwise appropriately dealt with.

Any income, gains, losses, costs and expenses attributable to Side Pocket assets shall be allocated in accordance with the valuation and allocation policies adopted by the Directors, acting in a manner that is fair, reasonable and consistent with the principle of equal treatment of Shareholders.

The establishment, operation and termination of any Side Pocket shall be carried out in accordance with the UCITS Directive, applicable law, the constitutional documents of the Fund, any applicable regulatory requirements of the MFSA and any relevant guidance issued by the European Securities and Markets Authority from time to time.

## Fair Treatment of Investors

The Liquidity Management Tools described above shall only be used where the Directors determine that their application is necessary to safeguard the interests of the Fund and its Shareholders. This section and application of any Liquidity Management Tool shall always be guided by the by principles of proportionality, consistency, transparency, equal treatment of Shareholders and protection of remaining investors.

The Directors shall ensure that any Liquidity Management Took is applied only where appropriate having regard to the prevailing market conditions and the Fund’s liquidity profile.

# 6. Description of the Fund

## Organisation of the Fund

Africa Select Equity Fund (SICAV) p.l.c., whose registered office is situated at Whitehall Mansions, Level 2, Ta' Xbiex Wharf, Ta' Xbiex XBX1026, Malta is registered as an open-ended investment company with limited liability in Malta with effect from 18th October 2023 and bearing the company registration number SV 603

The Fund qualifies as a 'Maltese UCITS' in terms of the UCITS Regulations and the MFSA Rules.

## Duration of the Company

The duration of the Fund is indefinite.

## Share Capital of the Company

The share capital of the Fund shall be equal at any time to the value of the issued share capital of the Fund. The Fund may issue up to a maximum of two hundred million (200,000,000) fully-paid up Shares without any nominal value assigned to them. The initial share capital of the Fund is two thousand US Dollar (US$ 2,000) divided into two thousand (2,000) Founder Shares. No Shares have preferences, pre-emptive, conversion or exchange rights. Other than as stated in this Prospectus, there are no outstanding options or any special rights relating to Shares.

The paid-up share capital of the Fund shall at all times be equal to the NAV of the Fund as determined in accordance with this Prospectus and the Memorandum and Articles of Association of the Fund.

All Shares will be issued in registered form only.

Prospective investors should note that there are no provisions under the Articles conferring pre-emption rights on the holders of Investor Shares or Founder Shares.

## Founder Shares

The Fund has issued two thousand (2,000) Founder Shares having the nominal value of one U.D. Dollar (US$1.00) each, which Founder Shares constitute a separate Class of Shares of the Company but does not constitute a sub-fund. Two thousand (2,000) Founder Shares are held by MC Partners Ltd, a limited liability company having its registered office is situated at Whitehall Mansions, Level 2, Ta' Xbiex Wharf, Ta' Xbiex XBX1026, Malta and bearing the bearing the company registration number C 58069.

The Founder Shares are ordinary shares with voting rights. Accordingly, the holders of the Founder Shares retain the right to appoint the Directors of the Fund and are also entitled to amend the Memorandum and Articles of Association of the Fund. The Articles of Association of the Fund empower the Directors to create different classes of shares from time to time.

The Fund may, in due course, issue additional Classes, which may be designated in other currencies.

Except to the extent that they have the right to a return of paid up capital on winding-up, Founder Shares do not participate in the assets of the Fund or in any dividends or other distributions of the Fund as may be declared. The holders of the Founder Shares are entitled to one vote each on all matters which may arise, whereas, the holder of any other class of Share shall have limited voting rights as explained below. Each Investor Share and each Founder Share, when issued will be fully paid and non-assessable. No Shares have preferences, pre-emptive, conversion or exchange rights.

## Investor Shares

Holders of Investor Shares shall not, unless otherwise specified in the Memorandum and Articles, have the right to receive notice of, attend or vote at any general meetings of the Company.

The Directors may from time to time split Investor Shares into a greater number of Investor Shares or consolidate Investor Shares and such transactions shall be carried out based on the applicable NAV per Share on the last Valuation Day before the transaction is effected. Investor Shares are accumulating and therefore no dividends shall be distributed.

Investors only have rights to participate, pro-rata, in the assets of the Fund. Investor Shares may be issued as fractional shares up to two (2) decimal places. Fractional Investor Shares will be consolidated into whole Investor Shares when a Shareholder holds enough fractional Investor Shares to make up a whole Investor Share. With the exception of voting rights, the holders of fractional Investor Shares carry the same rights as integral shares of the same Class and exercisable in proportion to the fraction held.

## Feeder Shares

The Fund has created a dedicated share class designated as the "Class C Feeder Shares" or "Feeder Class". The Feeder Class has been established exclusively for subscription by the Feeder Fund in its capacity as a Feeder UCITS within a master–feeder structure in accordance with applicable UCITS legislation. Shares in the Feeder Class may be subscribed for and held solely by the Feeder Fund acting in such capacity and shall not be offered to, nor held by, any retail or other investors. The Directors shall have the power to compulsorily redeem any Shares in the Feeder Class held by any person who is not the Feeder Fund or who ceases to qualify as such.

The Feeder Class is subject to a specific fee structure. The Fund shall ensure that its fee arrangements are structured so as to prevent any duplication of management fees, performance fees or other charges between the Fund and the Feeder Fund, in compliance with the requirements applicable to master–feeder structures under the UCITS framework.

## Voting Rights

Subject to any rights or restrictions for the time being attached to any Class or Classes of Investor Shares, on a show of hands every holder who is present in person or by proxy and entitled to vote, shall have one vote for every voting Investor Share of which he is the holder and on a poll every holder present in person or by proxy shall have one vote for every Investor Share of which he is the holder. Holders who hold a fraction of an Investor Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of an Investor Share.

The holders of the Founder Shares shall have the exclusive right to appoint the Directors. Any changes to the

name of the Fund shall also be decided exclusively by the holders of the Founder Shares. Other than what is stated herein, the holders of the Investor Shares shall have the right to vote in respect of matters relating to the variation of rights attached to their class of shares, and in respect of any amendments to the investment objectives of the Fund.

## Alterations to the Company's Share Capital

The Fund may increase or reduce its authorised share capital by an extraordinary resolution of the holders of the Founder Shares (i.e. a resolution notice of which has been given prior to the meeting, and which is approved by seventy-five percent (75%) of the Shareholders present at the meeting and entitled to vote thereon and at least fifty-one percent (51%) of all Shareholders who are entitled to vote thereon).

## Amendment to Memorandum and Articles of Association

Subject as provided in this Prospectus, the Memorandum and Articles may be altered or amended only by the passing of an extraordinary resolution to that effect by the holders of the Shares in the Company holding voting rights in that regard. Revisions to the Memorandum and Articles are also subject to the prior approval of the MFSA.

## Amendment to the Prospectus

Subject as provided herein and to the Articles, the Fund may at any time and from time to time, by means of a resolution in writing of the Directors, alter or amend this Prospectus. Provided that any material changes to the Prospectus must be approved by the MFSA prior to implementation, as well as notified to the holders of Investors Shares.

## Variation of Class Rights

If at any time the authorised capital is divided into classes of Shares, the rights attached to any then existing class (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths (¾) of the issued Shares of that class and of any other class of Shares which may be affected by such variation. The said consent can also be obtained by the Company through a request for consents in writing in a circular sent to the holders of the effected Shares. It shall not be deemed to be a variation of the rights attaching to any particular class of shares for the Fund to create or issue further shares ranking *pari passu* with the existing Shares.

## Further Issues of Investor Shares

The Shares shall be at the disposal of the Board of Directors and the Fund may, by resolution of the Board, at any time decide to offer further Shares in term of the Fund's Memorandum and Articles of Association and, without prejudice to any special rights previously conferred on the holders of existing Shares, to allot, issue, grant options over or otherwise dispose of the Shares or any other Classes (including fractions of Shares) with or without preferred, deferred or other special rights or restrictions, whether with regard to dividend, voting or otherwise and to such persons, at such times and on such other terms as the Board shall think proper, but not in a manner to reduce the financial rights of Shareholders without their consent.

## Repurchase of Investor Shares

Under the Companies Act, the Fund is permitted to repurchase or redeem its Investor Shares without restriction. Repurchased or redeemed Investor Shares shall be treated as cancelled and deemed never to have been issued for the purpose of calculation of the maximum number of Investor Shares which may be issued and shall be available for reissue by the Fund at any time in the future. Redemptions of Investor Shares will be based on the NAV per Share in accordance with the Company's Memorandum and Articles and this Prospectus.

## Liquidation

The Fund has been established for an indefinite period. The Fund may be dissolved and wound up either voluntarily or under supervision or by a competent Court. The Fund may be placed in voluntary liquidation at any time by an extraordinary resolution adopted by the holders of Shares holding voting rights in the same manner as that required for amending the Memorandum and Articles. Any voluntary liquidation of the Company shall be carried out pursuant to applicable Maltese laws and the Memorandum and Articles. Amounts which have not been claimed by Shareholders at the close of the liquidation will be deposited in an account in the Shareholder's name with a trustee selected by the liquidator. Any such amount not claimed within a period of seven (7) years will be donated to a Maltese enrolled voluntary organisation selected at the discretion of the trustee.

# 7. Important Notices

***Restrictions in Solicitation***

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offering of Investor Shares in certain jurisdictions are restricted. Persons to whose attention this Prospectus may come are required to inform themselves about, and to observe such restrictions. Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Shares; (b) any foreign exchange restrictions which may affect them and (c) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Shares in the Fund. In terms of the Articles, the Directors may from time to time declare other categories of persons who do not qualify under applicable laws to purchase Shares in the Fund.

***Other Restrictions***

No person is authorised to give any information or to make any representation in connection with the issue of Investor Shares in the Fund which is not contained or referred to in this Prospectus or the documents referred to herein. Neither the delivery of this Prospectus nor the offer, issue or sale of Investor Shares shall constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof. No person receiving a copy of this Prospectus in any territory may treat the same as constituting an invitation to him unless, in the relevant territory, such an invitation could lawfully be made to him without compliance with any registration or other legal requirements. It is the responsibility of any person wishing to acquire Investor Shares to fully observe all the laws of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities needing to be observed in such territory.

***Regulatory Obligations***

The Fund is constituted as an open-ended collective investment scheme and structured as a multi-class investment company with variable share capital under the laws of Malta. The Fund will be regulated in terms of those laws and will also be subject to MFSA's rules applicable to Malta Based UCITS Collective Schemes. The obligations of the Fund are amongst others (a) to file with the MFSA and the Malta Business Registry (i) a near final draft of this Prospectus, and (ii) a copy of the Directors' appropriate approval of this Prospectus; (b) to file annually with the MFSA and the Malta Registrar of Companies accounts audited by a Maltese auditor and any such other information as the MFSA may from time to time request; (c) to file statistical returns as may be required; and (d) to pay a prescribed application fee to MFSA of two thousand five hundred Euro (€2,500) and an annual supervisory fee to MFSA of three thousand Euro (€3,000).

***Investor Restrictions***

The Fund is authorised to offer Investor Shares to the public. However, an offer in this Prospectus is an offer only to the person to whom a copy of this document, has been furnished. The information in this Prospectus is furnished on a confidential basis exclusively for your use and retention and, by accepting this Prospectus, you agree not to transmit, reproduce or make available to any other person (other than your legal, tax, accounting and other advisers) any part of this Prospectus without the express written permission of the Directors.

***For the Consideration of All Investors***

Investment in the Fund is suitable for Retail Investors, as defined herein.

Prospective investors should be aware that the value of investments, as reflected in the Net Asset Value per Investor Share, can go down as well as up and the attention of investors is drawn to *Risk Factors*, which are not intended to include all those factors which a prospective investor should consider, or to be an all-inclusive list of risk factors in any respect. If you are in any doubt about the contents of this Prospectus or you are considering subscribing for Investor Shares, you should make your own independent evaluation of all investment factors and consult a person who is qualified to advise on the purchase of shares in collective investment schemes and similar investments, who may be your bank manager, stockbroker, solicitor, accountant or other financial adviser.

The Investment Manager is also engaged to be responsible for the distribution and marketing of the Shares of the Fund in any jurisdiction it is authorised to do so. In the interest of clarity, such appointment is on a non-exclusive basis, and the Fund can appoint other distributors to distribute and market the Shares of the Fund.

# 8. Management – Officers and Directors of the Fund

The Fund's Board of Directors is responsible for managing the overall business and affairs of the Fund. The Directors have delegated their investment management functions to the Investment Manager and their administrative and accounting duties to the Administrator. The Fund's officers are the following:

| | | |
|---|---|---|
| Alberto Alsina González | - | Executive Director and Chairperson |
| Saâd Bendidi | - | Executive Director |
| Omar Fahmy | - | Executive Director |
| Diandra Muscat | - | Independent Non-Executive Director |

The Directors have the power to engage service providers on behalf of the Fund and to change such service providers or the agreements with those service providers from time to time without notice to investors, other than as required pursuant to the UCITS Directive.

None of the Directors has any unspent convictions, has been declared bankrupt, or has been the subject of an individual voluntary arrangement or a receivership of any assets held by such person. None of the Directors was a director with an executive function of any company at the time of or within the twelve (12) months preceding its bankruptcy, receivership administration, liquidation administration, company voluntary arrangement or composition or arrangement with its creditors generally. There have been no public criticisms of any of the Directors by any statutory or regulatory authority and no Director has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company. No Director was a partner of any partnership at the time or within twelve (12) months preceding its compulsory liquidation, administration or partnership voluntary arrangement. No Director has had a receiver appointed over any of his assets or of any of the assets of a partnership of which he was a partner within twelve (12) months after he ceased to be a partner of that partnership.

***Alberto Alsina González***

Mr. Alsina graduated in Business Administration from the University of Barcelona (Spain) and the University of Liverpool (UK). He also holds a postgraduate degree in European Management from the University of Poitiers (France) and a Masters in Management from the University of Fulda (Germany). Mr. Alsina followed a continuing education programme in Finance, Venture Capital and Private Equity at Harvard University (USA), in Global Leadership at Wharton School of the University of Pennsylvania (USA) and in Corporate Finance at the London Business School (UK). He has also completed a Senior Executive PADE at IESE Business School (Spain) and completed the Advanced Management Program at Harvard Business School. Mr. Alsina has more than thirty (30) years of experience, including 15 in general management. He has lived and worked in the United States, the United Kingdom, Germany, France, the Netherlands, Spain and Malta, as well as in emerging countries such as Brazil and Zimbabwe. Mr. Alsina worked for nine years at General Cable, where he reached the position of Vice President and General Manager. He was also VP & GM at Textron for four years and completed an MBO with CD&R at the company VWR where he worked for three years. Mr. Alsina

is also a visiting professor at the EADA Business School (Spain), where he teaches the Private Equity, Valuations, Value Creation and Management of Execution courses in the Master's programme. Albert currently sits on the Board of Anne Fundació, a centre dedicated to providing medical and psychological care for children. Mr. Alsina is a member of the Board of Directors of several portfolio companies and is the Chairman of the Investment Committee of MC II and MC III. Before founding Mediterrania Capital Partners, Mr. Alsina worked in various investment funds in Spain (Riva y Garcia, Permira and Catalana d'Iniciatives) where he developed strong experience of Investment and the execution of business plans in SMEs and Mid Cap enterprises in Africa. Halbert is also the author of the book "Value Creation in Private Equity" as well as numerous white papers and articles in the specialised press on Finance and Private Equity.

***Saâd Bendidi***

Saâd Bendidi is a graduate of Centrale Paris, Sciences Po Paris and HEC Paris. Mr. Bendidi has held several important positions in different sectors, including Director of the Strategy and Planning Department of the former Wafabank (1985-1987), Managing Director of Magetex and CIB (1988-1992), and Managing Director of the Moussahama Fund (1992-1997). Mr. Bendidi subsequently held the position of President of Meditelecom (1999-2005), Vice-President of Finance.com (2001-2005), and Director of Holdings and Investments of BMCE Bank (1997-2000). Between 2003 and 2004, he led the merger of the insurance companies RMA and Al Watanyia, after which he became the company's Chairman and CEO. Between 2005 and 2008, he held the position of Chairman and Chief Executive Officer of the ONA group. He was also a member of the board of ONA International, SNI, Attijariwafa Bank, Managem, Centrale laitière, Cosumar, Lesieur, Nareva, Optorg, Marjane Holding, Acima, Bimo, Sonasid, Lafarge Maroc, CIMR, Manatrade and CBAO. In 2012, Mr. Bendidi joined Mediterrania Capital Partners as Senior Partner before serving as Chairman since 2016. He also held the position of Deputy Managing Director of the Saham Group (2013-2017). Mr. Bendidi is currently President of HWM, the exclusive Maghreb distributor of the Haworth brand. He is also a member of the Board of Directors of several portfolio companies and a member of the Investment Committee of MC II, and MC III as well as a member of the remuneration committee and an active member of several portfolio companies of Mediterrania Capital Partners in Egypt, Tunisia, Côte d'Ivoire and Morocco.

***Omar Fahmy***

Omar is a seasoned investment professional with over fifteen (15) years of experience in the industry. Most recently, Omar has served as a member of the Investment Committee for a leading equity fund focusing on Africa for eight (8) years, which he joined in 2012, the same year it was launched. With his strong analytical and financial skills, Omar has significantly contributed to the fund's success, which enjoyed one of the best performance track records in the industry. Over the years, Omar has concluded detailed research on companies operating in a wide variety of sectors across the continent, and has conducted hundreds of one-on-one meetings with senior management as well as site visits, providing him with a deep knowledge of the opportunity set present in Africa. Omar has a Master degree in International Finance from IEB in Spain (Instituto de Estudios Bursátiles) and speaks English, Arabic, French and Spanish.

***Diandra Muscat***

Ms Muscat is a dynamic and highly motivated Investments professional with over 10 years of

experience in the private sector across Europe. Ms Muscat has worked in the field both front and back office and has Operational / administrative expertise within complex international organisations. She has experience serving as a member of the board of directors for several years and holds the same with a company which is licenced by MFSA. She has strong analytical and financial skills, intercultural competencies and ability to adapt quickly to different situations which she gained through working in international and fast-paced work environments. Ms Muscat has a Masters degree in Financial Analysis and Fund Management from the University of Exeter.

The Fund's Articles provide that the Directors and any alternate Directors may be paid all expenses properly incurred by them in attending and returning from meetings of the Directors or any other meetings in connection with the business of the Fund. The Fund's Articles do not stipulate an age limit on the Directors of the Fund.

A Director may be a party to, or otherwise interested in, any transaction or arrangement with the Fund or in which the Fund is interested, provided that he has disclosed to the directors prior to the conclusion of any such transaction or arrangement the nature and extent of any interest of his therein. A Director may vote in respect of any contract or arrangement or any proposal whatsoever in respect of which he has an interest, having first disclosed such interest. At the date of this document, and save as disclosed herein, neither the Directors nor any connected person have any interest, beneficial or otherwise, in the share capital of the Fund or any interest in the Fund or in any agreement or arrangement with the Fund or in any transactions unusual in their nature or significant to the business of the Fund, except as disclosed under the Section entitled "*Conflicts of Interest*".

The Directors may by resolution of Directors exercise all the powers of the Fund to borrow money and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Fund or of any third party. No loan or guarantee has been granted or provided by the Fund to any Director.

# 9. The Investment Manager

The Fund has appointed Mediterrania Capital Partners Limited (the "**Investment Manager**") as the investment manager to the Fund pursuant to an Investment Management Agreement between the Fund and the Investment Manager, dated 27th October 2023..

The Investment Manager was incorporated in Malta on the 20 September 2013, having its registered office situated at Whitehall Mansions – Level 2, Ta'Xbiex Wharf, Ta'Xbiex, XBX 1026, Malta and bearing the company registration number C 61972. The Investment Manager has and authorised share capital of six hundred eighty-two thousand seven hundred (682,770) ordinary shares of one Euro (€1) each and issued share capital of six hundred eighty-two thousand seven hundred (682,770) ordinary shares of one Euro (€1) each, all of which are fully paid up. The Investment Manager is licensed by the Malta Financial Services Authority to: (i) provide investment management services to UCITS Funds and other collective investment schemes; and (ii) act as an Alternative Fund Investment Manager, in terms of Directive 2011/61/EU.

The Management Agreement is governed by and construed in accordance with the Laws of Malta.

The Investment Manager may delegate to third parties, for the purpose of a more efficient conduct of business, the carrying out on its behalf of one or more of its functions, provided that the relevant provisions of Part BII of the Investment Services Rules for Investment Services Providers are adhered to.

The directors of the Investment Manager are:

***Alberto Alsina González***
*Refer to section entitled "Management – Officers and Directors of the Fund"*

***Saâd Bendidi***
*Refer to section entitled "Management – Officers and Directors of the Fund"*

***Hatim Ben Ahmed***
Mr. Ben Ahmed holds a Master's degree from ESTP Paris (France) and a higher diploma in Accounting and Management (called DECF until 2008). Mr. Ben Ahmed enrolled in continuing education programmes in Venture Capital and Private Equity as well as in General Management at Harvard University (United States). Mr. Ben Ahmed has twenty (20) years of experience in Private Equity and Mergers & Acquisitions. He carried out thirteen (13) investment transactions in North and West Africa across different sectors for the FMC, MC II and MC III funds. He has also completed fifteen (15) buy-side transactions on behalf of major funds such as Carlyle, CIC-LBO, Perfectis and 21 Capital Partners as well as American Capital in the United States, Brazil, Australia, India and Europe. Mr. Ben Ahmed previously held the position of Director at Accuracy (France), a major player specialising in providing financial expertise and founded by former Partners of the Arthur Andersen firm. Previously, Mr. Ben Ahmed was an Associate at Arthur Andersen (France) where he performed legal audits and reviews of internal control procedures for French production companies. Mr. Ben Ahmed has strong executive capabilities combined with a solid knowledge of tax, legal and financial aspects of the Maghreb and Sub-Saharan Africa markets. Mr. Ben Ahmed is currently one of the founding partners of Mediterrania Capital Partners and a Managing Director. Mr. Ben Ahmed is a member of the Board of Directors of several portfolio companies and a member of the Investment Committee of MC II and MC III. Mr Ben Ahmed is also the author of the Book "Le prince de Machiavel, à l'usage de mon patron et

de mes collègues" and several technical financial publications and articles.

***Mario Bonet Gómez***

Mr Bonet graduated in Business Administration and holds a Master in Business Administration (Lic&MBA) from ESADE Business School (Spain). He is also a Certified Anti-Money Laundering Specialist (CAMS), after passing the Association of Certified Anti-Money Laundering Specialists (ACAMS)'s exam. Mario has more than twenty (20) years of experience, including more than 15 years in Private Equity. He has been in charge of operations and financial functions, as CFO and Controller of private equity firms based in Luxembourg, Malta or Spain. Currently, Mario advises private equity investment managers based in Luxembourg, Malta or Spain. Previously, Mario was the Head of Finance and Administration of a Spanish subsidiary of a German leasing company, and worked for PwC Spain as auditor in banking sector.

***Joan Hortalà Vallvé***

Mr. Joan Hortalà advises business groups with a strong international profile, enabling them to be taxed in line with their value chain. He started his career as a lecturer at the Universitat de Barcelona. Between 1992 to 2002, he worked as state finance auditor and held several other positions, including national expert (European Commission), coordinator of the double-taxation treaties area (Directorate-General for Taxation), delegate of the Ministry of the Economy and Finance in the transfer pricing working group of the Organisation for Economic Co-operation and Development (OECD), chief inspector of the Barcelona tax authorities and member of the Company Tax Division of the Catalonian tax appeal board. Before joining Cuatrecasas, he was head of Landwell's international tax practice in Barcelona and directed the PriceWaterhouseCoopers Spanish desk in New York. He lectures on international taxation in the Bachelor of Laws at Universitat Pompeu Fabra (Barcelona) and at Universitat Internacional de Catalunya (Barcelona). He speaks regularly at international conferences in Europe and America. He is the author of several books and of over sixty (60) articles in Spanish and international journals on international taxation, ecommerce, transfer pricing, and assets.

In terms of the Investment Management Agreement, the Investment Manager is responsible for the development of an overall strategy for the investment of the assets of the Fund in accordance with the investment objectives, strategies and restrictions set out in this Prospectus as well as the taking of all investment and trading decisions and to select, allocate and monitor the assets of the Fund in a manner consistent with the overall strategies and the investment objectives and restrictions set out in this Prospectus. The Investment Manager is also responsible for the provision of administration services to the Fund, however, this may be delegated to an administrator approved by the Company and in this regard the Administrator has been engaged (see the section entitled "*Administrator*" below for further details).

In addition to the delegation of administration services described above, the Investment Manager may, in terms of the Investment Management Agreement and subject to applicable MFSA Rules, delegate certain of its other functions, powers, discretions, privileges and duties including the day-to-day investment management of the assets of the Fund to one or more Sub-Investment Managers. In such cases and in terms of the Investment Management Agreement, the Investment Manager will remain liable thereunder for any act or omission of its delegate as if the act or omission were its own. Details of any Sub-Investment Manager engaged for the Fund will be made available to prospective investors and to Shareholders, upon request.

The Investment Management Agreement may be terminated at any time by either party upon not less than ninety (90) Business Days' prior notice in writing or forthwith in case of material breach of obligations or liquidation of a party. The Investment Management Agreement also provides that the Investment Manager

shall not be liable to the Company for any loss arising in connection with the subject matter of the Investment Management Agreement, howsoever any such loss may have occurred unless: (i) such loss arose because of the Investment Manager acting in bad faith and in a manner which is not in the best interests of the Fund; or (ii) the Investment Manager's conduct constituted actual fraud, wilful misconduct, negligence, or material breach of its obligations under the Investment Management Agreement.

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

The fees payable to the Investment Manager are set out in the Section entitled "*Fees, Compensation and Expenses*" hereunder.

# 10. The Depositary

The Company has appointed European Depositary Bank SA, Malta Branch (the "**Depositary**") as depositary and banker of the Fund.

European Depositary Bank SA, is an overseas company registered under the laws of Malta, with registration number OC 1318 and having its registered office situated at Quad Central, Q3 Level 9, Triq l-Esportaturi, Zone 1, Central Business District, Birkirkara CBD 1040, Malta.

European Depositary Bank SA, Malta Branch is licensed by the MFSA to act as a depositary for collective investment schemes under the Investment Services Act. The Depositary provides safekeeping and related services to various other funds and entities in various jurisdictions.

The Depositary has been appointed to act as depositary in respect of the Fund pursuant to a Depositary Agreement entered into between the Fund, the Investment Manager and the Depositary (the "**Depositary Agreement**"). The Depositary will perform its depositary functions in accordance with the Depositary Agreement, which includes provisions reflecting the relevant depositary requirements under the UCITS Directive, as transposed into Maltese law. The Depositary's functions include the following:

(i) ensuring that the Fund's cash flows are properly monitored, and in particular that all payments made by or on behalf of investors upon the subscription of shares of the Fund have been received and that all the cash of the Fund has been booked in cash accounts opened in the name of the Fund or in the name of the Depositary acting on behalf of the Fund with a credit institution or bank;

(ii) the safekeeping of the assets of the Fund, which means (a) for financial instruments that can be held in custody: holding in custody all financial instruments that can be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary (if any), and (b) for other assets: verifying the ownership of the Fund and maintaining a record of such other assets;

(iii) the following oversight duties:

(a) to ensure that the sale, issue, re-purchase, redemption and cancellation of shares of the Fund are carried out in accordance with the requirements prescribed by the MFSA, if any, applicable to the Fund, and the memorandum and articles of association of the Company;

(b) to ensure that the value of the shares of the Fund is calculated in accordance with the provisions of the memorandum and articles of association of the Company;

(c) to carry out the instructions of the Investment Manager or the Company, unless they conflict with the requirements prescribed by the MFSA, if any, applicable to the Fund, or the memorandum and articles of association of the Company;

(d) to ensure that in transactions involving the Fund's assets any consideration is remitted to the Company within the usual time limits;

(e) to ensure that the Fund's income is applied in accordance with the memorandum and articles of association of the Company.

The Company and the Investment Manager are required to ensure that all assets of the Fund are entrusted to the Depositary for safekeeping, and the Depositary has accepted to perform the safekeeping function in respect of all the Fund's assets, in accordance with the Depositary Agreement. The Fund and the Investment Manager have agreed with the Depositary not to invest in or hold any types of financial instruments and other assets that are not listed in the relevant Annexes to the Depositary Agreement.

The Depositary is entitled to receive fees and reimbursement of expenses, out of the assets of the Fund, for the provision of its services.

The Depositary shall appoint Citibank, a firm duly licenced by the U.K.'s Financial Conduct Authority, bearing the registration number FC001835 and having its registered office situated at Citigroup Centre, 25 Canada Square, London, E14 5LB, United Kingdom and shall entrust assets of the Fund for safekeeping with them, and generally, to delegate all or part of its services and functions (other than the cash flow monitoring function and oversight duties referred to in points (i) and (iii) above) to third parties, subject to the terms and conditions stipulated in the Depositary Agreement. A description of the safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates for the performance of the safekeeping functions, and information on any conflicts of interest that may arise from such a delegation will be provided to investors, by the Fund or the Investment Manager, upon request.

The Depositary is liable to the Fund, and to shareholders of the Fund, for the loss of financial instruments held in custody by the custodian or a third party to whom the custody of financial instruments held in custody has been delegated. In the case of such a loss of a financial instrument held in custody, the Depositary is required to return a financial instrument of identical type or the corresponding amount to the Fund without undue delay. The Depositary will not be liable, however, if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Furthermore, the Depositary is liable to the Fund, and to Shareholders of the Fund, for other losses (i.e. other than the loss of financial instruments held in custody, as mentioned above), suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the relevant provisions of the Investment Services Act, the Investment Services Act (Custodians of Collective Investment Schemes) Regulations (S.L. 370.32) and Investment Services Rules for Investment Services Providers issued by the MFSA, as applicable to the Depositary.

The Depositary's liability is not affected by any delegation of its functions referred to above.

The Investment Services Act (Custodians of Collective Investment Schemes) Regulations provide that Shareholders may invoke the liability of the Depositary directly or indirectly through the UCITS or the Investment Manager, provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders. If any Shareholder of the Fund intends to invoke the liability of the Depositary, it must notify the Company and the Investment Manager of its intention to invoke the liability of the Depositary, and the Company and the Investment Manager will be required to ensure that the exercise of any action or claim by one or more shareholders does not lead to unequal treatment of the other shareholders.

The Depositary Agreement contains provisions whereby the Fund agrees to indemnify the Depositary (out of the assets of the Fund) for actions, proceedings, claims, loss or damages, costs, demands and expenses (including legal and professional expenses) which may be brought against, suffered or incurred by the Depositary in relation to the performance of the Depositary's services, duties and functions, and the

insolvency, acts or omissions of the Fund, Investment Manager or any other service provider, delegate or third party, except where and to the extent that the Depositary is liable for the same in terms of the Depositary Agreement.

The Depositary Agreement may be terminated by the Depositary or by Fund and the Investment Manager, by giving at least ninety (90) days' notice, and on certain other grounds set out in the Depositary Agreement.

The Depositary is not responsible for the valuation of the assets of the Fund, the calculation of the net asset value of the Fund or any of its shares, the calculation or verification of any fees or expenses payable to the Directors, the Investment Manager, the Administrator or any other service provider (except for the verification of the calculation of the Performance Fee in terms of the Investment Services Act (Performance Fees) Regulations (S.L. 370.12)), or the marketing or distribution of the shares.

The Depositary is not responsible for the contents of the Prospectus nor for the approval thereof.

Information regarding the Depositary, its duties, conflicts of interest and delegated safekeeping functions, shall be made available to the Shareholders on request.

The Depositary's contact details are:

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| Address: | Quad Central, Q3 – level 9<br>Triq L-Esportaturi, Zone 1<br>Central Business District<br>Birkirkara, CBD 1040<br>Malta |
| Tel: | +356 27922-500 |
| E-mail(s): | info@eudepobank.eu |
| Website: | https://www.europeandepositarybank.com/ |

# 11. The Administrator

Pursuant to an administration agreement (the "**Administration Agreement**") entered into between the Fund, the Investment Manager and Apex Fund Services (Malta) Limited, the latter has been appointed as the administrator, registrar and transfer agent of the Fund.

The Administrator is responsible under the overall supervision of the Investment Manager and the Board for, inter alia, the general administration of the Fund, which includes keeping the register of Shareholders, the proper book-keeping of the Fund, arranging for the issue and redemption of Shares, and calculating the Net Asset Value.

The Administrator is a private limited liability company registered and incorporated in Malta with company registration number C 42646 and having its registered office at Quad Central, Q3 - Level 9, Triq L-Esportaturi, Zone 1, Central Business District, Birkirkara CBD 1040, Malta. Apex forms part of the Apex Group of fund administrators. The Administrator is regulated by the MFSA and is recognised to provide fund administration services by the MFSA in terms of the Act. The Administrator is entitled to be indemnified by the Fund and/or the Investment Manager against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, gross negligence or wilful default on the part of the Administrator) which may be imposed on, incurred by or asserted against the Administrator in performing its obligations or duties.

The Administrator shall be entitled, without verification, further enquiry or liability on the Administrator's part, to rely on pricing information in relation to specified investments held by the Fund which is provided by price sources stipulated in the Administration Agreement or, in the absence of any such stipulated price sources, any price sources on which the Administrator may choose to rely. Without prejudice to the generality of the foregoing, the Administrator shall not be responsible or liable to any person for the valuation or pricing of any assets or liabilities of the Fund (save as provided in the Administration Agreement) or for any inaccuracy, error or delay in pricing information supplied to the Administrator.

In the absence of readily available independent pricing sources, the Administrator may rely solely upon any valuation or pricing information (including, without limitation, fair value pricing information) about any such assets or liabilities of the Fund which is provided to it by: (i) the Fund, (ii) the Investment Manager; and/or (iii) any value, third party valuation agent, intermediary or other third party which in each such case is appointed or authorised by the Fund and/or the Investment Manager to provide valuations or pricing information of the assets or liabilities of the Fund to the Administrator. The Administrator shall not be liable for any loss suffered by the Fund, and/or third parties by reason of any incorrect or inaccurate valuation of the underlying assets and/or error in the price provided with respect to the value of the underlying assets.

Furthermore, the Administrator shall not be responsible for the selection, oversight or monitoring of any external agent or valuer appointed by the Fund and shall not be liable for any losses incurred by any investor and/or third parties due to any act or omission of such external agent or valuer.

The Administrator in no way acts as guarantor or offeror of the Shares or any underlying investment. The Administrator is a service provider to the Fund and has no responsibility or authority to make investment decisions, or render investment advice, with respect to the assets of the Fund. The Administrator is not responsible for, and accepts no responsibility or liability for any losses suffered by the Fund and/or the

Investment Manager or any investors in the Fund as a result of any failure by the Investment Manager to adhere to the investment objective, policy, investment restrictions, borrowing restrictions or operating guidelines.

The Administrator shall not be liable or otherwise responsible for any loss suffered by any person by reason of: (i) any act or omission of any person prior to the commencement date of the Administration Agreement; (ii) any defect, error, inaccuracy, breakdown or delay in any product or service provided to the Administrator by any third party service provider; and (iii) any inaccuracy, error or delay in information provided to the Administrator by or for the Fund.

The Administrator shall not otherwise be liable for any loss to the Fund and/or the Investment Manager or any other person unless direct loss is sustained as a result of its fraud, gross negligence or willful default.

Under the terms of the Administration Agreement, the Administrator is able to delegate certain of its functions and duties to the Administrator's affiliates.

The appointment of the Administrator may be terminated without cause by not less than ninety (90) business days' notice in writing.

The Administrator is not responsible for the preparation or issue of this document other than with respect to the description above in respect of the Administrator. The Administration Agreement is regulated by the laws of Malta and subject to the jurisdiction of the Maltese Arbitration Court.

The Administration Agreement is regulated by the Laws of Malta and in the event of any controversy, disagreement, dispute or claim which may arise out of or in connection with the Administration Agreement, the matter shall be settled by arbitration in Malta, in accordance with the provisions on domestic arbitration of the Malta Arbitration Act and the Arbitration Rules of the Malta Arbitration Centre.

The Administrator is not responsible for the preparation or issue of this Offering Memorandum other than with respect to the description above in respect of the Administrator.

The Administrator's contact details are:

Apex Fund Services (Malta) Limited
Quad Central, Q3 Level 9,
Triq L-Esportaturi, Zone 1,
Central Business District,
Birkirkara CBD 1040
Malta

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|---|---|
| Tel: | +356 2792 2220 |
| E-mail(s): | info@apexfunds.com.mt |
| Website: | www.theapexgroup.com |

The fees payable to the Administrator are set out in the Section entitled "*Fees, Charges and Expenses*" hereunder.

# 12. Conflicts of Interest

As mentioned in the Section entitled "*Risk Factors*" below, potential investors should be aware that there may be situations in which each and any of the Directors, the Investment Manager, the Depositary, the Administrator and their respective delegates including investment advisors, Sub-Investment Managers, equity analysts, risk managers and sub-custodians, where applicable (together the "**Interested Parties**"), could encounter a conflict of interest in connection with the Fund. Should a conflict of interest actually arise, the Interested Parties will endeavour to ensure that it is resolved fairly. In particular, potential investors should be aware of the following:

(1) Certain Directors of the Fund or entities in which they may have a financial or managerial interest, may sell Investor Shares of the Fund and receive a portion of each, or all, of the brokerage commissions, transaction charges, advisory fees or management fees paid by the Fund as attributable to such Investor Shares. Thus, to the extent of such purchases, such Directors may have a conflict of interest between their duty to act for the benefit of the Shareholders in limiting expenses of the Fund and their interest in receiving such fees and/or commissions.

(2) The Investment Manager may make investments for other clients without making the same available to the Fund where, having regard to their obligations under the relevant Investment Management Agreement, the Investment Manager considers that it is acting in the best interests of the Fund, so far as reasonably practicable having regard to its obligations to other clients.

(3) The Investment Manager, the Depositary and the Administrator may carry out such functions for other investment companies engaging in the same activities as the Fund.

(4) The Company may affect the sale or purchase of investments through a Broker who is associated with the Investment Manager or the Depositary, provided that the amount of commission payable to such Broker is not in excess of that which would have been payable had the sale or purchase been effected through a Broker who is not so associated.

(5) Certain Directors of the Fund may also be involved in entities providing services to the Fund. However, all the Directors have fiduciary duties to the Fund and consequently have exercised and will exercise good faith and integrity in handling all the Fund's affairs.

(6) In addition, the Investment Manager may invest in funds and/or companies where a person/entity with close links to the Investment Manager is also a shareholder, advisor or an investment director. There will be times where a person/entity with close links to the Investment Manager will act simultaneously also as an advisor to the company looking for financing, or their members may be part of the board of the client company. Notwithstanding, the Investment Manager and all the Directors have fiduciary duties to the Fund and consequently have exercised and will exercise good faith and integrity in handling all the Fund's affairs.

(7) Certain Directors may have a direct or indirect beneficial interest in the Founder Shares or in the allocations which may by payable from time to time to the holders of Founder Shares.

(8) Given the master-feeder structure, the Fund and the Feeder Fund may appoint the same or affiliated service providers, including but not limited to the investment manager, administrator, depositary, auditor or other delegates. In such circumstances, potential conflicts of interest may arise, including

in relation to portfolio management decisions, allocation of resources, valuation, fee arrangements, information flows and the handling of subscription and redemption orders. Any such conflicts shall be identified, managed and monitored in accordance with applicable UCITS requirements, the relevant regulatory framework and the conflicts of interest policies and procedures adopted by the Fund and its service providers.

In addition to the over, it should be noted that two of the Directors, namely Alberto Alsina Gonzalez and Saâd Bendidi, are directors of the Investment Manager, while Omar Fahmy acts as a Portfolio Manager to the Investment Manager and is entrusted with the management of the Fund's underlying assets.

The Depositary generally uses the following service providers for the safekeeping of financial instruments that can be held in custody:

Citibank, N.A., Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB

It should be stressed that any third party appointed service providers shall be independent and unrelated to the Depositary. The Depositary shall deal with them on an arm's length basis and would not receive any commissions or inducements from them in respect of securities held with them on behalf of the Fund, thereby minimising the risk of any conflict of interest arising from such delegations.

# 13. Handling of Complaints

The Fund shall have in place a Complaints Management Function to enable complaints to be investigated fairly and to identify or mitigate any possible conflicts of interest. The Complaints Management Function shall be the direct responsibility of the Board of Directors.

The Fund shall grant the Fund's Compliance Officer access to all complaints received. The Fund shall register any complaints it receives in an appropriate manner. In this regard, the Fund maintains a Complaints Register. The Complaints Register shall be made available to the MFSA or any other regulatory authority as is required. The Fund shall follow a standardised procedure when handling and responding to a complaint. The Fund shall ensure that complaints received are analysed regularly to allow the Fund to identify and address any deficiencies in their policies and procedures, which could give rise to potential operational and legal risks. This data shall, as a minimum, cover the number of complaints received, differentiated as appropriate by product or service, as applicable and the cause of the complaint.

The Fund shall ensure that, when handling complaints, it shall abide with any data protection laws including the Data Protection Act (Chapter 586 of the Laws of Malta) and any regulations issued thereunder, and with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) as amended from time to time.

# 14. Risk Factors

Notwithstanding the investment policy outlined above and discussed herein, investments in the Fund may involve a number of significant risk factors. Prospective investors should carefully consider the following factors, among others, in making their investment decision and should consult their own legal, tax and financial advisors as to all of these risks and an investment in the Fund.

The risk factors set out below represent a non-exhaustive list of risks that investors ought to consider.

## General

An investment in the Fund is subject to all risks incidental to investment in securities and other assets, which the Fund may own. These factors include, without limitation, changes in government rules and fiscal and monetary policies, changes in laws and political and economic conditions throughout the world and changes in general market conditions. There can be no guarantee that any profits will be realised by the Fund and, therefore, by the Shareholders. Under certain circumstances, the Fund may be unable to liquidate portfolio investments due to the absence of a liquid market, and consequently, may not be able to redeem Investor Shares.

## Management Risk

Any fund is open to the risk of unprofitable outcomes that is losses incurred or profits foregone as a result of what turn out to be poor decisions or to take or not to take certain actions at the right time. At any time certain policies, strategies, investment techniques and risk analysis may be employed for the Fund in order to seek to achieve its investment objective; however, there can never be any guarantee that the desired results will be obtained.

## Insufficient Risk Recognition

An investment in the Investor Shares in the Fund involves risks. These risks may include or relate to, among others, equity market, bond market, foreign exchange, interest rate, credit, market volatility and political risks and any combination of these and other risks. Some of these risk factors are briefly discussed below.

Investors should understand the risks associated with an investment in the Investor Shares and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisors of: (i) the suitability of an investment in the Shares in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this Prospectus; (iii) the risks associated with the use by the Fund of derivative techniques (if applicable); (iv) the nature of the Fund's assets; and (v) information set out in the Prospectus.

Investors should recognise that the Investor Shares may decline in value and should be prepared to sustain a substantial loss of their investment in the Investor Shares.

## Counterparty Risk

The Fund will be exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default. In the event of a bankruptcy or other default, the Fund could experience both delays in liquidating the underlying securities and losses, including a possible decline in value of the underlying securities during the period when the Fund seeks to enforce its rights thereto. This will have the effect of reducing levels of capital and income in the Fund and may give rise to a lack of access to income during this period together with the expense of enforcing the Fund's rights.

## Credit Risk

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

## Credit Ratings

The management of the Fund may involve substantial reliance on credit ratings. Credit ratings are assigned by rating agencies such as Standard & Poor's or Moody's. It is important to understand the nature of credit ratings in order to understand the nature of securities. The level of a credit rating is an indication of the probability that (in the opinion of the rating agency) payments will be made on the relevant bond(s) or other obligation(s) to which the credit rating relates. Bonds with a rating of AAA, AA, A or BBB by S&P are generally called "investment grade" bonds, with AAA representing the credit rating of the highest quality. While credit ratings can be a useful tool for financial analysis, they are not a guarantee of quality or a guarantee of future performance in relation to the relevant obligations. Ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Ratings may also be withdrawn or revised at any time.

Further to a derogation granted by the MFSA, the Fund may also enter into transactions with Approved Counterparties which are not subject to independent verification of credit worthiness by a credit rating agency; such unrated Approved Counterparties however remain subject to the conditions set out in the definition of Approved Counterparties in the "*Interpretation*" Section above and subject to the due diligence carried out in this respect by the Investment Manager.

## Exchange Rates

Investors should be aware that their investment might involve exchange rate risks. For example, the Investor Shares may be denominated in a currency other than the investor's reference currency, which could be the currency of the investor's home jurisdiction and/or the currency in which an investor wishes to receive his monies or in which he prefers to maintain his capital or otherwise that currency to which the investor prefers or requires to be exposed to primarily.

Exchange rate risks may also arise indirectly when the base currency of the investor is the same as that of the Investor Shares, especially if the underlying assets attributed to the Fund are denominated in other currencies. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Investor Shares. For avoidance of doubt, the Investment Manager does not intend to use hedging techniques to mitigate the exchange rate risk.

## Depositary Risk

Country risk linked to the Custody

The Investment Manager may decide from time to time to invest in a country where the Depositary has no correspondent. In such a case, the Depositary will have to identify and appoint after due diligence a local custodian. This process may take time and deprive in the meantime the Investment Manager of investment opportunities.

In the same manner, the Depositary shall assess on an ongoing basis the custody risk of the country where the Fund's assets are safe-kept. The Depositary may identify from time to time a custody risk in a jurisdiction and recommend to the Investment Manager to realise the investments immediately. In doing so, the price at which such assets will be sold may be lower than the price the Fund would have received in normal circumstances, potentially affecting the performance of the Fund.

Central Securities Depositories

In accordance with the UCITS Directive, entrusting the custody of the Fund's assets to the operator of a securities settlement system ("**SSS**") is not considered as a delegation by the Depositary and the depositary is exempted from the strict liability of restitution of assets. A central securities depository ("**CSD**") being a legal person that operates a SSS and provides in addition other core services should accordingly not be considered as a delegate of the Depositary. There is however some uncertainty around the meaning to be given to such exemption, the scope of which may be interpreted narrowly by some supervisory authorities, notably the European supervisory authorities.

Delegation of Safekeeping Functions

The Depositary is permitted to delegate its functions and to appoint a qualified Sub-Custodian for the safe keeping of the Fund's Assets. When delegating the safekeeping functions, the Depositary shall exercise due skill, care and diligence in the appointment of the Sub-Custodian, and it shall continue the same in its review. and monitoring of the Sub-Custodian. The Depositary shall further ensure that any actual and/or potential conflicts of interest arising from the delegation of the safekeeping functions are properly managed.

## Interest Rates

Investors should be aware that an investment in the Investor Shares might involve interest rate risk in that

there may be fluctuations in the interest rates of the currency of denomination of the Fund's assets and/or the Investor Shares in the Fund.

Interest rates are determined by factors of supply and demand in the international money markets, which are influenced by macro economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long-term interest rates may affect the value of the Investor Shares in a the Fund. Fluctuations in interest rates of the currency in which the Investor Shares are denominated and/or fluctuations in interest rates of the currency or currencies in which the Fund's assets are denominated may affect the value of the Investor Shares in the Fund.

## Investing in Pre-IPOs

Investing in unlisted companies can lead to significant capital gains, but at the same time it involves a number of risks which must be taken into consideration.

***Capital Loss***

The prospective returns from an equity investment in unlisted companies are necessarily accompanied by a high risk of a total or partial loss of the sums invested. This loss could be linked to the bankruptcy of the company in case of failure of its project or a lack of future financing. However, even if the company does not fail, a partial loss can result from lower than expected results in the future.

Investments in company bonds also feature a risk of loss of invested capital in case of a lack of liquidity at maturity or bankruptcy of the company.

***Lack of Liquidity***

A lack of liquidity corresponds in reality to difficulty in selling or trading the securities subscribed to since companies are not traded on the secondary market like the shares of publicly listed companies, and thus there is no guarantee as to the liquidity of the investment. Certain statutory and/or extra-statutory clauses in the operations presented can lead to potential restrictions on the negotiability of shares and limit the possibility of selling shares of the company.

***Dilution***

Any investment realised through the platform could be subject to dilution. In other words, if the company raises additional funds at a later date through the issue of new shares subscribed to by new investors, the percentage stake in the issuing company held by investors who do not subscribe to this capital increase will fall.

## Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Investor Shares and the Fund's assets. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments, which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual

market volatility, expected volatility, macro economic factors and speculation.

## Liquidity Risk

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the assets held by the Fund and may therefore prevent the calculation of the NAV per Share and/or the raising of cash to meet redemptions of Investor Shares in the Fund.

## Political Risk

Political risks of countries where the fund is invested might have implications on the investment portfolio leading to lower asset valuations and/or currency volatility. The fund will seek to invest only in stable jurisdictions with solid foundations and where the rule of law is respected. Country risk is generally adequately accounted for throughout the investment process.

## Currency Risk

The fund will have investments in assets designated in currencies other than the USD, hence bearing an exchange rate risk as well as repatriation risk. Furthermore, volatility of currencies other than the USD would have an impact on the investment portfolio. The investment manager aims to adequately diversify the currency risks and to manage that risk at a company level (bottom-up). A material portion of the investment portfolio would be designated in currencies of advanced economies.

## Tax and Legal Risks

The tax consequences to the Fund and investors in the Fund, the ability of the Fund as a foreign investor to invest in the markets and to repatriate its assets including any income and profit earned on those assets and other operations of the Fund are based on existing regulations and are subject to change through legislative, judicial or administrative action in the various jurisdictions in which the Fund operates. There can be no guarantee that income tax legislation and laws or regulations governing the Fund's operations and investments will not be changed in a manner that may adversely affect the Fund.

## Specific Restrictions in Connection with the Investor Shares

Investors should note that there may be restrictions in connection with the subscription for, holding, transferring and redemption of the Investor Shares. Such restrictions may have the effect of preventing the investor from freely subscribing for, holding and/or redeeming the shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as the minimum amount that may be held or invested in any particular Class of Investor Shares.

## Maximum Redemption Amount

The Company will have the option to limit the number of Investor Shares redeemed on any Dealing Day to a stated percentage of the total NAV of the Fund on that Dealing Day and, in conjunction with such limitation, to *pro rata* limit the number of Investor Shares redeemed by any Shareholder on such Dealing Day so that all Shareholders wishing to have Investor Shares redeemed on that Dealing Day realise the same

proportion of such Investor Shares. In the event the Company elects to limit the number of Investor Shares redeemed on such date, a Shareholder may not be able to redeemed on such Dealing Day all the Investor Shares that it desires to redeem. Investors should review this Prospectus to ascertain when and how such provisions may apply.

## Limited Transferability

Since the Directors may decline to register a transfer of Investor Shares at their sole and absolute discretion, Shareholders may not be able to dispose of their investments privately and therefore would have to utilise the Company's redemption or repurchase programme, which itself may be subject to restrictions, albeit to be exercised in exceptional circumstances, where the circumstances so require, and when suspension is justified having regard to the interest of the Shareholders. Furthermore, the Fund may be required by the MFSA to suspend redemptions where it is considered to be in the interest of Shareholders – see the part entitled "*Redemption of Shares*" below.

## Illiquidity of Investor Shares

There will be no secondary market for the Investor Shares, and consequently, Shareholders can normally dispose of the Investor Shares only by means of redemption on any Redemption Day as described in this Prospectus. There is no assurance that the Fund will be able to liquidate the portfolio securities attributable to the Investor Shares being redeemed without losses. These losses might have an adverse effect on the NAV and thus on the redemption proceeds that will be received by the outgoing investor. In the event of unsettled market conditions, or if for any reason the Fund is unable to liquidate its investments or if it is obliged to suspend dealings in its Investor Shares, the Fund may be unable to redeem such Investor Shares.

## Substantial Redemptions

Substantial redemption/repurchase of Investor Shares in the Fund could require the Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Investor Shares. In these circumstances, the Fund may defer redemptions/repurchases. Substantial redemptions/repurchases might cause the liquidation of the Fund.

Illiquidity in certain markets could also make it difficult for the Fund to liquidate positions on favourable terms, thereby resulting in a decrease in the value of the assets. In these circumstances, the non-redeeming Shareholders will bear a disproportionate risk of any decline in the value of a Fund's assets subsequent to the redemptions.

In addition, where a Feeder Fund represents a substantial proportion of the Fund's NAV, redemption activity at the level of the Feeder Fund may give rise to significant redemption requests at the level of the Fund, thereby increasing liquidity and portfolio realisation risk.

## Temporary Suspension in Redemptions

The Directors have the power to suspend redemption of Investor Shares for which redemption requests have been received if they should determine that the calculation of the Net Asset Value is not practicable or reasonable, or that redemption would involve the realisation of assets of the Fund which in the opinion of the Directors could, if realised at that particular moment in time, adversely affect and prejudice the interest

of Shareholders.

No issue of Investor Shares will take place during any period when the redemption of Investor Shares has been suspended.

Notice of the suspension of redemption will be given to any shareholder tendering his shares for redemption. The redemption will then take place on the first Redemption Day following the end of the suspension.

Suspension of subscriptions or redemptions at the level of a Feeder Fund may necessitate corresponding suspension measures at the level of the Fund in order to preserve equal treatment of investors and ensure orderly operation of the master–feeder structure.

## Suspension in the determination of the NAV

The Fund reserves the right to suspend the determination of the Net Asset Value. In such cases a Shareholder may be unable to redeem his Investor Shares in the Fund within the normal timeframes described in this Prospectus.

## Compulsory Redemptions

The Fund reserves the right to require a Shareholder to redeem its total shareholding, in the event that the holding of Investor Shares by the Shareholder concerned may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Fund or the Shareholders as a whole, or, if as at any Valuation Point, the total value of the Investor Shares held by the Shareholder is less than the Minimum Holding for the Fund. Such compulsory redemptions, which will take place at the prevailing Redemption Price, may crystallise losses and/or deprive an investor of the opportunity to recover losses or otherwise gain from investing in the Fund.

## Market Disruption Events & Settlement Disruption Events

A determination of a market disruption event or a settlement disruption event in connection with any of the Fund's assets may have an effect on the value of the Investor Shares in the Fund and may delay settlement in respect of the Fund's assets.

## Confidential Information

The Investment Manager may, in connection with its other business activities, acquire material non-public confidential information that may restrict it from purchasing assets or selling assets for itself or its clients (including the Fund) or otherwise using such information for the benefit of its clients or itself.

## Conflicts of Interest

Conflicts of interest may arise between the Fund and certain Relevant Parties (being the persons or entities involved in the management of the Company or offering services to it and/or the Investment Manager, the Administrator, the Depositary or other service providers or counterparties to the Company including any prime brokers, sub-custodians and futures clearers which may be appointed in respect of the Fund). The Relevant Parties which may be appointed in respect of the Fund (including their respective principals,

shareholders, members, directors, officers, agents or employees) may from time to time act as investment manager, custodian, registrar, broker, administrator, investment advisor, prime broker or futures clearer, distributor or dealer in relation to, or otherwise be involved in, other funds established by parties other than the Fund, as the case may be, which have similar objectives and which make investments similar to those made on behalf of the Fund. Such clients could thus compete for the same trades or investments, and whilst available investments or opportunities for each client are generally expected to be allocated in a manner believed to be equitable to each, certain of the allocation procedures may adversely affect the price paid or received for investments or the size of positions obtained or disposed.

Conflicts may also arise as a result of the other services provided by affiliates of the Investment Manager which may provide advisory, custody or other services to the Investment Manager. Similarly, the Directors may also be directors of other companies in which the Fund may invest, which could result in conflicts of interest. Generally, there may be conflicts of interest between the interests of the Fund and the interests of the Investment Manager and its affiliates and the Directors to generate fees, commissions and other revenues. In the event that such a conflict of interest arises, the Directors will endeavour to ensure that it is resolved in the best interest of the Fund. It should be noted that the Investment Manager of the Fund, as well as its affiliates, may at any time also be offering their services to one or more of the investors in the Fund.

Furthermore, the Directors or the Investment Manager may have equity stakes in the Fund to which they are providing their services, or own or have an interest.

See "*Conflicts of Interests*" section for further details on the conflict of interests applicable to the Fund.

## Taxation

Investors in the Investor Shares in the Fund should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Fund, capital gains within the Fund, whether or not realised, income received or accrued or deemed received within the Fund etc., and this will be according to the laws and practices of the country where the Investor Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within the Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Fund in relation to the Fund asset, whereas the performance of the Fund, and subsequently the return investors receive after redemption of the Shares, might partially or fully depend on the performance of underlying assets of an FDI. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

It should also be noted that the Taxonomy Regulation will in due course provide a common taxonomy for identifying economic activities as environmentally sustainable within the European Economic Area. However, the scope of the Taxonomy Regulation will initially be limited to six environmental objectives (and

so will not cover the entire universe of ESG objectives) and is not currently expected to be used universally, outside of the European Economic Area. For the purposes of the Taxonomy Regulation, it should be noted that the investments underlying the Company do not consider the EU criteria for environmentally sustainable economic activities.

## Change of Law

The Fund must comply with regulatory constraints, such as a change in the laws affecting the Investment Restrictions, which might require a change in the investment policy and objectives followed by the Fund.

## Political and/or Regulatory Risk

The performance of the Investor Shares in the Fund or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, laws or regulations (including regarding taxation), the imposition of restrictions on the transfer of capital and changes in regulatory requirements in the Fund's home jurisdiction or in countries where a Fund is invested. The legal infrastructure, accounting, auditing and reporting standards in certain jurisdictions in which the capital of a Fund may be invested may not offer the same degree of investor protection or information as is normally expected in major securities markets.

## Dependence on Key Individuals

The Investment Manager is responsible for the day to day management of the portfolio of assets of the Fund. The Company's success depends to a significant extent, upon the relevant persons to properly manage the Fund and the Investment Manager's ability in respect of the day to day management of the assets of the Fund. To the extent that such activities relate to the operations of the Fund, the Fund may be adversely affected if the persons responsible for these activities cease to participate in the operation of the Fund or of the Investment Manager. The loss of such a key individual's services (e.g. through death, disability, retirement or leaving the employment of the Investment Manager) could cause the Fund to suffer losses.

## Feeder Concentration and Liquidity Risk

The Feeder Fund may, at any given time, represent a substantial or majority proportion of the Fund's NAV. As a consequence, the Fund may have a concentrated investor base, and the subscription and redemption activity of the Feeder Fund may have a material impact on the Fund's asset levels and liquidity profile.

Significant or large-scale redemption requests from the Feeder Fund could require the Fund to realise investments within a relatively short timeframe in order to meet its redemption obligations. This may necessitate the disposal of portfolio assets at unfavourable prices, particularly in stressed market conditions or where the underlying assets are less liquid. Such sales may adversely affect the Fund's performance, increase transaction costs, widen bid–offer spreads and potentially dilute the interests of remaining Shareholders.

Furthermore, the operational interdependence inherent in a master–feeder structure may increase the sensitivity of the Fund to cash flow volatility arising at the level of the Feeder Fund, including where redemptions are driven by investor behaviour at the feeder level rather than by considerations relating to

the Fund's investment strategy.

Although the Fund will implement liquidity risk management procedures in accordance with applicable UCITS requirements, there can be no assurance that liquidity will always be sufficient to meet redemption requests without adversely affecting the Fund's value or investment strategy.

## Master-Feeder Structural Risk

The Fund operates within a master–feeder structure in which one or more Feeder UCITS may invest a substantial portion of their assets in the Fund. The operation of such structure creates legal, operational and regulatory interdependencies between the Fund and the Feeder UCITS. Events affecting the Feeder UCITS, including regulatory action, operational disruption, suspension of dealings or significant redemption activity, may have a material impact on the Fund, its liquidity, operations and NAV.

## Regulatory & Cross-Border Risk

As the Feeder Fund is established and regulated in another Member State of the European Union, the Fund may be exposed to regulatory or supervisory actions taken by the competent authority of that Member State which could indirectly affect the Fund's operations within the master–feeder framework.

## Fee Structure

The Fund will bear the fees paid to the Investment Manager, any Authorised Distributor, the Depositary, the Administrator and other service providers.

In the context of the master–feeder structure, a Feeder UCITS investing in the Fund may also bear management and/or performance fees at its own level. Although the fee arrangements are structured so as to prevent any duplication of management or performance fees between the Master UCITS and the Feeder UCITS in accordance with applicable UCITS requirements, investors should be aware that the allocation of fees between the respective managers may affect the overall cost efficiency of the structure. There can be no assurance that the master–feeder structure will result in lower overall costs to investors.

Further, certain of the strategies employed by the Fund, or in investments made by the Fund, may require frequent changes in trading positions and consequent portfolio turnover. A higher level of portfolio turnover may result in increased transaction costs, which will be borne by the Fund and may adversely affect performance.

Accordingly, the aggregate fees and transaction costs borne by the Fund may have a material impact on the return achieved by Shareholders.

## Borrowing Risks

The Fund may not be able to repay borrowings or may be forced to sell investments at a disadvantageous time in order to repay borrowings. The Fund might elect to sell its more liquid assets to repay borrowings, or to meet redemptions, thus increasing its concentration in less liquid securities.

## Cybersecurity Risks

As part of its business, the Fund processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the Shareholders. Similarly, service providers of the Fund or the Fund, especially the Administrator, may process, store and transmit such information. The Fund has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Fund may be susceptible to compromise, leading to a breach of the Fund's network. The Fund's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by the Fund to the Shareholders may also be susceptible to compromise. Breach of the Fund's information systems may cause information relating to the transactions of the Fund and personally identifiable information of the Shareholders to be lost or improperly accessed, used or disclosed.

The service providers of the Fund and the Fund are subject to the same electronic information security threats as the Fund. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Fund and personally identifiable information of the Shareholders may be lost or improperly accessed, used or disclosed. The loss or improper access, use or disclosure of the Fund's or the Fund's proprietary information may cause the Fund or the Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Fund and the Shareholders' investments therein.

## Indemnities

The Directors and officers, the Investment Manager, the Authorised Distributor, the Depositary and the Administrator and each of their directors, officers, employees and agents are entitled to be indemnified in certain circumstances outlined in the Memorandum and Articles of the Company and/ or in the related agreement, as applicable. As a result, there is a risk that the Fund's assets will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Fund.

## Consequences of winding-up proceedings

If the Fund fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Fund. The commencement of such proceedings may entitle creditors (including counterparties) to terminate contracts with the Fund and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Company being dissolved and its assets being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Fund's liabilities, before any surplus is distributed to the shareholders of the Company. In the event of proceedings being commenced, the Fund may not be able to pay, in full or at all, any amounts due in terms of this Prospectus to the Shareholders.

## Sustainability Risk

"Sustainability risk" is defined in the EU's Sustainable Finance Disclosure Regulation (2019/2088) as an environmental, social or governance event or condition which, if it occurs, could cause an actual or potential material negative impact on the value of an investment. Examples of sustainability risks which are potentially likely to cause a material negative impact on the value of an investment, should those risks occur, are as follows:

- environmental sustainability risks may include climate change, carbon emissions, air pollution, rising sea levels or coastal flooding or wildfires;
- social sustainability risks may include human rights violations, human trafficking, child labour or gender discrimination; and
- governance sustainability risks may include a lack of diversity at board or governing body level, infringement or curtailment of rights of shareholders, health and safety concerns for the workforce or poor safeguards on personal data or IT security.

The Fund considers multiple sustainability criteria in the pre-investment stage (assessing potential investments), during the investment and also seeks to maximise the return on investment by seeking to consider Environments, Social and Governance compliance in the valuation of a private equity holding upon divestment. Investors should nonetheless be aware that the Fund's ESG standards may have a bearing on the investment decision making process, the cost of the investment, and the valuation for divesting of the asset. The likely impacts of a sustainability risk may be numerous and can vary depending on the specific risk and asset class. To the extent that a sustainability risk materialises, or materialises in a manner that is not anticipated by Fund, there may be a sudden, material negative impact on the value of an investment.

## Nominee Arrangements

Where Investor Shares in the Fund are held by a Nominee Holder on behalf of an investor, or/and investor holds interests in the Investor Shares of the Fund through accounts with a clearing system, such investor will only receive payments in respect of redemption proceeds and/or any dividends attributable to the Investor Shares on the basis of the arrangements entered into by the investor with the Nominee Holder or clearing system, as the case may be.

Furthermore, any such investor will not appear on the share register of the Fund (the "**Register**"), will have no direct right of recourse against the Fund and must look exclusively to the Nominee Holder or clearing system for all payments attributable to the relevant Shares. The Fund and the Directors will recognise as Shareholders only those persons who are at any time shown on the Register for the purposes of (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and voting by Shareholders at any meetings of Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Fund, the Directors, the Investment Manager, the Administrator, the Depositary or any other person will be responsible for the acts or omissions of any Nominee Holder or clearing system, nor make any representation or warranty, express or implied, as to the services provided by any nominee service provider or clearing system.

To ensure that Underlying Investors, having subscribed for Shares though a Nominee Holder, do not gain

an unfair advantage over direct investors:

(i) No Preferential Treatment: The Fund shall not offer any special pricing, reduced fees, or other benefits to Underlying Investors that are not equally available to direct investors, unless explicitly disclosed in the Prospectus.

(ii) Fair Access to Liquidity: In the event of redemption limits, gate provisions, or liquidity constraints, Underlying Investors shall be treated on a pro-rata basis alongside direct investors, with no preferential access to liquidity.

(iii) Transparency of Dealings: The Fund reserves the right to require the Nominee Holder to provide details of the Underlying Investors to ensure compliance with the Fund's policies and regulatory obligations.

(iv) Pricing and Allocation of Shares: Investor Shares shall be issued to a Nominee Holder at the same NAV per share as those issued to direct investors subscribing on the same dealing day. Nominee Holder subscriptions shall not be processed at an earlier or more favourable NAV than those of direct investors.

## Performance Fees

To the extent that the Investment Manager will be entitled to receive a Performance Fee from the Fund, such fees may create an incentive for the Investment Manager to engage in investment strategies and make investments that are more speculative than would be the case in the absence of such fees.

Furthermore, the increase in NAV which is used as a basis for the calculation of performance fees, may be comprised both of realised gains as well as unrealised gains as at the end of the Performance Period and as a result, performance fees may be paid on unrealised gains which may subsequently never be realised by the Fund. The performance fee payable to the Investment Manager is not subject to a cap or a maximum amount.

The Fund will adopt an equalisation methodology for the calculation of the Performance Fee, which ensures that any Performance Fee is charged only to those Investor Shares that have appreciated in value.

The Performance Fee shall be calculated and paid only after consideration of all other payments.

## Lack of Operating History

The Fund is a newly formed entity and as such does not have any established track record which could be utilised as a basis for evaluating potential performance.

## General

Any investor who is in any doubt about the risks of investing in the Fund should consult his or her own financial advisor.

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

# Prevention of Money Laundering and Data Protection

## Anti-Money Laundering Measures (Maltese Requirements)

The Fund will fully comply with its obligations under the Prevention of Money Laundering Act, Cap. 373 of the Laws of Malta, (the "**PMLA**") and the Prevention of Money Laundering and Funding of Terrorism Regulations, 2008 (the "**Regulations**"). Such obligations include the identification of its investors, the retention of the relevant identification and transaction documentation and the reporting of transactions suspected of involving money laundering to the Financial Intelligence Analysis Unit. In this regard the Fund will establish appropriate internal procedures to fulfil these obligations. The Fund will rely on the Administrator to perform customer due diligence checks on prospective investors.

It is a condition of each subscription that, to ensure compliance with Maltese laws and regulations designed to prevent money laundering and to counter terrorist financing, the Administrator will require verification of identity of any applicant subscribing for Investor Shares. The making of an application to subscribe for Shares will constitute a warranty from the applicant that such application, and the related remittance of the necessary funds, will not in any way breach any rules and regulations designed to avoid money laundering.

Each applicant **must**, at the time of initial investment, complete and return a completed Application/Subscription Form **and** all relevant identification, verification and evidential documentation, in line with the PMLA and the Regulations, as may be required from time to time (the "**AML Documentation**").

**No initial application will be accepted without the Administrator having all the required documents by the stated application/subscription deadline regardless of whether or not funds have been wired.**

In the event that this AML Documentation is not completed in full and submitted with the relevant Application/Subscription Form, the application to invest will be deemed to be incomplete and will not be processed. The investor will be contacted (using the contact details provided) regarding the outstanding documentation. Any failure by an investor to complete and submit required documents may lead to the investor missing their preferred Dealing Day regardless of whether or not the subscription monies have been wired. No interest is payable on subscription proceeds held over in the client subscription account until the next available Dealing Day.

It is a further condition of each subscription that none of the Fund, the Investment Manager or the Administrator shall be responsible, or have any liability for, loss or damage (whether actual or contingent) arising from a decision by the Fund, Investment Manager or Administrator to treat any application as incomplete as a result of the applicant failing to provide a completed Application/Subscription Form **and** full AML Documentation either at all, or by the stated application deadline.

By completing and signing the subscription documentation, the applicant undertakes to supply the Administrator with **all** the necessary documentation listed as required. The Administrator may require the original documentation to be sent to the address stated in the Directory. In the event that the relevant AML Documentation is not supplied to the Administrator within an absolute deadline of thirty (30) calendar days, the applicants account will be frozen.

When an account is 'frozen' the applicant will not be able to make additional subscriptions nor redeem their shares until such time as the Anti Money Laundering requirements of the Administrator have been met in full.

It is a further condition of each subscription that none of the Fund, the Investment Manager or the Administrator shall be responsible, or have any liability for, loss or damage (whether actual or contingent) arising from a decision by the Fund to treat any account as frozen as a result of the applicant failing to provide evidence of identity to the satisfaction of the Administrator **within an absolute deadline of thirty (30) calendar days** of the date of application.

It must also be noted that the Administrator will not allow the remittance of redemption monies to a Shareholder until all documents requested have been received. Further, it is a regulatory requirement to report suspicious transactions, and any relevant data in this regard may need to be transferred to the relevant regulators.

There is also a requirement to know the investors' source of wealth. A further requirement is to know the source of the funds, such requirement normally implies to know the bank and account from which the monies are remitted. A further requirement is that such monies invested may only be redeemed to the account of remittance, except in exceptional circumstances where agreed to by the Administrator.

Finally, as the aforementioned legislation is subject to change, any additional requirements imposed on the Administrator will be reflected in the requirements applicable to an investor subscribing for Investor Shares.

## Other Anti-Money Laundering Requirements

As part of the Administrator's responsibility to comply with regulations aimed at the prevention of money laundering and terrorist financing, the Administrator may require a detailed verification of an investor's identity, any beneficial owner of the investor, and the source of the investor's subscription payment.

The Administrator reserves the right to request such information as is necessary to verify the identity of a prospective investor and any underlying beneficial owner of the investor. The Administrator also reserves the right to request such identification evidence in respect of a transferee of Investor Shares. In the event of delay or failure by the prospective investor or transferee to produce any information required for verification purposes, the Administrator may refuse to accept or delay the acceptance of the Subscription Application, or (as the case may be) to register the relevant transfer of Investor Shares, and (in the case of a subscription for Investor Shares) any funds received will be returned without interest to the account from which the monies were originally debited.

The Administrator also reserves the right to refuse to make any redemption payment or distribution to a Shareholder, if any of the Directors of the Company or the Administrator is advised that the payment of any redemption or distribution moneys to such Shareholder might result in a breach or violation of any applicable anti-money laundering laws or the laws, regulations, and executive orders administered by the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**"), or other laws or regulations by any person in any relevant jurisdiction (collectively, "AML/OFAC obligations").

Each Subscriber will be required to make such representations as the Company or the Administrator may require in connection with applicable AML/ OFAC obligations, including, without limitation, representations that such Subscriber is not:

(1) an individual or entity named on any available lists of known or suspected terrorists, terrorist organisations or of other sanctioned persons issued by the United States government and the government(s) of any jurisdiction(s) in which the Company is doing business, including the List of Specially Designated Nationals and "Blocked Persons" administered by OFAC as such list may be amended from time to time;

(2) an individual or entity otherwise prohibited by the OFAC sanctions programs; or

(3) a current or former senior political figure or politically exposed person[1], or an immediate family member or close associate of such an individual.

Further, such Subscriber must represent that it is not a prohibited foreign shell bank[2].

The Directors may, in their absolute discretion accept a Subscription Application from a current or former senior foreign political figure or politically exposed person, or an immediate family member or close associate of such an individual, provided that an Enhanced Due Diligence has been carried out.

Such Subscriber will also be required to represent that amounts contributed by it to the Company were not directly or indirectly derived from activities that may contravene U.S. Federal, state or international laws and regulations, including, without limitation, any applicable anti-money laundering laws and regulations.

Each Subscriber and Shareholder agrees to notify the Company and the Administrator promptly in writing should it become aware of any change in the information set forth in its representations. The Subscriber or Shareholder is advised that, by law, the Company may be obligated to "freeze the account" of such Subscriber or Shareholder, either by prohibiting additional investments from the Subscriber or Shareholder, declining any withdrawal requests from the Subscriber or Shareholder, suspending the payment of withdrawal proceeds payable to the Subscriber or Shareholder, and/or segregating the assets in the account in compliance with governmental regulations. The Company and the Administrator may also be required to report such action and to disclose the Subscriber or Shareholder's identity to OFAC or other applicable governmental and regulatory authorities.

The Administrator's Money Laundering Reporting Officer ("MLRO"), Ms Catherine Psaila, shall be carrying out the duties attributable to the role of the Fund's MLRO.

## Responsibilities of the Nominee Holder

The Nominee Holder shall comply with all applicable regulatory and anti-money laundering requirements and shall provide the Fund, its Administrator or MLRO with any requested information regarding beneficial ownership of the Investor Shares and/or the Underlying Investors, in accordance with the Fund's obligations under applicable laws and regulations. The Nominee Holder shall maintain accurate records of each

[1] A "politically exposed person" ("**PEP**") is a term used for individuals who are or have been entrusted with prominent public functions in a foreign country, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials.

[2] A "prohibited foreign shell bank" is a foreign bank that does not have a physical presence in any country, and is not a "regulated affiliate," *i.e.*, an affiliate of a depository institution, credit union, or foreign bank that (i) maintains a physical presence in the U.S. or a foreign country, and (ii) is subject to banking supervision in the country regulating the affiliated depository institution, credit union, or foreign bank.

Underlying Investor.

## Data Protection

Prospective investors should note that by completing the application form they are providing to the Administrator personal information, which may constitute personal data within the meaning of the General Data Protection Regulation (EU) 2016/679, as amended from time to time (the "**Regulation**"). The Fund is a "***data controller***" and will hold any personal information provided by investors in confidence and in accordance with the Regulation. The Administrator is a "data processor" whose business consists wholly or partly of processing the Personal Data on behalf of the Fund. The Administrator shall process such personal data (i) in accordance with the written instructions of the Fund, and (ii) when required by law or regulation or required or requested by any court or regulatory authority to which the Administrator is subject.

The personal data will be processed by the Administrator on the instructions of the Fund for the purposes of entering into and performing its obligations under an agreement to provide fund administration services to the Fund including but not limited to investor services processing, anti-money laundering, auditing of the Fund, and for risk oversight, monitoring, analysis and auditing of its business and IT systems. The legal basis for such processing is the necessity (i) to comply with the legal and regulatory requirements and obligations imposed on the Administrator and the Fund and (ii) to pursue legitimate business interests of the Administrator and the Fund. The legitimate interests for the processing of your personal data by the Administrator on behalf of the Fund include compliance with various anti-terrorist and money laundering regulations.

By signing this application form, investors acknowledge that they are providing their consent to the transfer of their personal data to countries outside of Malta including without limitation the United States of America, which may not have the same data protection laws as Malta, to third parties including your financial adviser (where appropriate), regulatory bodies, auditors, technology providers or to the Fund and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above and for disclosure to the U.S. Internal Revenue Service to meet the Fund's obligations under FATCA, CRS or any other competent authority as further disclosed in the section "Tax Considerations".

The personal data will be stored for the entire duration that the Administrator has an obligation to provide administration services to the Fund and any applicable regulatory or retention period prescribed by law (for example, in the case of money laundering regulations), or in accordance the document retention policy of the Administrator.

Pursuant to the Regulation, investors have the right to obtain access to, rectification or erasure of personal data, restriction of processing, object to processing or data portability by making a request to the Fund in writing.

Investors have the right to file a complaint with the supervisory authority with responsibility for supervision of the data held by the Administrator on behalf of the Fund.
The requirement to provide the Fund and its Administrator with personal data is a legal requirement under the money laundering regulations. If an investor fails to disclose or provide the requisite personal data, the Administrator on behalf of the Fund will may not be able to process an investors application for shares in the Fund.

Certain personal information could be subject to automated screening against prohibited persons lists published by various regulators or checks through certain subscription services. The purpose for these screenings and checks is to comply with various anti-terrorist and money laundering regulations.

If the Fund or the Administrator intends to process investors personal data for purposes other than for what the personal data was given for, the Fund shall notify the investors prior to processing the personal data, the purposes for processing and other relevant information.

# 15. Purchase, Exchange and Transfer of Shares

## Purchase of Investor Shares

Investor Shares are issued in registered form, meaning that the Shareholder's name is recorded in the Fund's register of Shareholders. A written confirmation of this ownership in the form of a contract note will be sent to each Shareholder.

Investor Shares in issue must be fully paid-up. Investor Shares have no par value and carry no preferential or pre-emptive rights. Applications to acquire Investor Shares are subject to the restrictions appearing in this Prospectus and the Memorandum and Articles of Association.

Subscriptions are valid only when based on the most recent Prospectus and the latest annual report (if any), as well as the latest half-yearly report (if any) when this has been published after the latest annual report. No person is authorised to give any information about the Fund if the same is not contained in this Prospectus or in the documents mentioned in this Prospectus and which the public can consult.

Subscription Applications for the purchase of Investor Shares are to be addressed to the Company and sent to the Administrator via email (Administrator may request receiving the original signed instructions). Other Shareholder requests shall be sent through electronic communications contacting the Company and/or the Administrator *via* email.

**Subscription Procedures**

Investor Shares may be purchased on any Subscription Day at the Subscription Price. Investors can purchase Investor Shares by submitting a Subscription Application and supporting documentation to the Company through the Administrator *via* email.

In order to purchase Investor Shares in the Company, a prospective investor must:

(1) Complete and sign the Subscription Application, the AML Documentation, together with any other supplement to be executed therewith; and

(2) complete and provide the applicable supporting documentation, to the Company at the contact details of the Administrator.

For this purpose, the Subscription Application, duly completed, including the applicable supporting documentation, must be received by the Company at the offices of the Administrator not later than three (3) Business Days prior to the relevant Dealing Day ,as they apply to the purchase of Investor Shares. The issue and subscription of Investor Shares shall be carried out on the applicable Subscription Day.

In the event that not all supporting documentation or information stated above has been received by the stipulated deadlines, the Company may (but shall not be obliged to), process the relevant Subscription Application. In such case, no redemptions will be allowed until such pending documents or information is received by the Company.

No application will be capable of withdrawal after acceptance by the Administrator, unless such withdrawal is approved by the Directors acting in their absolute discretion. In such circumstances, the Company may charge the Subscriber for any expense incurred by the Company and for any loss to the relevant Fund arising out of such withdrawal.

The Subscriber acknowledges that Investor Shares will be issued on the next Dealing Day following receipt of the Subscription Application by the Administrator and the subscription monies in cleared funds by the Fund no later than the Closing Date and thereafter no later than three (3) Business Days prior to the relevant Dealing Day. If payment in full in Cleared Funds in respect of an application has not been received by the relevant Trade Date or in the event of non-clearance, any allotment or issue of Shares made in respect of such application shall be cancelled by not later than the day set out above, the Directors may charge the Subscriber for any expense incurred by the Company and for any loss to the Fund arising out of such non-receipt or non-clearance. Monies returned will be at the risk and expense of the Subscriber. Cash is to be received in advance.

Subscription monies in respect of the Fund are payable in Base Currency of the relevant Class in the manner set out on the Subscription Application. However, the Company may accept payment in such other currencies as the Directors may agree, but such payments will be converted into the relevant Base Currency at the exchange rate available to the Investment Manager for conversion on the date of receipt of the subscription monies and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription monies. This may result in a delay in processing the application.

The Fund calculates its NAV per Share and the related Subscription and Redemption Price as at each Valuation Point for the relevant Dealing Day. The Subscription Price will be available from the Administrator.

Orders to buy, exchange or transfer Investor Shares that are received and accepted by the Company, not later than three (3) Business Days prior to Dealing Day and relating to a Class of Investor Shares will be processed at the NAV per Share. Orders received after such deadline will be processed on the following Subscription Day.

The Directors may extend or limit the cut off time for accepting orders and will notify Shareholders if and when a new time takes effect either by sending a notice or by advertising in the relevant newspapers.

A copy of the Subscription Application should be retained by the Subscriber for the Subscriber's personal reference and records.

Contract notes containing full details of the investment will be issued within seven (7) Business Days of the approval of the relevant Valuation Day and will be sent via email to the electronic address provided in the Subscription Application and, in the case of joint holders, such delivery shall be deemed as sufficient delivery to all joint holders and shall discharge the Company of its obligation towards the other joint holder/s.

It is the responsibility of the Shareholder (and its agent where applicable) to check that the information contained on the contract note is correct and to notify the Company within five (5) Business Days of receipt of any discrepancy. Contract notes are sent at the Shareholder’s own risk.

Title to the Shares will be evidenced by entries on the register of Shareholders on the Subscription Day. All Shares will be registered and an entry in the Register of Shareholders will be conclusive evidence of

ownership. No share certificates will be issued. The un-certificated form allows the Company to effect redemption instructions without delay.

Any change to a Shareholder's personal details must be immediately notified in writing to the Company and received at the Administrator's office indicated in the Subscription Application. The Company reserves the right to request indemnity or verification before accepting such notification.

**Treatment of Nominee Holders' Subscription**

Subscriptions received from a Nominee Holder shall be treated on an equitable basis with direct investors. The Fund shall process all subscriptions on a first-come, first-served basis in accordance with the Fund's dealing terms, ensuring that nominee investors do not receive preferential treatment. The Fund and its Administrator reserve the right to reject or scale down a Nominee Holder's subscription if, in the opinion of the Fund, the aggregated order may create a disproportionate impact on liquidity management or may otherwise disadvantage direct investors.

**Eligible Investors**

The Administrator shall not be bound to register more than four (4) persons as joint holders of any Shares.

Each investor must represent and warrant to the Company that, amongst other things, he is able to acquire Investor Shares without violating applicable laws. The Company will not knowingly offer or sell Investor Shares to any investor to whom such offer or sale would be unlawful.

Nominee Holders shall ensure that all Underlying Investors comply with the Fund's eligibility requirements, and provide necessary disclosures to the Fund or the Administrator, as may be required under the applicable laws.

**Subscribers' Undertakings and Warranties**

Subscribers should take notice that by completing and executing the Subscription Application the Subscriber is entering into a number of undertakings and giving a number of warranties as specifically set out in the Subscription Application and in the Prospectus.

**Subscriptions *in Specie***

The Company shall, at its option, be entitled to receive assets from a prospective Shareholder for the issue of Investor Shares in the Company in accordance with the provisions of the Memorandum and Articles and in accordance with applicable law.

The Company shall appoint an independent valuer acceptable to the MFSA to draw up a valuer's report. Such report shall include:

(1) a description of each of the assets comprising the consideration;

(2) the value of each asset and a description of the method of valuation used;

(3) a confirmation that the value of the consideration is at least equal to the net asset value of the shares to be issued in return for such consideration;

The Company shall only issue Investor Shares once the assets referred to in the valuer's report have been transferred in favour of the Company to the satisfaction of the Depositary.

All valuer reports shall be held in Malta at the registered office of the Company.

The costs of any valuation of assets submitted as subscription *in specie* are to be borne by the relevant Subscriber.

The Company may charge an applicant for Investor Shares a Dilution Levy in addition to the Subscription Price if considered appropriate by the Directors, in order to ensure fairness between existing and new investors.

**Nominee Services**

A distributor, sub-distributor, a local paying agent or a clearing system appointed by the Company in relation to the subscription of Investor Shares in jurisdictions other than Malta may provide a nominee service for investors subscribing for Investor Shares through them. Such investors may, at their discretion, make use of such service pursuant to which the nominee will hold Investor Shares in its name for and on behalf of the investors. The beneficial owners of such Investor Shares may give such nominee voting instructions with respect to general meetings at which the holders of such Investor Shares are entitled to vote.

Investor Shares may be issued to and registered in the name of a nominee nominated by or on behalf of an investor, by a distributor, a sub-distributor or a third party nominee service provider or the local paying agent, as the case may be, and that is recognised and acceptable by the Company.

Investors may incur fees normally payable in respect of the maintenance and operation of accounts held with such nominee.

## Transfer of Investor Shares

**General**

In order to acquire or hold Investor Shares in the Company, investors must satisfy the conditions set out in this Prospectus.

A Shareholder desiring to transfer his Investor Shares must make available to the Administrator, acting as registrar, a written form of transfer executed by or on behalf of the proposed transferor and transferee setting forth:

(1) the names and addresses of the proposed transferor and transferee;

(2) the number of Investor Shares and the Contract ID's to be transferred;

(3) such other information as the Company may require, including information necessary to satisfy the Company that the proposed transfer complies with applicable laws and appropriate identification documentation is provided as required by the Company and/ or the Administrator to comply with applicable anti-money laundering regimes.

The proposed transferee must, in the above-mentioned instrument of transfer, agree to take such Investor Shares subject to the same conditions and restrictions pursuant to which the Investor Shares were held by the transferor and follow the Subscription process and requirements.

The Company's Memorandum and Articles provide that the Directors may, in their absolute discretion, decline to give effect to the proposed transfer of any Investor Share and may withhold approval for any reason.

Furthermore, the Directors or the Administrator may decline to register any transfer of Investor Shares:

(1) unless the instrument of transfer is deposited at the office of the Administrator accompanied by the certificate of the Investor Shares to which it relates (if any) and such other evidence as the Administrator on behalf of the Company may reasonably require to prove the right of the transferor to make the transfer;

(2) if the Company has any pledges registered over the Investor Shares being transferred;

(3) if the registration of transfers has been suspended by the Directors or the Administrator in accordance with the Memorandum and Articles.

## Minimum Holding Requirements for Registration of Transfers

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

# 16. Redemption of Shares

## Procedure

Subject to the restrictions appearing in this Prospectus, a Shareholder may cause any or all of his Investor Shares to be redeemed by the Fund on a Redemption Day at the Redemption Price, by submission to the Fund at the office of the Administrator of the relevant and properly completed Redemption Notice.

The redemption of Investor Shares shall be subject to the Liquidity Management Framework described in Section 5 of this Prospectus and the restrictions described below. The Directors may, where they reasonably determine that it is necessary to protect the interests of the Fund and its Shareholders, apply one or more of the Liquidity Management Tools described in this Prospectus.

The NAV per Investor Share will reflect all accrued expenses including accrued Management Fees and Performance Fee.

In order to redeem Investor Shares in the Fund, the following process must be followed:

a. the Shareholder must submit a Redemption Notice for the redemption of his shares in such form and manner as the Fund shall prescribe;

b. such redemption request shall be filed by the Shareholder, in writing, at the registered office of the Fund or at the office of the Administrator; and

c. to the extent that the Fund may lawfully and in accordance with the Articles effect such redemption, on being satisfied of the Shareholder's entitlement and on receipt of a valid request for redemption of shares duly completed at least fifteen (15) calendar days prior to the relevant Valuation Day, the Fund shall redeem the shares as requested on the Dealing Day on which the redemption request is effective subject to any suspension of this redemption obligation.

Shares in the capital of the Fund which are redeemed by the Fund shall be cancelled. Furthermore, a request for the redemption of shares by a Shareholder is irrevocable.

The Directors may in their exclusive discretion limit redemptions as follows: Redemptions may be restricted if the gross amount of the redemption requests of the Investor Shares for a relevant Redemption Day is greater than twenty per cent (20%) of the NAV of the Fund for such Redemption Day. Redemptions may also be restricted if the redemption request from an individual account for a relevant Redemption Day is greater than ten per cent (10%) of the NAV of the Fund for such Redemption Day. In such circumstances the Fund or its authorised agent may scale down *pro rata* the number of Voting redeemable Participating Shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next Redemption Day and so on to each succeeding Redemption Day until each request has been complied with in full. Requests for redemption carried forward from an earlier Redemption Day shall have priority over later requests.

Redemption proceeds due shall be paid subject to any applicable Suspension, Redemption Gate or other

Liquidity Management Tool implemented in accordance with this Prospectus.

Except as discussed above and below, all requests for redemption in the proper form will be honoured and the Fund's investments will be liquidated to the extent necessary (if any) to discharge its liability on the date of redemption.

Redemption Notices sent by the Shareholder to the Administrator will not be deemed to have been received by the Administrator unless receipt is acknowledged *via* email by the Administrator.

Redemption requests made through a Nominee Holder shall be processed on an aggregated basis. The Fund reserves the right to require individual redemption instructions from underlying investors where necessary to ensure fair treatment of all investors. Transfers of beneficial interests in shares held by the Nominee Holder shall be subject to the terms agreed between the Nominee Holder and the Underlying Investors and shall not require direct registration with the Fund.

## Redemption Price

The Redemption Price as at the Valuation Point for the relevant Redemption Day, rounded to four (4) decimal places.

The Redemption Price is the NAV per Share calculated at the close of business on the relevant Valuation Point. The NAV per Share will reflect all accrued income and expenses.

## Compulsory Redemption

Each Shareholder must represent and warrant to the Company that amongst other things he/she/it is able to buy Investor Shares without violating applicable laws. The Company reserves the right to seek evidence of identity to comply with any applicable Prevention of Money Laundering requirements. In the case of failure to provide satisfactory information, the Company may take such action, as it thinks fit.

The Company reserves the right to require a Shareholder to redeem its total shareholding, within fifteen (15) Business Day of a notice of intent to do so, at the prevailing Redemption Price on the day that the requested redemption takes place, in the event that:

a. the holding of Investor Shares by the Shareholder concerned may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Fund or the Shareholders as a whole;
b. at any Valuation Point, the total value of the Investor Shares held by the Shareholder is less than the Minimum Holding for the Fund; or
c. for any other reason at the sole discretion of the Investment Manager.

Such compulsory redemptions will take place at the prevailing Redemption Price on the day that such redemption takes place.

## Total Redemption

If at any time after the first anniversary of the incorporation of the Fund, the Net Asset Value of all the Investor Shares in the Fund, calculated in accordance with the Prospectus, is less than three million U.S. Dollars (US$ 3,000,000.00) (or its currency equivalent) and remains so for a consecutive twelve (12) week

period, the Company may in accordance with the Articles repurchase all the Investor Shares of the Fund not previously repurchased.

## Suspension of Redemptions

Should it appear to the Administrator that the effect of a Redemption Notice will result after the Redemption, in the Shareholder holding in aggregate less than the Minimum Holding, the Administrator shall immediately inform the applicant that the request for redemption has been suspended until the Notice is amended either to result in observance of the Minimum Holding of Investor Shares, after redemption, or to request the redemption of all of the outstanding Investor Shares in the name of the Shareholder.

## Temporary suspension of Net Asset Value calculations and of Redemption Payments

The temporary suspension of subscriptions, redemptions, exchanges and/or the calculation of the Net Asset Value constitutes an extraordinary Liquidity Management Tool available to the Fund.

The Directors may declare such suspension where they reasonably determine that exceptional circumstances exist and that such action is necessary to protect the interests of the Fund or its Shareholders.

The Directors may declare a temporary suspension of any one or more of:

a. the determination as at any Valuation Point of the Net Asset Value (and as a result the Net Asset Value per Investor Share);
b. the issue of Investor Shares in the Fund;
c. the exchange of Investor Shares in the Fund; and
d. the redemption of Investor Shares in the Fund,

where circumstances exist in which the Directors consider that to permit determination of Net Asset Value and/or to permit issues, redemptions and/or exchanges of Shares, as the case may be, would not be in the best interests of the Fund, as the case may be, and its Shareholders as a whole.

Without prejudice to the generality of the foregoing, such suspension may also be declared in circumstances affecting a Feeder Fund investing in the Fund, including where the Feeder Fund suspends subscriptions or redemptions, experiences exceptional levels of redemption activity, or is otherwise subject to events which may materially affect the Fund's liquidity, valuation, or orderly operation within the master–feeder structure. Any such suspension shall be effected in accordance with applicable law and regulatory requirements.

The Company at any time may, but shall not be obliged to, temporarily suspend, as at any Valuation Point, the determination of the Net Asset Value of any Class and the sale and redemption of such shares, in the following instances:

a. during any period (other than holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the investments comprised in the Fund to which such Class relates, or in which trading thereon is restricted or suspended; or
b. during any period when as a result of political, economic, military or monetary events or any other cause or circumstance outside the control, responsibility and power of the Fund, disposal by the Fund of investments which constitute a substantial portion of the assets of the Fund to which such class of Investor Shares relates is not practically feasible without being seriously detrimental to the interests of

Shareholders; or

c. during any period when for any reason, in the opinion of the Directors, a fair price of investments comprised in the Fund to which such Class relates cannot be reasonably, promptly or accurately ascertained by the Fund; or
d. during any period when there is a breakdown of the means of communication normally used for the valuation of investments comprised in the Fund or if for any reason the value of any asset of the Fund may not be determined as rapidly and as accurately as required; or
e. during any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for, investments comprised in the Fund to which such Class relates cannot, in the opinion of the Directors, be carried out at normal rates of exchange; or
f. during any period when the proceeds of sale or redemption of such shares in the Fund cannot be transmitted to or from the Company's account; or
g. as a result of exchange restriction or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or purchases, sales, deposits and withdrawals of the Fund's assets cannot be effected at the normal rates of exchange; or
h. an Extraordinary Resolution to wind up the Company has been passed.

No Investor Shares will be issued during periods when issues of Investor Shares are suspended, no Investor Shares will be exchanged during periods when exchanges are suspended, and no Investor Shares will be redeemed during periods when redemptions are suspended. In such a case, a Shareholder may, subject to the below, withdraw its Share application or redemption or exchange request, as appropriate, provided that a withdrawal notice is actually received by the Administrator before the suspension is terminated.

Unless withdrawn, Share applications and redemption and exchange requests, as appropriate, will be acted upon on the first Dealing Day after the suspension is lifted at the relevant Subscription Price or Redemption Price (as the case may be) prevailing on that Dealing Day (as the case may be). An application for Investor Shares may not be withdrawn if issues of Investor Shares are suspended on a date following the Dealing Day upon which the application for such Investor Shares is deemed to be effective. The NAV will not be calculated during periods when the determination of the NAV of the Fund is suspended.

Notice of the suspension and its termination will be given to all Shareholders and. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Where a Redemption Gate or Suspension has been applied, the Fund may defer payment of Redemption Proceeds until such time as the relevant Liquidity Management Tool has ceased to apply, where the Directors reasonably determine that earlier payment would materially prejudice the interests of the Fund or the remaining Shareholders. The Fund intends to exercise such right only in extraordinary circumstances, such as when the Directors (or the relevant Administrator or other Service Provider delegated with this function) believe that to make such payment during the period of suspension or deferral would materially and adversely affect or prejudice the interest of continuing investors.

## Frequent Trading

Investment in the Fund is intended for long term purposes only. The Directors will take reasonable steps to seek to prevent excessive and/or short-term trading or similar abusive practices. Excessive and/or short-term trading into and out of the Fund can disrupt or impair portfolio investment strategies, are likely to unnecessarily increase expenses and might negatively impact investment returns for all Shareholders,

including long term Shareholders who do not generate these expenses. The Directors reserve the right to reject any redemption, purchase or conversion request delivered by any investor or group of investors if the Directors believe that such redemption, purchase or conversion request disrupts or impairs the trading activity in the portfolio(s) and accounts(s) of the Fund.

Investors need to be aware that there are practical restraints in both determining the policy which is appropriate in the interest of long-term investors and in applying and enforcing such policy.

The right to convert or exchange Investor Shares is not intended to facilitate excessive and/ or short term trading. The Directors reserve the right to reject any conversion order for any reason without prior notice.

## Redemption *in Specie*

Where a Shareholder submits a redemption request pursuant to which he indicates that he wishes to redeem a number of Investor Shares in the Fund as would on the relevant Redemption Day be equivalent to five percent (5%) or more of the Net Asset Value of the Fund, the Fund may, in its discretion and with the approval of the Shareholder, satisfy such redemption instruction by redeeming such Investor Shares *in specie* and accordingly by transferring to that Shareholder that proportion of the assets of the Fund which is at least equal to the Net Asset Value of the Investor Shares being redeemed. The nature of the assets and the type of the assets to be transferred to that Shareholder shall be determined by the Fund on such basis as the Fund, in consultation with the Depositary, shall deem equitable and not prejudicial to the interests of both the remaining and outgoing Shareholders.

For such purposes, the Company shall draw up a valuation report which shall include:

(1) a description of each of the assets comprising the consideration;

(2) the value of each asset and a description of the method of valuation used; and

(3) a confirmation that the value of the consideration is at least equal to the Net Asset Value of the Investor Shares being redeemed in return for such consideration.

The value of the assets shall be determined on the same basis used in calculating the Net Asset Value. Such valuation report shall be held at the registered office of the Fund and shall be made available to the MFSA for inspection during compliance visits.

## Redemption Gates

The Directors may, where they reasonably determine that such action is necessary in the interests of the Fund and its Shareholders, temporarily limit or defer the redemption of Investor Shares on any Redemption Day.

Without prejudice to the generality of the foregoing, the Directors may determine that redemption requests shall be deferred where:

(a) the aggregate value of redemption requests received for any Redemption Day exceeds twenty per cent (20%) of the Net Asset Value of the Fund; or

(b) the redemption request submitted by a single Shareholder exceeds ten per cent (10%) of the Net Asset Value of the Fund.

Where a Redemption Gate is applied, redemption requests may be scaled down on a pro rata basis, and the unfulfilled balance shall be carried forward to the next Redemption Day and dealt with in priority to subsequent redemption requests, subject always to the same restrictions applying on future Redemption

Days.

The Directors may waive or modify the application of a Redemption Gate where they consider this appropriate, provided that Shareholders are treated fairly and consistently.

## Notice Periods

The Fund may require Shareholders wishing to redeem Shares to provide prior written notice of their intention to redeem. The applicable notice period for redemption requests shall be specified in the relevant Supplement or Class particulars.

The Directors may, in exceptional circumstances and where they consider such action to be in the best interests of the Fund and its Shareholders, waive or shorten any applicable notice period. Failure to provide the required notice period may result in the relevant redemption request being deferred to a subsequent Redemption Day.

## Dilution Levy

A Dilution Levy may be applied to subscriptions and/or redemptions in accordance with the provisions of Section 5 of this Prospectus. Any Dilution Levy shall be added to the Subscription Price or deducted from the Redemption Proceeds, as applicable, and shall accrue to the assets of the Fund.

# 17. Fees, Compensation and Expenses

## Investment Manager's Fees

Under the terms of the Investment Management Agreement, Investor Shares (other than the Feeder Class) will pay at the end of each month a management fee calculated at 1.75% per annum based on total assets under management in the Fund.

In respect of the Feeder Class, the aggregate Investment Management Fee shall also be calculated at 1.75% per annum of the Net Asset Value attributable to that Class. However, pursuant to the master-feeder arrangement in place, such fee shall be allocated and charged as follows:

- 0.75% per annum charged by and payable to the Investment Manager (in its capacity as manager of the Fund); and
- 1.00% per annum charged by and payable to co Gestión, SGIIC, S.A., as the investment manager of the Feeder Fund, in accordance with the contractual arrangements entered into between the relevant parties.

The Investment Management Fee will be based on total assets under management in the Fund on each Valuation Day (before calculation of the Investment Management Fee) and will be calculated and paid monthly in arrears after taking into account all subscriptions and redemptions.

The maximum level of Investment Management Fees that may be charged to the Fund itself shall not exceed 1.75% per annum, based on the Net Asset Value attributable to the relevant Class.

In the event of termination of the Management Agreement, the Investment Management Fee shall be computed by treating the effective date of termination as if it were the last day of the relevant period for each fee.

Investment Manager reserves the right to pay any part of its compensation to persons who may or may not be associated with the Investment Manager, or with whom it may contract, for services rendered to the Investment Manager or the Fund. No shareholder shall have any right of recourse against the Investment Manager or any such third parties in respect to any such payments made.

For the avoidance of doubt, the allocation of the Investment Management Fee between the Investment Manager of the Fund and the investment manager of the Feeder Fund shall not result in any duplication of management fees at the level of the Master UCITS and the Feeder UCITS, and shall be structured in compliance with the applicable UCITS requirements governing master–feeder arrangements.

## Performance Fees

To the extent that the Investment Manager will be entitled to receive a Performance Fee from the Fund, such fees may create an incentive for the Investment Manager to engage in investment strategies and make investments that are more speculative than would be the case in the absence of such fees.

Furthermore, the increase in NAV which is used as a basis for the calculation of Performance Fees, may be

comprised both of realised gains as well as unrealised gains as at the end of the calculation period, and as a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised by the Fund. The Performance Fee payable to the Investment Manager is not subject to a cap or a maximum amount. The Fund performance will be calculated in line with GIPS (Global Investment Performance Standards). The methodology of calculation would be time-weighted total return, net of trading costs.

The Performance Fee is borne by the Shareholders, not the Fund.

The Performance Fee calculation that will be applied can be expressed as follows:

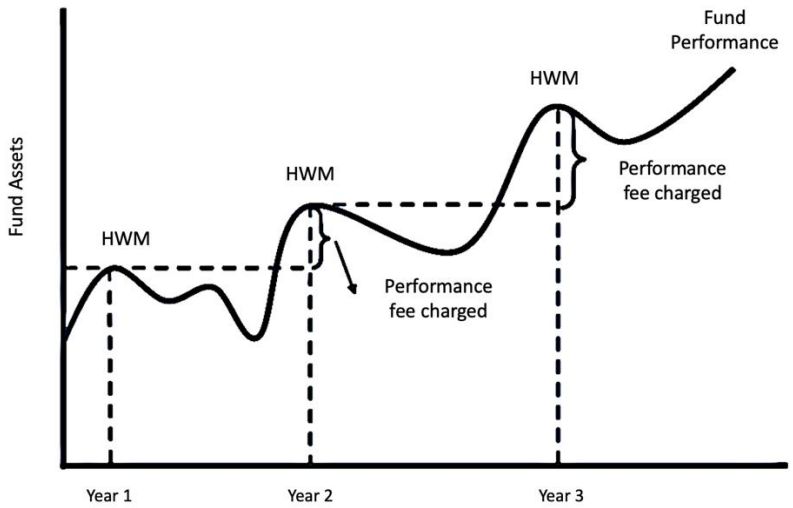
***Performance Fee per Share = 20% x [Fund Gross Return – Greater of benchmark return and High Water Mark].***

For all Share Classes, including the Feeder Class, a single Performance Fee shall be calculated and accrued at the level of the Fund in accordance with the methodology described above and shall be payable to the Investment Manager of the Fund pursuant to the Investment Management Agreement.

In respect of the Feeder Class, the Performance Fee shall be charged at the level of the Fund and calculated at the same rate as that applicable to the other Share Classes. In the context of the master–feeder arrangement, the Performance Fee attributable to the Feeder Class may be allocated between the Investment Manager of the Fund and the investment manager of the Feeder Fund in accordance with the contractual arrangements entered into between the relevant parties.

Such allocation shall not result in any duplication of performance fees at the level of the Master UCITS and the Feeder UCITS and shall be structured in compliance with the applicable UCITS requirements governing master–feeder arrangements.

Any performance fees become payable at the crystallization date as defined in the Prospectus, or when shares are redeemed and there is a positive performance fee accrued.




The Fund will adopt an equalisation methodology for the calculation of the Performance Fee, which ensures that any Performance Fee is charged only to those Investor Shares that have appreciated in value.

The Performance Fee is calculated on a Share-by-Share basis so that each Investor Share is effectively charged a Performance Fee that equates precisely with that Share's performance. This method of calculation ensures that: (i) all holders of Investor Shares have the same amount of capital per Investor Share at risk in the Fund and (ii) all Investor Shares have the same Net Asset Value per Investor Share.

The Fund operates an equalisation account in order to ensure an equal treatment for the payment of the Performance Allocation irrespective of the timing of the subscription/redemption of Shares. If an Investor subscribes for Shares at a time when the Net Asset Value per Share of that class is other than the High Water Mark per Share and above the relevant benchmark (as both terms defined above) of the relevant Class certain adjustments will be made to reduce inequities that could otherwise result to the Investors.

A. If Shares are subscribed for at a time when the Net Asset Value per Share is less than the High Water Mark per Share plus relevant benchmark, the Investor will be required to pay a Performance Allocation with respect to any subsequent appreciation in the value of those Shares. With respect to any appreciation in the value of those Shares from the Net Asset Value per Share at the date of subscription up to the High Water Mark per Share, the Performance Allocation will be charged at the end of each Calculation Period by the automatic forfeiture by the Investor in favour of the Fund of such number of the Shares as have an aggregate Net Asset Value (after accrual for any Performance Allocation) equal to twenty per cent (20%) of any such appreciation (a "Performance Allocation Redemption"). An amount equal to the aggregate Net Asset Value of the Shares so redeemed will be paid to the Investment Manager as a Performance Allocation. The Fund will not be required to pay to the Investor the redemption proceeds of the relevant Shares. Performance Allocation Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per Share. As regards the investor's remaining Shares, any appreciation in the Net Asset Value per Share of those Shares above the High Water Mark per Share will be charged a Performance Allocation in the normal manner described above.

B. If Shares are subscribed for at a time when the Net Asset Value per Share is greater than the High Water Mark per Share plus relevant benchmark, the investor will be required to pay an amount in excess of the then current Net Asset Value per Share equal to twenty per cent (20%) of the difference between the then current Net Asset Value per Share (before accrual for the Performance Allocation) and the High Water Mark per Share (an "**Equalisation Credit**"). At the date of subscription the Equalisation Credit will equal the Performance Allocation per Share accrued with respect to the other Shares in the Fund (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Share has been reduced to reflect an accrued Performance Allocation to be borne by existing Investors and serves as a credit against Performance Allocation that might otherwise be payable by the Fund but that should not, in equity, be charged against the Investor making the subscription because, as to such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the Fund subsequent to the issue of the relevant Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Day in the Net Asset Value per Share, the Equalisation Credit will also be reduced by an amount equal to twenty per cent (20%) of the difference between the Net Asset Value per Share (before accrual for the Performance Allocation) at the date of issue and as at that Valuation Day. Any subsequent appreciation in the Net Asset Value per Share will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Calculation Period, if the Net Asset Value per Share (before accrual for the Performance Allocation) exceeds the prior High Water Mark per Share, that portion of the Equalisation Credit equal to twenty per cent (20%) of the excess, multiplied by the number of Shares subscribed for by the Investor, will be applied to subscribe for additional Shares for the Investor. Additional Shares will continue to be so subscribed for at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Shares was made, has been fully applied.

If the Investor redeems his/its Shares before the Equalisation Credit (as adjusted for depreciation and appreciation as described above) has been fully applied, the Investor will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares being redeemed and the denominator of which is the number of Shares held by the Investor immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription.

The redemption of Shares or the winding up of the Fund shall crystallise the Performance Allocation in respect of the Shares concerned and such Performance Allocation will be payable within fourteen (14) days of the date of such action. For the purposes of the calculation of Performance Allocation associated with a partial redemption of Shares by a Member, Shares will be treated as redeemed on a first in, first out basis. The redemption of Shares or the winding up of the Fund shall crystallise the Performance Allocation in respect of the Shares concerned and such Performance Allocation will become payable.

For the purposes of the calculation of Performance Allocation associated with a partial redemption of Shares by a Member, Shares will be treated as redeemed on a first in, first out basis. No adjustment will be made for the Performance Fee upon a transfer of Shares.

The calculation of the Performance Fee shall be verified by the Depositary.

The Performance Fee shall be calculated and paid only after consideration of all other payments due by the Fund.

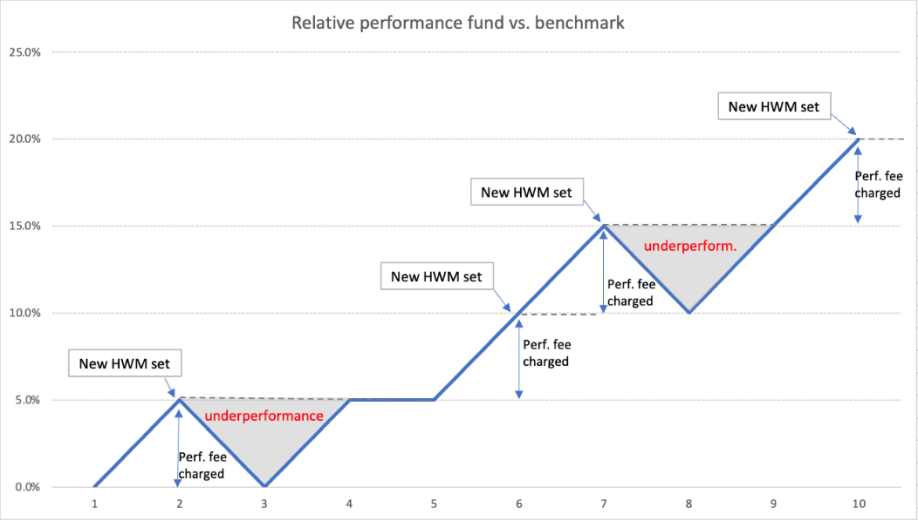
A worked example reflecting the manner in which the Performance Fee shall be calculated in practice, as follows:

| Year | **Fund** | **Index** |
|---|---|---|
| Inception | 100 | 100 |
| 1 | 110 | 110 |
| 2 | 105 | 100 |
| 3 | 110 | 110 |
| 4 | 90 | 85 |
| 5 | 105 | 100 |
| 6 | 120 | 110 |
| 7 | 130 | 115 |
| 8 | 115 | 105 |
| 9 | 140 | 125 |
| 10 | 150 | 130 |
| | ** green is HWM* | |

*In the example illustrated above, at the end of Year 1, the Fund's performance is equivalent to the benchmark's performance (the Index). In this case, no Performance Fee is charged. In Year 2, the Fund outperforms the Benchmark*

*by 5% and hence a Performance Fee of 1.0% is payable (20% x 5%) given that the Gross Asset Value ("**GAV**") is higher than at inception (100) and no crystallization has been realized in previous years. Net Asset Value is therefore 103.95 at the end of Year 2 (105 minus the 1% Performance Fee), which will be set as the High Water Mark. In this example, no Performance Fees shall be charged in Years 3-5, despite the Fund outperforming the Benchmark in Year 4 given that the GAV is below the High Water Mark. In Year 6, a Performance Fee is charged accordingly, given that the Fund's performance exceeds the Benchmark and the High Water Mark. The Net Asset Value at the end of Year 6 will be set as the High Water Mark. The same rationale applies in Year 7 and Year 10. High Water Mark can only go higher and there is no reset mechanism in place.*

The diagram below provides an illustration of the Performance Fees charged and the High Water Mark as per the example above.




## Administration Fees

- Bi-Monthly Valuation
  The administration fee shall be the higher of thirty thousand Euro (€30,000) per annum; or,

| | |
|---|---|
| €0M to € 100M | 7.0 basis points per annum of NAV |
| €100M to €150M | 6.0 basis points per annum of NAV |
| Above €150M | 3.0 basis points per annum of NAV |

- Investor/Transfer Agency Services
  Account opening fee: The Administrator will charge a one-off fee of US$ 100 per investor.

- Tax Reporting Services Fee
  Registration Fee for FATCA: the Administrator will charge a fee of €500 for each Global Intermediary Identification Number (GIIN) that is acquired on behalf of the Fund.
  On-going Annual Fee for FATCA and CRS: the Administrator will charge the Company €2,000 and €30 per Investor to maintain up to date information on existing and new investors under CRS and US FATCA, prepare the FATCA and CRS XML reporting schemas and submit the reports to the relevant local tax authority based on account information as at the 31st December each year.

The Administrator will be reimbursed for all properly incurred and approved out-of-pocket expenses as described in the Administration Agreement.

## Depositary Fees

| Depository | Safekeeping Fee for Unit Trusts (bps) | Transaction Fee for Unit Trusts (EUR) | Safekeeping Fee for Alternatives* (bps) | Transaction Fee for Alternatives* (EUR) |
|---|---|---|---|---|
| Funds | 2 | 200.00 | 2 | 200.00 |
| **Other Transactions** | | | | |
| Mutual Fund NON STP | | 200.00 | | 200.00 |
| Fund Transfers | | 200.00 | | 200.00 |
| Fund Switches | | 200.00 | | 200.00 |

*Includes Hedge funds, FoHF, Cleared funds, Private equity, Property funds

**Unpriced Securities:**
Bond value will be assessed at Par and safekeeping charges will be applied at the listed market rate.
Equities will be valued at $1.00 per share and safekeeping charges will be applied at the listed market rate.

**Dormant Account Fee:**
An account which does not exhibit any activity for a period of 12 months will be considered a Dormant Account. Fee is applicable at the Depot level. EDB reserves the right to charge a Dormant Account Fee of $25.00 per month per dormant depot by account.

**Price Protection:**
During the Term, European Depositary Bank will be authorized on an annual basis to increase any fees payable hereunder on an annual basis by the lesser of (i) 5% for each 12 month period, and (ii) the percentage rate of increase in the Consumer Price Index - Urban Wage Earners and Clerical Workers (CPI-W) from the preceding calendar year as determined by the US Bureau of Labor Statistics. EDB will give written notice of such increases 60 days prior to each anniversary date of the Agreement.

**Customized Reports:**
A one-time customization charge may apply for the provision of specialized reports. Pricing is available upon request.
Additional charges may apply for the provision of customized reports within a production environment.

The Depositary will be reimbursed for all properly incurred and approved out-of-pocket expenses

## Directors and Officers Fees and Expenses Remuneration of Directors

The Directors of the Company shall receive for their services such remuneration as may be determined by the Company in General Meeting from time to time subject to a maximum of twelve thousand Euro (€12,000) a year, in the aggregate. In addition, each Director may be paid reasonable travelling, hotel and other incidental expenses incurred in, attending Meetings of the Directors and General Meetings of the Company.

The Directors will be entitled to be repaid by the Company reasonable out of pocket expenses (such as travelling, hotel and other expenses) properly incurred by them in or with a view to the performance of their duties or in attending and returning from meetings of the Board of Directors or of any committee of the Board of Directors or general meetings or any meetings in connection with the business of the Company.

## Audit and Legal Fees

Audit fees shall be agreed between the Company and the Auditors. Legal fees shall be agreed between the Company and the legal advisors and will be negotiated on a time-spent basis. Audit and legal fees will be paid out of the property of the Company. Any unrecoverable VAT, which may be incurred thereon, shall also be at the charge of the Company.

## Operating Expenses

The Company, Depositary, Administrator and Investment Manager are entitled to recover reasonable out-of-pocket expenses out of the assets of the Fund incurred in the performance of their duties.

Except as otherwise stated in this Prospectus, the Company will also pay the following costs and expenses:

(1) all fees and expenses incurred or payable in connection with the services provided by the Directors and of any consultants providing services to the Company, including any legal advisers to the Company;

(2) interest on permitted borrowings and charges incurred in negotiating, effecting, varying or terminating the terms of permitted borrowings of the Company;

(3) taxation and duties payable in respect of the Company's investments, the "principal documents" (being the Company's Articles, the Investment Management Agreement and the Administration Agreement (including the agreement pursuant to which the Administrator shall provide anti-money laundering and compliance support services), and the Depositary Agreement) and the issue of Investor Shares;

(4) any costs incurred in modifying the principal documents;

(5) any costs incurred in respect of meetings of Shareholders and Directors;

(6) the fees of the MFSA and of any regulatory authority in a country or territory outside Malta in which Investor Shares are or may be marketed, and any associated legal costs;

(7) remuneration, costs and expenses of agents appointed by the Company for the purposes of complying with local regulations when marketing the Fund in other jurisdictions;

(8) the costs incurred in preparing, printing, publishing this Prospectus and annual and half-yearly reports;

(9) expenses incurred in the preparation, printing and postage of proxy cards and contract notes;

(10) costs associated with the promotion of the Fund.

## Organisational and Offering Expenses

Organisational Expenses means all fees, costs and expenses, including any Taxation thereon, incurred by the Investment Manager or their Associates in relation to the establishment of the Company, including legal and professional services fees, incorporation and registration expenses, costs of communications and travel expenses; but excluding any fees, commissions and attributable out-of-pocket expenses, including any Taxation thereon, payable to placement agents, brokers and intermediaries, which shall be borne by the Investment Manager or its Associates; and provided, for the avoidance of doubt, that no time spent by directors, employees or other internal personnel of the Investment Manager or their Associates in relation to the establishment of the Company will be charged to the Company or treated as an Organisational Expense.

For the purposes of establishing the Net Asset Value of the Company for issues, redemptions and conversions of Shares, establishment costs are being amortised proportionally over a period of five (5) years. For the purposes of the Company's accounts, which are prepared in accordance with International Financial Reporting Standards ("**IFRS**"), those establishment costs were written off in the first accounting year.

All fees and expenses will be payable at cost.

## Alterations to the Fees

The Directors may, at their sole discretion, agree to any changes to the fees applicable to the Fund or to a Class of Investor Shares. Where the Directors agree to a material increase in the fees applicable to the Fund or to a Class of Investor Shares, the Directors will notify affected Shareholders within fifteen (15) Business Days from the date of the Directors' decision approving such an increase. Provided that, any cumulative increase in fees applicable to the Fund or to a Class of Investor Shares exceeding ten percent (10%) of the fees so approved, shall be subject to prior MFSA approval.

# 18. Taxation

**It is entirely the responsibility of prospective shareholders to inform themselves as to any taxation or exchange control legislation affecting them personally. The following summary should not be considered legal or tax advice.**

***Malta***

In terms of current Maltese fiscal legislation, the Fund is not liable to taxation in Malta. Malta domiciled funds enjoy an exemption from income tax and capital gains tax at both the fund level and at a non-resident investor level.

As the Fund is classified as 'non-prescribed' funds (essentially funds which have more than eighty-five percent (85%) of the value of their assets situated outside Malta), no tax is withheld on investment income received by it. There will be no withholding tax on dividends received by non-resident investors in the Fund. Furthermore, no tax is payable by non-resident investors when they dispose of their investment in the Fund.

No stamp duty is charged on Share issues or transfers of Shares and no tax is charged on the Net Asset Value of the Fund.

Applicants for Shares should consult their own advisers as to the particular tax consequences of their proposed investment in the Fund.

***TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF AN INVESTOR. THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO INVESTORS.***

# 19. Indemnities

The Fund has agreed that with respect to any actions in which any of its officers, Directors, employees and agents is a party, the Fund shall indemnify and hold harmless such person against any loss, claim, damage, charge, liability or expense (including reasonable attorneys' and accountants' fees), judgements and amounts paid in settlement, provided such actions did not involve gross negligence, wilful default, fraud or dishonesty. Expenses may be paid by the Fund in advance of the final disposition of such action if the indemnified person agrees to reimburse the Fund in the event indemnification is not permitted.

The Fund may purchase and maintain insurance in relation to the Directors against any liabilities asserted against them.

In addition, the Fund has granted indemnities to the Investment Manager and the Administrator in respect of actions brought against them in their respective capacities, where they have acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Fund and provided that again such actions did not involve gross negligence, wilful default, fraud or dishonesty.

The Fund and the Investment Manager (jointly and severally) undertake to hold harmless and fully indemnify the Depositary (and each of its directors, officers, employees and agents) against all actions, proceedings, claims, loss or damages, costs, demands and expenses (including legal and professional expenses) which may be brought against, suffered or incurred by the Depositary in relation to:

- the Depositary's performance of its services, duties or functions under or pursuant to this Agreement or other agreements the Depositary enters into or executes because of its role as Depositary of the Fund; and
- the insolvency, acts or omissions of the Fund, the Investment Manager, the Administrator or any other service provider, or any third party appointed by the Fund or the Investment Manager;

except where and to the extent that the Depositary is liable for such loss or prejudice, pursuant to the Depositary Agreement.

# 20. Net Asset Value Calculation

The Administrator will undertake the role of the valuation of the underlying assets in accordance with its valuation policy.

***The Roles and Responsibilities of the Different Parties Involved***

A detailed review of any new proposed investment in to one of the companies managed by the Investment Manager is prepared for, and presented to, the Investment Manager's investment committee (the "**Investment Committee**") together with a confirmation from the [xxx] ("[xxx]") that the proposed investment is within the remit of the Investment Manager. The Investment Committee will also be advised of the proposed valuation methodology and pricing sources to be used according to the schedules for different investment types. The Investment Committee shall provide its feedback on the proposed valuation methodology to the Investment Manager's Chief Risk Officer. The CRO shall, on the basis of the above, approve the valuation methodology or otherwise, and will, in conjunction with the Administrator, conduct monthly reviews (or otherwise if the pricing cycle is not monthly) of the valuation of all underlying investments in the Fund. Where differences arise between the valuation arrived at by the Investment Manager and the Administrator, these are investigated by the CRO and exceptions are reported to the Investment Committee.

In the event of a pricing dispute the prices provided by the Administrator will be used until the dispute has been resolved.

On a monthly basis, the CRO will provide a monthly report to the Investment Committee containing:

- Details of pricing exceptions and proposed resolutions.
- Details of stale prices and proposed pricing for these items.
- Details of any illiquid investments and proposed pricing for these items.
- New investments approved and proposed pricing methodology to be used.

A summary of the CRO's reports covering the last six months will be presented to the Directors during their board meetings once every six months.

The CRO's findings will also be shared with Fund's auditors. The findings are taken into account when the auditors conduct their annual review of the Fund.

***Pricing Methodology***

The Net Asset Value will be calculated on each Valuation Day. The Net Asset Value is established per Share and is calculated by dividing the Total Net Assets of the Fund by the number of outstanding Shares of the relevant Class.

The assets and liabilities belonging to the Fund are in principle valued as follows:

- listed investments are valued at the last-known market price after the Cut-off Time and before the trading time (forward pricing principle). If this price is not considered representative for the current market value, the instrument in question is valued in accordance with generally accepted standards; and
- all stock and cash dividends and cash distributions to be received by the Fund and not yet received by it but declared payable to stockholders of record on a date on or before the day as of which the Net Asset Value is being determined; and
- any value otherwise than in USD shall be converted into USD at the prevailing market foreign exchange rate.

Income and expenses are allocated to the period in which they occurred.

***Exchange Traded Securities***

When an investment in an exchange traded security is made, the policy is to value it at the last closing price. The prices will be obtained from pricing vendors that publish the exchange prices where the security has its primary listing.

All positions that fall into this category must be individually reviewed at each Valuation Point and the methodology properly documented, explaining the approach taken. Furthermore, the valuation must be agreed with the Fund's external auditors on an annual basis.

***Review***

This valuation policy will be reviewed periodically, and at least once a year or before any Fund engages with a new investment strategy or type of asset.

# 21. General and Statutory Information

## Annual and Half-Yearly Reports

The Accounting Reference Date adopted by the Company is the 31st December.

The financial statements of the Company are prepared in accordance with IFRS and are audited annually at the Company's expense by an independent firm of auditors. The Company will also issue unaudited half-yearly financial statements.

The Annual Report will be published within four (4) months after the end of the Accounting Period. The half-yearly unaudited financial statements will be published within two (2) months after the date on which they are to be prepared.

Copies of the annual report issued by the Company as of the last day of June in each year will be made available to registered Shareholders and to the MFSA within a maximum period of 4 months from that date and at least twenty-one (21) days before the general meeting of the Company at which they are to be submitted for approval. In terms of the MFSA Rules, the Company is also required to prepare unaudited half-yearly financial statements covering the first 6 months of each financial year (i.e. as at the last day of August of each year) and to send the same to Shareholders within two (2) months from the end of the period to which they relate.

## Ownership of Shares in the Company

The Directors in their personal capacities, or entities in which the Directors may have a management or financial interest, may from time to time invest in the Company and may increase or decrease such holdings without notice.

Ownership of Shares in the Company will be evidenced by book entries in registers of the Company maintained by the Administrator and Shares will not be certificated.

Pledges of Shares will also be evidenced in the same manner.

## Annual General Meeting

A general meeting of all the holders of voting Shares in the Company shall be held at least once every year, in Malta or such other place as shall be determined by the Directors. At this meeting there shall be discussed matters requiring the approval of these Shareholders according to the Articles and the Companies Act, including the audited accounts of the Company.

Holders of voting Shares in the Company may attend in person or by proxy. All the holders of voting Shares shall be entitled to one (1) vote per Share held.

Notice of the meeting will be sent to all holders of voting Shares included in the Register of Members held by the Company, at least twenty-one (21) days before the date of the relevant Annual General Meeting.

## Compliance Officer

The Company is required to appoint an individual resident in Malta as its Compliance Officer. The Company has appointed Mr Adrian Cutajar as its Compliance Officer. The Compliance Officer shall act as point of liaison between the MFSA and the Company, receive any instructions from the MFSA, provide any information to MFSA as may be requested by the MFSA from time to time and generally to ensure compliance by the Company with the licence conditions arising from the MFSA Rules.

## Access to Information

All prospective investors shall be given full access to information appropriate for their consideration in determining whether to invest in the Company. Accordingly, prospective investors may communicate in this regard with the Administrator in so far as the services of the Administrator are concerned.

In addition to the documents referred to in this Prospectus, certain additional documents will be made available to prospective investors upon written request. The Company or its representatives will also answer enquiries from prospective investors concerning matters relating to the Company.

## Languages in which the Shareholder may communicate

Shareholder requests will be sent in the English language addressed to the Company at the registered office of the Administrator. The Company shall reply in the English language. This Prospectus, the Memorandum and Articles of the Company, the Annual and Interim Reports and any other marketing communication documents are made available in the English language. The KIIDs will, however, also be made available in such other languages as required in terms of the UCITS Regulation.

## Documents Available for Inspection

Copies of the following documents will be available for inspection by prospective and existing investors or their representatives at the registered office of the Company, or at the offices of the Administrator:

(1) Memorandum & Articles of Association, and Certificate of Incorporation of the Company;
(2) The latest Prospectus;
(3) The Sub-Investment Manager appointed by the Investment Manager, if and where applicable;
(4) All Key Investor Information Documents;
(5) Investment Management Agreement;
(6) Depositary Agreement/s;
(7) Administration Agreement;
(8) Pricing Policy;
(9) Investment Services Act; and
(10) The latest Annual and Half Yearly report of the Company.

## Remuneration Policy of the Investment Manager

The Investment Manager has a remuneration policy in place to ensure compliance with the UCITS Directive. This remuneration policy imposes remuneration rules on staff and senior management within the Investment Manager whose activities have a material impact on the risk profile of the Fund. The Investment

Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management, will not encourage risk-taking which is inconsistent with the risk profile of the Fund, and will be consistent with the UCITS Directive. The Investment Manager will ensure that the remuneration policy is at all times consistent with the business strategy, objectives, values and interests of the Company and Shareholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times. The remuneration policy may be obtained free of charge on request from the Investment Manager.

# 22. Subscribers' Undertakings & Warranties

Subscribers should take notice that by completing and executing the Subscription Application the Subscriber is entering into the following undertakings and giving the following warranties specified herein below:

(1) The Subscriber irrevocably subscribes for the Investor Shares as specified in the Subscription Application as may be determined in accordance with the Articles of the Fund at the prevailing Subscription Price on the next Dealing Day following acceptance of this application by the Fund. The Subscriber understands that fractional shares may be issued (to two (2) decimal places).

(2) The Subscriber acknowledges that Investor Shares will be issued on the next Dealing Day following receipt of the Subscription Form by the Administrator and the subscription monies in cleared funds by the Fund no later than the Closing Date and thereafter no later than three (3) Business Days prior to the relevant Dealing Day. This deadline may be waived or reduced at the sole discretion of the Investment Manager.

(3) The Subscriber acknowledges and confirms receipt of, and that he has read, is familiar with and understands this Prospectus including all relevant appendices and supplements.

(4) The Subscriber recognises that an investment in the Fund involves a high degree of risk and has taken full cognisance of and understands all of the risk factors related to the purchase of Investor Shares, including but not limited to those set forth in the section of this Prospectus entitled "*Risk Factors*". In evaluating the suitability of an investment in the Fund the Subscriber has not relied upon any representations or other information (whether oral or written) other than as set forth herein.

(5) The Subscriber has taken the advice of professional advisers who have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of this investment and the Subscriber is fully capable of assessing and bearing the risks involved in the Subscriber's own right or with the benefit of such professional advice received.

(6) The Subscriber acknowledges the subscription restrictions as outlined herein.

(7) The Subscriber agrees that they will not be issued with share certificates.

(8) The Subscriber agrees that the Investor Shares hereby subscribed for will be held subject to the terms and conditions of the Articles of the Fund as amended from time to time and that the Fund will fully protect and indemnify its Directors, the Investment Manager, the Administrator, and the Depositary against liability for all acts taken on his or its behalf, except for acts involving negligence or misconduct.

(9) The Subscriber fully appreciates the Fund's rights to accept or reject all applications for subscription at its sole discretion. In order to induce the Fund to accept this subscription, the Subscriber agrees, represents and warrants that the Investor Shares hereby subscribed for are not being acquired for the account of any person who is, directly or indirectly a US Person as defined in the Prospectus.

(10) The Subscriber further agrees that no Investor Shares hereby subscribed for will at any time be directly or indirectly transferred to any person described above without first seeking written authority from the Fund for such transfer; that the Subscriber will promptly notify the Fund if and when the Subscriber should

become such a person while the Subscriber owns any Investor Shares of the Fund; that should the Subscriber become such a person while the Subscriber owns any Investor Shares of the Fund, those Shares may be compulsorily redeemed at the prevailing Redemption Price at the convenience of the Fund; and that prior to effecting any transfer of Investor Shares, a representation that the proposed transferee is not such a person may be required. It is expressly understood that confirmation of ownership of Investor Shares in the Fund may contain a legend referring to the foregoing restriction on ownership and transfer of Shares.

(11) The Subscriber agrees that no Investor Shares hereby subscribed for may at any time be transferred to any other person without first seeking the approval of the Fund in accordance with the provisions of the section herein entitled "*Purchase, Exchange and Transfer of Shares*".

(12) The Subscriber acknowledges and accepts that this Subscription Application and application form is governed by Maltese law and hereby submits to the non-exclusive jurisdiction of the Courts of Malta.

(13) The Subscriber confirms that, to the best of the Subscriber's knowledge and belief, the Subscriber's subscription moneys are not, in whole or in part, the proceeds of drug trafficking or any other criminal activity, nor do they represent, in whole or in part, directly or indirectly, such proceeds.

(14) If the Subscriber is an individual person, or is a nominee for an individual person, he must warrant that he is, and the beneficial owners (if applicable) are, at the date of execution of this subscription application, the greater of eighteen (18) years of age, or the minimum age permitted to enter into a legally binding and irrevocable contract, such as the Subscription Application, in his, or the beneficial owner's country of residence.

(15) If the investment is made in a nominee capacity, the Shareholder agrees to provide the Administrator or a competent regulatory authority, all relevant files in relation to the underlying investors, should they be requested. If, in the opinion of the Shareholder of record, its legislation precludes this practice without the underlying investor's consent, the Shareholder agrees to obtain such consent prior to or when the investment is made, and to thereby comply with this requirement.

(16) The Subscriber acknowledges that it has read and understood the section headed "Anti-Money Laundering" in the Prospectus, and further acknowledges that the Fund, Administrator or other service provider to the Fund may be required by applicable laws and/or regulations to take further reasonable steps to establish the identity of the Subscriber or of any other person whom the Fund, Administrator or other service provider knows or has reason to believe is a person for whom or on whose behalf the Subscriber is acting and the Subscriber undertakes to co-operate with and assist the Fund, Administrator or other service provider in relation to such steps and the Subscriber acknowledges that the Fund, Administrator or other service provider shall be held harmless and indemnified by the Subscriber against any loss arising as a result of a failure to process the subscription application if any information required by the Fund, Administrator or other service provider has not been provided by the Subscriber. In this context the Subscriber hereby agrees that it will provide the relevant information requested under "Client Verification Requirements" shown herein below and is attached to the subscription application form in the investor booklet.

(17) If the Subscriber wishes to redeem his investment but the information has not been provided, the redemption will be acted upon but no monies will be paid to the Subscriber until the Administrator is in receipt of said information. Instead, the monies will be held in the Subscriber's name at the Fund's account

and the Subscriber will bear all associated risks.

(18) The Subscriber confirms that, if it is a "Designated Body" (which is a bank, insurance Fund, or other financial institution, or financial intermediary, which is domiciled in an OECD or FATF approved jurisdiction and is regulated by an approved regulated body), subscribing for on behalf of another person, it has verified the identity of that other person in accordance with applicable anti-money laundering laws and/or regulations.

(19) The Subscriber consents to the release by the Remitting Bank/Financial Institution to the Fund and/or the Administrator or other service provider of all evidence of the Subscriber's identity which said bank/financial institution shall have retained. The Subscriber agrees that such evidence may further be furnished by the Fund and/or the Administrator to any other service provider to the Fund upon request, to enable such other service provider to meet its obligations under applicable laws and/or regulations.

(20) The Subscriber hereby authorises the Fund and the Administrator to obtain verification of any information provided by the Subscriber as part of its subscription application.

(21) The Subscriber agrees to provide any other information that may be required from time to time in compliance with relevant regulations.

(22) The Subscriber agrees that, in line with current anti-money laundering requirements, the Administrator is obliged to pay redemption proceeds into the account at the Remitting Bank from which the original subscription was made. Exceptions to this may be made, if the Subscriber can show justification for the change of bank and providing the bank account is in the name of the Subscriber and the bank is situated in the Subscriber's country of residence. Subscribers should be aware that suspicious events are reportable, under the International Anti-Money Laundering Regulations and, by way of example, failure to provide justification for the change of bank account, or a request to pay the proceeds into a bank account in a jurisdiction which the subscriber is not a resident could be deemed suspicious and therefore would be reportable under the regulations and may cause the payment to be delayed or refused.

(23) The Subscriber acknowledges that all information supplied by us to the Administrator will be subject to the protections of data protection legislation. The Subscriber further acknowledges that, should it be necessary, either to fulfil a legal requirement or to facilitate the efficient execution of the administrative functions, that data supplied may be transferred, to the extent necessary and in compliance with data protection legislation.

# 23. Malta Investment Services Act

The Fund falls within the definition of a collective investment scheme in terms of the Investment Services Act, 1994 (the "**ISA**") and qualifies as an "UCITS Scheme" in terms of rules issued by the MFSA. Accordingly, it must be licensed under the ISA and is subject to detailed regulation by the MFSA.

The Directors, if requested to do so, must give to MFSA access to or provide at any reasonable time all records relating to the Fund and the MFSA may copy or take an extract of a record which it is given access to. Failure to comply with these requests by the MFSA may result in substantial fines being imposed on the Directors and may result in the MFSA Fund revoking the licence of the Fund and/or applying to court to have the Fund wound up.

# 24. Directory

## DIRECTORY

| | |
|---|---|
| **DIRECTORS OF THE FUND** | **Alberto Alsina Gonzalez**<br>Fort Cambridge W2, Fl 401,<br>Tigne Street<br>Sliema, SLM 3175<br>Malta |
| | **Saâd Bendidi**<br>Fort Cambridge W2, Flat 802,<br>Tigne Street<br>Sliema, SLM 3175<br>Malta |
| | **Omar Fahmy**<br>Villa 361, Beverly Hills,<br>Sodic, Cairo<br>Egypt |
| | **Diandra Muscat**<br>Ocean Gardens, Block B Unit 4,<br>Triq is-Sikka<br>Baħar iċ-Ċagħaq<br>Malta |
| **REGISTERED OFFICE** | **Africa Select Equity Fund (SICAV) p.l.c.**<br>Whitehall Mansions, Level 2,<br>Ta'Xbiex,<br>Ta'Xbiex, XPX 1026<br>Malta |
| **INVESTMENT MANAGER** | **Mediterrania Capital Partners Limited**<br>Whitehall Mansions, Level 2,<br>Ta'Xbiex,<br>Ta'Xbiex, XPX 1026<br>Malta |
| **DEPOSITARY** | **European Depositary Bank SA, Malta Branch**<br>Quad Central, Q3 Level 9, Triq L-Esportaturi<br>Zone 1, Central Business District<br>Birkirkara CBD 1040 |

| | |
|---|---|
| | Malta |
| **ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT** | **Apex Fund Services (Malta) Limited**<br>Quad Central, Q3, Level 9, Triq L-Esportaturi<br>Zone 1, Central Business District<br>Birkirkara CBD 1040<br>Malta |
| **PRIME BROKER/BROKERS** | the Directors and the Investment Manager maintain discretion to appoint brokers from time to time. |
| **COMPANY SECRETARY** | **Rebecca Cocks**<br>Whitehall Mansions, Level 2,<br>Ta'Xbiex,<br>Ta'Xbiex, XPX 1026<br>Malta |
| **AUDITORS** | **PricewaterhouseCoopers**<br>Certified Public Accountants & Auditors<br>78 Mill Street<br>Zone 5, Central Business District<br>Qormi, CBD 5090<br>Malta |
| **LEGAL ADVISORS** | **FFF Legal**<br>Ewropa Business Centre, Level 3, Suite 701,<br>Dun Karm Street,<br>Birkirkara, BKR9034,<br>Malta |

**Schedule 1**

***Pre-Contractual Documents***

## Schedule 2

(A) any stock exchange which is:

(i) located in an EEA Member State; or

(ii) located in United Kingdom, Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America, Economic Community of West African States; or

(B) any stock exchange included in the following list:-

| | | |
|---|---|---|
| Argentina | - | Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, |
| Bahrain | - | Bahrain Stock Exchange; |
| Bangladesh | - | Chittagong Stock Exchange and Dhaka Stock Exchange; |
| Bolivia | - | Mercada La Paz Stock Exchange and Santa Cruz Stock |
| Botswana | - | Botswana Stock Exchange; |
| Brazil | - | Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro; |
| Channel Islands | - | Channel Islands Stock Exchange; |
| Chile | - | Santiago Stock Exchange and Valparaiso Stock Exchange; |
| China | - | Shanghai Stock Exchange, Fujian Stock Exchange, Hainan |
| Colombia | - | Bolsa de Bogota and Bolsa de Medellin; |
| Ecuador | - | Quito Stock Exchange and Guayaquil Stock Exchange; |
| Egypt | - | Cairo Stock Exchange and Alexandria Stock Exchange; |
| Ghana | - | Ghana Stock Exchange; |
| India | - | Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabab Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, -Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India; |
| Indonesia | - | Jakarta Stock Exchange and Surabaya Stock Exchange; |
| Jordan | - | Amman Stock Exchange; |
| Kazakhstan | - | Kazakhstan Stock Exchange; |
| Kenya | - | Nairobi Stock Exchange; |
| Korea | - | Korean Stock Exchange; |
| Kuwait | - | Kuwait Stock Exchange; |
| Lebanon | - | Beirut Stock Exchange; |
| Malaysia | - | Kuala Lumpur Stock Exchange; |
| Malta | - | Malta Stock Exchange |
| Mauritius | - | Stock Exchange of Mauritius; |
| Mexico | - | Bolsa Mexicana de Valores; |
| Morocco | - | Casablanca Stock Exchange; |
| Namibia | - | Namibian Stock Exchange; |
| Nigeria | - | Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange; |

| | | |
|---|---|---|
| Oman | - | Muscat Securities Market; |
| Pakistan | - | Lahore Stock Exchange and Karachi Stock Exchange; |
| Palestine | - | Palestine Stock Exchange; |
| Peru | - | Bolsa de Valores de Lima; |
| Philippines | - | Philippines Stock Exchange; |
| Qatar | - | Doha Stock Exchange; |
| Romania | - | Bucharest Stock Exchange; |
| Russia | - | RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange); |
| Saudi Arabia | - | Riyadh Stock Exchange; |
| Singapore | - | The Stock Exchange of Singapore; |
| South Africa | - | Johannesburg Stock Exchange; |
| Swaziland | - | Swaziland Stock Exchange; |
| Sri Lanka | - | Colombo Stock Exchange; |
| Taiwan | - | Taipei Stock Exchange Corporation; |
| Thailand | - | The Stock Exchange of Thailand; |
| Turkey | - | Istanbul Stock Exchange; |
| Tunisia | - | Tunisia Stock Exchange; |
| Ukraine | - | Ukrainian Stock Exchange; |
| Uruguay | - | Montevideo Stock Exchange; |
| Venezuela | - | Caracas Stock Exchange and Maracaibo Stock Exchange; |
| Zambia | - | Lusaka Stock Exchange; |

(C) any of the following:

(1) The market organised by the International Capital Market Association;

(2) The (i) market conducted by banks and other institutions regulated by the FCA and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;

(3) The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;

(4) The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

(5) KOSDAQ;

(6) NASDAQ;

(7) SESDAQ;

(8) TAISDAQ/Gretai Market;

(9) The Chicago Board of Trade;

(10) The Chicago Mercantile Exchange;

(11) The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

(12) The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

(13) The French market for Titres de Créance Negotiable (over-the-counter market in negotiable debt instruments);

(14) Bourse Régionale des Valeurs Mobiliéres.