

The Directors of Fair Fund Series S.A. SICAV-RAIF whose names appear in this Offering Memorandum accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

# OFFERING MEMORANDUM

In respect of the offer of Shares in the Funds of

## **FAIR FUND SERIES S.A. SICAV-RAIF**

A collective investment scheme organised as an investment fund and incorporated as a public limited liability investment company with variable share capital under the Company Law (Luxembourg law of 10 August 1915 related to commercial companies) and under the RAIF Law (Luxembourg law of 23 July 2016 related to Reserved Alternative Investment Fund) as an Alternative Investment Fund in the form of an Umbrella Fund.

**FAIR FUND SERIES S.A. SICAV-RAIF is not subject to the supervision of the Luxembourg supervisory authority.**

**1<sup>st</sup> March 2024**

## **DIRECTORY**

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L-5316 Contern  
Grand Duchy of Luxembourg**

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**Alternative Investment Fund Manager:**

**fair-finance Asset Management Ltd**

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Sliema SLM 1607

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**Mr Sven Ulbrich**

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## IMPORTANT INFORMATION

This Offering Memorandum is issued by FAIR FUND SERIES S.A. SICAV-RAIF, an umbrella fund incorporated as a Public Limited Company under the laws of Luxembourg, which is registered as an investment company with variable capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé*) under the RAIF Law and the Company Law.

The Company qualifies as alternative investment fund (“AIF”) in accordance with the AIFM Law.

The Company has appointed fair-finance Asset Management Ltd as an alternative investment fund manager incorporated under the laws of Luxembourg as its external AIFM. Pursuant to an Alternative Investment Fund Manager Agreement between the Company and the AIFM, the latter will be entrusted with at least the functions of portfolio management and risk management within the meaning of the AIFMD.

The offer contained in this Offering Memorandum is limited to investors who have expressed an interest in investing in the Company and who must be aware of the risks inherent to the investment in an undertaking for collective investment, investing according to the investment policy of each Fund as described in the relevant Offering Supplement.

Pursuant to the RAIF Law, Well-Informed Investors refer to (i) an institutional investor, (ii) a professional investor and (iii) or any other investor who has confirmed in writing that he adheres to the status of well-informed investor and who either invests a minimum of EUR 125,000 in the Company or has obtained an assessment made by a credit institution within the meaning of EU Regulation 575/2013, an investment company within the meaning of Directive 2004/39/EU or an Alternative Investment Fund Manager within the meaning of Directive 2011/61/EU certifying the investor’s expertise, experience and knowledge in adequately appraising an investment in the Fund.

This Offering Memorandum is being issued to certain persons to whom it is permitted to promote investment in the Company in accordance with the RAIF Law and the AIFMD, and the distribution of this document to persons other than those thereby permitted is forbidden. The recipients of this Offering Memorandum may not forward or distribute copies of it to any other person, except otherwise prior agreed with the AIFM.

Prospective investors in the Company must only rely on their own examination of the legal, taxation, financial and other consequences of any investment in the Company, including the risks involved. Prospective investors should not treat the content of this Offering Memorandum as advice relating to legal, taxation or investment matters described herein and are advised to consult their own professional advisors. This Offering Memorandum does not purport to be all-inclusive or necessarily to contain all the information that an investor may desire in investigating the Company or necessary to make an informed investment decision regarding the Offer.

The Company has taken reasonable care to ensure that the information stated in this Offering Memorandum is true and accurate. Neither the Company, the Board, nor any member, partner, manager, employee, counsel,

officer, representative, agent or affiliate of any of them, makes any express or implied representation or warranty as to the accuracy or completeness of the information contained in this Offering Memorandum or made available in connection with any further investigation of the terms of the offer. No person has been authorised to make any representation or to give any information other than the representations and information included in this document and, if made or given, any such other representations or information may not be relied upon as having been made or given by or on behalf of the Company, the Board, or any other person. Neither the delivery of this Offering Memorandum nor the offer shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date of this Offering Memorandum or that any information contained herein is correct at any time subsequent to the date hereof. In particular, investors should note that the information contained in this Offering Memorandum may be amended from time to time.

All questions regarding the Company should be directed to the Board or the AIFM.

This Offering Memorandum is submitted to the recipient on a confidential basis. By accepting this Offering Memorandum and other information supplied to prospective investors by the Company, the recipient agrees that neither it nor any of its members, partners, directors, employees or advisors shall use the information for any purpose other than for evaluating its proposed investment in the Company nor shall they divulge such information to any other party. This Offering Memorandum shall not be photocopied, reproduced or distributed to others without the prior written consent of the Board. If the recipient decides not to purchase any of the Shares in connection with the Offer, it will promptly return all material received in connection herewith (including this Offering Memorandum) to the Board without retaining any copies.

**THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER OF, OR THE SOLICITATION OF AN OFFER TO ACQUIRE, SHARES TO ANY PERSON IN ANY JURISDICTION TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. THE DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW, AND THEREFORE PERSONS INTO WHOSE POSSESSION IT COMES SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH RESTRICTIONS. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF ANY SUCH JURISDICTION.**

No Shares may be acquired or held by, on behalf or for the account or benefit of, Restricted Persons. In particular, the Board of Directors has decided that US Persons would be considered as Restricted Persons. The Shares have not been registered under the United States Securities Act of 1933 (“1933 Act”), as amended. The Company represents and warrants that its Shares will not be offered, sold or delivered to US Persons. Shares may inter alia not be offered directly or indirectly in the United States of America (including its territories and possessions) to nationals or residents thereof or to persons normally resident therein, or to any partnership or persons connected thereto unless pursuant to any applicable statute, rule, or exemption available under United States law.

All applicable laws and regulations must be observed in any jurisdiction in which Shares may be offered or sold in accordance with either (i) the provisions of AIFMD or (ii) any specific local laws and regulations, where

applicable. No person may directly or indirectly offer, sell, reoffer, resell or transfer Shares or distribute this Offering Memorandum or any related document, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge or belief, in compliance with all applicable laws and regulations.

The Shares may be marketed (i) outside Luxembourg but in the European Union only to “Professional Investors” qualifying as “Well-Informed Investors” by using the marketing passport provided for in the AIFMD or (ii) in Luxembourg or outside of the European Union to Well-Informed Investors.

The Shares of the Company may however be registered and or authorised for marketing in different European distribution countries to other Well-Informed Investors in compliance with the provisions of the AIFMD and, where applicable, with local requirements in force in these European distribution countries.

Investors in the Company are not protected by any statutory compensation arrangements in the event of one of the Fund’s failure.

Investors will be individually approached from time to time. This offer is personal to each recipient thereof and does not constitute an offer to any other person. This offer may only be used by the persons to whom it has been delivered in connection with the offering and may neither directly nor indirectly be distributed nor made available to other persons without the express consent of the Board.

Generally, investment values can go down as well as up. Past performance is not indicative of future returns which may or may not be the same or similar to past performance (see section “Risks Factors”).

Terms in capital letters and abbreviations used in this Offering Memorandum have defined meanings, which are explained in the glossary of this Offering Memorandum if they have not been clearly defined within this Offering Memorandum. The financial amounts in this Offering Memorandum are expressed in EUR unless otherwise stated.

This Offering Memorandum should be read in conjunction with, and is subject to, the detailed terms of the Articles of the Company, which shall prevail in all cases.

This Offering Memorandum is subject to changes concerning the addition or removal of Funds as well as other modifications. Therefore, it is advisable for Investors to ask for the most recent issue of the Offering Memorandum.

The text of the Articles, the Investor Form and the latest published annual report are available for inspection at the registered office of the Company and the Administrator respectively. Copies of such documents will be sent free of charge to any prospective investor upon request.

By accepting this Offering Memorandum, the recipient hereof agrees to be bound by this Offering Memorandum, the Articles and the Investor Form.



Apart from the Founder Shares (which do not constitute a distinct Fund), the Company shall also comprise separate classes, or groups of classes, of non-voting shares constituting distinct Funds. The assets and liabilities of each Fund shall constitute a patrimony separate from the assets and liabilities of each other fund pursuant to article 49 of the RAIF Law.

No broker, dealer, salesman or other person has been authorised by the Company, or the functionaries of each Fund, to issue any advertisement or to give any information or to make any representation in connection with the offer or sale of shares other than those contained in this Offering Memorandum, the relevant Offering Supplements and in the documents referred to therein, in connection with the offer hereby made. If given or made, any such information or representation must not be relied upon as having been authorised by the Company, its directors, or any of the functionaries of a Fund.

Prospective investors should not construe the contents of this Offering Memorandum and the relevant Offering Supplements as constituting or otherwise providing legal, tax or financial advice. All prospective investors should consult their own professional advisers as to the legal, tax, financial or other matters relevant to the suitability or otherwise of an investment in a Fund for such investor.

If you are in any doubt about the content of this Offering Memorandum or the suitability of an investment in the Shares, you should consult your broker, solicitor, accountant or other professional advisors.

For more information or to obtain a copy of the Offering Memorandum and the latest annual report, please contact:

#### **FAIR FUND SERIES S.A. SICAV-RAIF**

To obtain subscription and redemption forms and/or to place orders for subscription, redemption and transfer of Shares on behalf of the Company, please contact:

#### **Fair-Finance Asset Management Ltd**

Il Piazzetta A  
Suite 52, Level 5  
Tower Road  
Sliema SLM 1607  
Malta  
[office@fair-finance-am.com](mailto:office@fair-finance-am.com)  
+356 222608 -11

## 1. DEFINITIONS

The following words shall bear the meanings set opposite to them, unless inconsistent with the subject or context:

**“Administrator”** means any person, firm, company or corporation as may be duly appointed and engaged for the purposes of acting as administrator of a Fund, as referred to under the relevant Offering Supplement;

**“AIFM”** means the Alternative Investment Fund Manager of the Company;

**“AIFMD”** means the Alternative Investment Fund Managers Directive (Directive 2011/61/EU of 8 June 2011) and any modification;

**“Applicable Law”** means the Company Law, the RAIF Law, the AIFMD, and any other laws, rules, regulations and enactments as may be applicable to the Company from time to time;

**“Articles”** means the Articles of Association of the Company as may from time to time be in force;

**“Auditors”** means the Auditors of the Company as shall be appointed from time to time;

**“Board”** means the Board of Directors of the Company, including any committee of the Board;

**“Business Day”** means a day on which the banks are open for normal banking business in Luxembourg or such other day as the Directors may determine from time to time;

**“Cleared Funds”** means funds, constituting the consideration for the acquisition of Shares payable by a prospective investor to the Company, as have been irrevocably credited to the relevant Designated Account as notified by the Administrator from time to time;

**“Company Law”** means the Luxembourg law of 10 August 1915 related to commercial companies and any modification or re-enactment thereof for the time being in force;

**“Company”** means FAIR FUND SERIES S.A. SICAV-RAIF;

**“Dealing Day”** means the applicable dealing day on which subscriptions and redemptions in any Fund shall be processed, as may be designated and established in the relevant Offering Supplement;

**“Depositary”** means any person, firm, company or corporation as may be duly appointed and engaged

for the purposes of acting as custodian of the assets of a Fund, as referred to under the relevant Offering Supplement;

**“Depositary Agreement”** means an agreement entitled ‘Depositary Agreement’ entered into by and between the Company and the Depositary, regulating the appointment and engagement by the Company of the Depositary;

**“Designated Account”** means the subscription and/or redemption account/s, as may be opened and maintained by the Company in the name of a Fund;

**“Directors”** means the Directors for the time being of the Company, and the term “Director” shall be construed accordingly;

**“ESG”** means Environmental, Social and Governance;

**“FATF”** means the Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system;

**“Founder Shares”** means the Founder Shares that may, at any time, be in issue in the capital of the Company in terms of the provisions of Clause 6 of the Articles;

**“Fund”** means sub-fund that may, from time to time, be set up and established by the Company in terms of this Offering Memorandum and the relevant Offering Supplement, and comprising a distinct class, or group of classes, of shares in the Company, to which are allocated assets and liabilities distinct from other assets and liabilities that may be allocated to any other sub-fund that may, from time to time, be set up and established in the Company as aforesaid;

**“Investor Form”** means the form entitled ‘Investor Declaration & Subscription Form’ (as may be applicable from time to time), which is to be completed and duly executed by a Well-Informed Investor as confirmation of his status as a Well-Informed Investor (as the case may be), and of his intention to subscribe for Shares in a Fund promoted to Well-Informed Investors;

**“Luxembourg Law”** means any applicable law(s) of the Grand Duchy of Luxembourg;

**“Member / Investor”** means a person who is registered as the holder of Shares in the Register;

**“MFSA”** means the Malta Financial Services Authority;

**“Minimum Holding”** means a holding of Shares in a Fund the value of which, by reference to the Net Asset Value or the number of Shares, is not less than the relevant Minimum Holding established in respect of such Fund in the relevant Offering Supplement;

**“Money Laundering Reporting Officer”** means the money laundering reporting officer for the time being of the Company;

**“Month”** means a calendar month;

**“Net Asset Value”** means the net asset value of a Fund or per Share;

**“Offering Memorandum”** means this Offering Memorandum as may from time to time be in force, and includes any Offering Supplement relating to Shares in a particular Fund;

**“Offering Supplement”** means an offering document in relation only to Shares in a particular Fund, including all relevant appendices, amendments and exhibits thereto, if any, as the same may, from time to time, be consolidated;

**“Officer”** means any Director;

**“Professional Investor”** means an Investor who or which is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to Directive 2014/65/EU (MiFID II).

**“RAIF”** means a reserved alternative investment fund subject to the RAIF Law;

**“RAIF Law”** means the Luxembourg law of 23 July 2016 related to reserved alternative investment funds;

**“Redemption Day”** means, in respect of each Fund, a day, being a Dealing Day, on which Shares issued in the relevant Fund are repurchased and redeemed by the Fund, pursuant to the submission by a Member of a redemption request, as referred to under the relevant Offering Supplement;

**“Redemption Form”** means the form which is to be completed and duly executed by a Member for submission thereof to the Company, for the purposes of requesting the Company to repurchase all or part of that Member’s Shares in a Fund;

**“Register”** means the register duly kept by the Company in respect of each Fund, in which are listed the names of the Members of each Fund;

**“Regulated Market”** means any stock exchange or regulated market considered by the Company to provide a satisfactory market for the Shares in question;

**“Service Provider”** means a person, firm, company or corporation as may be appointed and engaged, from time to time, for the purposes of providing investment management, administration, custody, advisory and/or any other services as may be required in respect of the Company and/or any Fund, and as may be more specifically set out in the relevant Offering Supplement;

**“SFDR”** means 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 (Sustainable Finance Disclosure Regulation);

**“Share”** means a share, not being a Founder Share and having no nominal value, issued in any Fund and belonging to such class and having such rights as provided in terms of the relevant Offering Supplement;

**“Side Pocket”** means a segregated side pocket into which a Fund may transfer any asset/s within the Fund’s portfolio that may become, or are otherwise designated as, illiquid or comparatively hard to value, against the conversion of corresponding Shares as may, at that time, be in issue in the relevant Fund, into Side Pocket Shares;

**“Side Pocket Shares”** mean such number of Shares in a Fund as may be segregated from other Shares in issue in the relevant Fund upon the occurrence of a Special Event, and transferred to a specifically created new class of Shares representing a Side Pocket within that relevant Fund;

**“Special Event”** means any event, as may be determined by the Board upon a recommendation from the AIFM, on which any asset/s of a Fund becomes, or are otherwise designated as, illiquid or otherwise difficult to value;

**“Special Purpose Vehicle” or “SPV”** means a subsidiary company to the Company, established in Luxemburg or in a jurisdiction which is not an FATF Blacklisted Country, which is beneficially owned or controlled, via a majority holding of the capital therein, directly or indirectly by the Fund through the Company (that is, beneficially owned by the Company as assets of and attributable to the Fund), and in which the Fund, through the Company’s Directors, has the majority directorship (or equivalent administrative function), set up or otherwise purchased by the Fund (through the Company as aforesaid) for the purposes of directly or indirectly investing in the underlying investments or assets in terms of this Offering Supplement in accordance with the investment objective, strategy and restrictions of the Fund;

**“Subscription Day”** means, in respect of each Fund, a day, being a Dealing Day, on which a Well-Informed Investor (as the case may be) shall be allowed to subscribe to Shares of any Fund, as referred to under the relevant Offering Supplement;

**“Sustainability Risks”** means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment, as defined in article 2 of the SFDR;

**“Valuation Day”** means the day on which the Net Asset Value of a Fund or per Share is calculated, as specified in the relevant Offering Supplement;

**“Well-Informed Investor”** means an institutional investor, a professional investor or any other investor who meets the conditions stated in article 2 of the RAIF Law.

## 2. PRINCIPAL FEATURES

### 2.1 The Company

The Company was initially a collective investment scheme established as an investment fund public limited liability investment company with variable share capital. The Company was registered and incorporated in Malta in terms of Chapter 386 of the Companies Act on the 12<sup>th</sup> October 2010, for an indefinite duration, and was licensed by the MFSA as an alternative investment fund in the form of an umbrella fund. The registered office of the Company was situated at Tigne Place, Block 12, Office 2/2, Tigne Street, Sliema SLM3173, Malta.

The Company has been redomiciled in Luxembourg on the 11th October 2021. The Company is registered as a RAIF under the legal form of a public limited liability investment company with variable share capital, in accordance with the Applicable Law. The registered office of the Company is situated at 46, rue de Près, L-5316 Contern, Luxembourg.

The Company's financial year shall begin on the 1st October of each year and shall end on the 30<sup>th</sup> September of the next year. By way of exception, the first financial year shall begin on the incorporation date of the Fund and shall end on the 30<sup>th</sup> September 2022.

The base currency of the Company shall be the Euro and, accordingly, the financial statements of the Company shall be prepared and finalised in Euro.

The base currency of a Fund (as may be specified in the relevant Offering Supplement) may, however, differ from the base currency of the Company, and any and all prices and valuations determined in respect of a Fund shall be denominated accordingly.

### 2.2 The Funds

The Company is authorised to issue different classes, or groups of classes, of Shares constituting distinct Funds, the assets and liabilities of each Fund constituting a patrimony separate from the assets and liabilities of each other Fund.

This Offering Memorandum enumerates the general principles and rules that regulate all the Funds that may be constituted by the Company from time to time. Each Fund shall be further regulated by the provisions of the relevant Offering Supplement outlining and detailing *inter alia* the specific investment objectives, policies, restrictions and Service Providers of the Fund in respect of which the Offering Supplement is issued by the Company.

The investment objectives and strategies of each Fund are outlined in its respective Offering Supplement. In future, a Fund may be closed and new Funds may be established by the Company. An updated list of the Funds available for investment may be obtained from the Directors.

## 2.3 The Shares

The Founder Shares carry an entitlement to one (1) vote at general meetings of the Company and are entitled to appoint the Directors. Decimal fractions of such Shares do not grant voting rights. The Founder Shares do not carry any entitlement to participate in any dividends or other distributions of the Company or a Fund (as the case may be), or in the assets of the Company or a Fund (as the case may be) on a winding up, save for the return of the paid up capital after payment of all amounts due in respect of other classes, or groups of classes, of Shares.

Save as may be otherwise provided in the terms of issue of a particular class of Shares, any and all classes, or groups of classes, of Shares (not being Founder Shares) in any Fund as may be offered and issued by the Company to Well-Informed Investors shall not carry any voting rights. Such other classes, or groups of classes, of Shares in each Fund may be created as either distribution Shares or accumulation Shares, as the Directors may determine from time to time in the relevant Offering Supplement.

The Company may within each Fund issue non-voting shares in compliance with article 430.9 of the Company Law and the Articles as more detailed in the Offering Supplement.

## 2.4 Investment Objectives, Policies & Restrictions

The investment objectives, policies and restrictions of each Fund shall be outlined and specified in the relevant Offering Supplement.

However, the Board may change the investment objective, policy and restrictions of a Fund subject to a notification to Shareholders at least 1 (one) calendar month before the entry into force of the modification. Upon notification, Shareholders are entitled to redeem their Shares free of charge. This Offering Document will be amended accordingly upon approval of the changes above.

The Board may also change the investment policy of a Fund immediately upon the relevant Shareholders' prior approval.

### *Use of Special Purpose Vehicles*

Where expressly provided by its Offering Supplement, a Fund may use one or more SPVs established in any other jurisdiction, which is not a FATF Blacklisted country through which it shall acquire its underlying assets. Such SPVs will be beneficially owned or controlled via a majority holding of the capital directly or indirectly by the Fund (through the Company) and such capital participations shall be held by the Company as assets attributable to the Fund.

All investments effected through any SPV will be in accordance with the currently applicable investment objectives, policies and restrictions of the Fund. The following documentation in respect of any SPV shall be available for inspection at the registered office of the Company, and at the offices of the Administrator, during business hours:

(a) Registration certificates and other registration documents of any SPV, including full details of the relevant shareholders and directors of the SPV.

(b) Audited financial statements of any SPV.

### *Sustainable investments*

The Funds of the Company are ‘financial products’ within the meaning provided under the SFDR. All Funds of the Company shall promote environmental and social characteristics, but do not have ‘sustainable investment’ as their objective.

As part of a Fund’s sustainability process, a methodically comprehensive approach is depicted and sustainability evaluations are undertaken in accordance with the applicable "Sustainable Investment Guideline". The "Sustainable Investment Guideline" integrates sustainability factors such as environmental, social and employee issues, as well as respect for human rights and the combat against corruption and bribery, in its specific investment process.

With regard to the investment universe, a combination of exclusion (negative selection) and positive selection criteria is used. According to the investment process, sustainability is comprehensively defined in terms of responsible investment with high ethical, social and environmental standards. Based on the investment decisions, the financing options for long-term sustainable investments can be steered.

## **2.5 Cross Fund Investments**

A Fund promoted to Well-Informed Investors (‘Investing Fund’) may invest in Shares issued in the capital of any one or more other Funds (‘Target Funds’) within the Company, subject to the following terms and conditions:

(a) A Target Fund shall not itself invest in the Investing Fund.

(b) In any event, for as long as these securities or partnership interests are held by the Company, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets.

(c) Any voting rights as may be acquired by the Investing Fund from the acquisition by the Investing Fund of Shares in the Target Fund (as the case may be) shall be suspended as appropriate.



### 3. RISK FACTORS

A FUND'S INVESTMENT PROGRAM ENTAILS SUBSTANTIAL RISKS. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT OBJECTIVES OF A FUND SHALL BE ACHIEVED.

ATTENTION SHOULD BE DRAWN TO THE FACT THAT THE NET ASSET VALUE PER SHARE MAY GO DOWN AS WELL AS UP. AN INVESTOR MAY NOT GET BACK THE AMOUNT HE/SHE HAS INVESTED. CHANGES IN EXCHANGE RATES MAY ALSO CAUSE THE NET ASSET VALUE IN THE INVESTOR'S BASE CURRENCY TO GO UP OR DOWN. NO GUARANTEE AS TO FUTURE PERFORMANCE OF, OR FUTURE RETURN FROM, THE INVESTMENT, CAN BE GIVEN.

IN ADDITION TO THE ABOVE-MENTIONED GENERAL RISKS WHICH ARE INHERENT IN ALL INVESTMENTS, THE INVESTMENT IN EACH FUND IS ONLY APPROPRIATE FOR INVESTORS WHO CAN TAKE THE RISK TO LOSE THE ENTIRE INVESTMENT.

This section seeks to identify the general potential risks associated with the Company and its Funds, which prospective Investors should carefully consider prior to actually investing in any Fund. This section outlines the potential general risks, and is not in any manner intended to provide an exhaustive indication of such risks. Prospective Investors are hereby advised to undertake their own independent evaluation of all investment factors and risks that may be involved in any Fund, and to consult their own financial advisers prior to investing in any Fund.

The suitability or otherwise of investing in a particular Fund depends on the type of Fund in question. Investment in a Fund promoted to Well-Informed Investors is only suitable for Well-Informed Investors. Moreover, in the event of a Fund's failure, its Members are not protected by any statutory compensation arrangements.

Unless otherwise provided in a relevant Offering Supplement, investment in any Fund should be regarded as a long-term investment. The Company does not guarantee that a Fund's investment objectives (as delineated in the relevant Offering Supplement) shall be attained, or that a Fund's investment policies and strategy (as also delineated in the relevant Offering Supplement) shall be successful. Prospective Investors and Members are hereby advised that the price of Shares and the income therefrom, may fall as well as rise, and that they may not recover any amounts that may be invested by them in a Fund. In addition to market factors, changes in exchange rates may cause the value of Shares to go up or down. The deduction of any initial charges and exit fees (where applicable) mean that if a Member withdraws from his investment in the short-term, he may not recover the amount he invested in the Fund.

Each Fund's investments will be subject to market fluctuations, and there is no guarantee that investments will yield a profit, or that an appreciation in value of an initial investment will occur. Historical performances over any particular period shall not necessarily be indicative of the results that may be expected in the future. Moreover, the Company has not adopted fixed guidelines for diversification of portfolio holdings, except as may otherwise be provided in the relevant Offering Supplement of a particular Fund. A significant percentage of a Fund's investments may, at times, be

limited to a particular market sector, region or industry and, accordingly, may be subject to more rapid changes in value than would be the case if there were a requirement to maintain a wide diversification among companies, industries, regions and types of securities and other asset classes. Although each Fund's portfolio shall generally be diversified, this may not be the case at all times in the event that the relevant AIFM of a Fund deems it advantageous for such Fund to be less diversified.

Any particular risk factors that may be inherent in, and specific to, any Fund shall be outlined by the Company to prospective Investors and Members of that Fund in the relevant Offering Supplement.

In evaluating the potential and suitability of an investment in one or more Funds, careful consideration should be given by prospective Investors to the following risk factors which relate to the management of the Funds and the underlying markets in which the Funds' assets will be invested.

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

The summary below describes in general terms some of the risk factors that need to be considered. These risk factors may not be a complete list of all risk factors associated with an investment in the Company and its Funds. Specific risk factors relating to a Fund may be described in the relevant Offering Supplement.

### **General Risks of Investing**

An investment in the Company is subject to all risks incidental to investment in securities and other assets which the Company 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 Company and, therefore, by the Investors.

### **Risks of Umbrella Structure**

The Company may establish an unlimited number of separate Funds each represented by one or more classes of Shares. In terms of regulations duly issued under the RAIF Law, a Member's interest shall be limited to the assets and liabilities represented by the class of Shares in which the Member invests.

It is the standard requirement of the Company that any persons dealing with the Company expressly acknowledge the fact that they have no recourse against the Company and the Funds, except to the extent of the assets of the Fund in relation to which they have had dealings. As at the date of this Offering Memorandum, the Directors are not aware of any instances where the treatment of segregated assets under Luxembourg law, as described above, has been successfully challenged, against any Funds, in Luxembourg or in any jurisdiction where the Funds have been distributed.

### **Limited Transferability**

Since the Directors may decline to register a transfer of Shares, Investors may not be able to sell their investments and therefore, would have to utilise the Company's redemption or repurchase program, which itself may be subject to restrictions.

### **Illiquidity of Shares**

There will be no secondary market for the Shares, and consequently, Investors may dispose of their Shares only by means of redemption. Shares may be redeemed on any Dealing Day. There is no assurance that the Company will be able to liquidate the portfolio securities attributable to the Shares without losses. These losses might have an adverse effect on the Net Asset Value of the Company 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 Company is unable to liquidate its investments or if it is obliged to suspend dealings in its Shares, the Company may be unable to redeem Shares.

### **Valuation of Investments**

A Fund may invest in securities or derivatives which are unlisted or for which there is no active market. Additionally, a Fund may acquire investments that are only traded over-the-counter. Accurately valuing and realising such investments or closing out positions in such investments at appropriate prices, may not always be possible.

There may also be delays in obtaining values for underlying investments, which may result in reliance on estimates in calculating the Net Asset Value.

### **Absence of Operating History**

The Company is a newly formed entity and, as such, it does not have any established track record that could be utilised as a basis for evaluating its potential performances. The value of Shares may go down as well as up, and Investors may not get back the amount they have invested.

### **Indemnities**

The Company indemnifies its Officers, employees and any person who serves at the request of the Company as an Officer, or employee of another company, partnership, joint venture, trust or other enterprise, to the fullest extent permitted by law, except where such Officers and employees have acted negligently or in bad faith. Such indemnities may be insured against by insurance policies maintained by the Company.

The Company may also indemnify an AIFM, an Administrator, a Custodian and any Service Provider or agent of the Company or any Fund, to the extent permitted by law, 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 Company, and provided such actions did not involve gross negligence, willful default, fraud, or dishonesty.

### **Credit Risk**

Credit risk, a fundamental risk relating to all fixed income securities as well as money market instruments, is the chance that an issuer will fail to make principal and interest payments when due.

Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.

### **Suspension of Determination of Net Asset Value & Dealing**

The Company may, at any time, suspend the determination of the Net Asset Value of any Shares, and the sale and/or redemption of Shares, as provided in Section 5 of this Offering Memorandum and pursuant to the provisions of the relevant Offering Supplement.

### **Side Pocketing**

On the occurrence of a Special Event, the holders of Shares in a particular Fund or of a particular class of Shares issued therein, may receive Side Pocket Shares. Such Side Pocket Shares have an attendant lack of liquidity for an indeterminate period of time, during which the affected Investors shall not be able to redeem their Side Pocket Shares and the relevant Fund's performance could be negatively impacted. Furthermore, Investors should be aware of the increased difficulty in the valuation of Side Pocket Shares and the restrictions associated with the realization of interest from such Side Pocket Shares.

### **Fair Treatment of Investors and Investor Rights**

Investors will have the rights and obligations set out in the Articles, the Company Law, this Offering Memorandum, the relevant Offering Supplement and the Investor Form.

None of the agreements appointing Service Providers provide for any third-party rights for Investors. Absent a direct contractual relationship between an Investor and a Service Provider, Investors generally have no direct rights against the relevant Service Provider and there are only very limited circumstances in which an Investor may bring a claim against a Service Provider.

The Company does not generally have a direct obligation to ensure fair treatment of Investors by third parties. However, as a general matter, the Directors owe certain fiduciary duties to the Company, which require them, among other things, to act in good faith and in what they consider to be the best interests

of the Company. In doing so, the Directors will act in a manner that seeks to ensure the fair treatment of Investors.

Under the AIFMD, the AIFM must treat all Investors fairly. The AIFM ensures the fair treatment of Investors through its decision-making procedures and policies and seeks to: identify any preferential treatment, or the right thereto, accorded to Investors, and ensure that any such preferential treatment does not result in an overall disadvantage to other Investors. In addition, the manager monitors the terms of any side arrangements entered into with Investors in relation to their investments in a Fund and the Company to seek to ensure the fair treatment of Investors.

The Company may enter into side letters in relation to a Fund with individual Investors covering, *inter alia*, capacity, fee rebates or restrictions, provision of additional information, most favoured Investor commitments, individual investor approval requirements, transfer rights and confirmations of how expenses will be borne. Unless it is a personal matter for the Company, side letters will only be entered into in relation to a Fund with the explicit approval of the Directors, who will act in the best interests of the Fund as a whole. A description of the material terms of any such side letters, the type of Investors who obtain such preferential treatment and (if relevant) their legal or economic links with the Company will be provided to all Investors and prospective Investors. Side letters issued by a Fund will be retained in Luxembourg at the registered office of the relevant Fund and the Company.

### **Sustainability Risks**

Sustainability Risks are considered in the fund management process, and the Sustainability Risks features are integrated into the overall investment process.

A ‘sustainability risk’ in the area of environmental, social and governance factors is an event the occurrence of which could have a significant negative impact on the value of an investment.

On the one hand, physical environmental risks such as extreme weather or a continuous rise in temperature and environmental pollution can have negative effects on companies and / or investments. On the other hand, ‘transition risks’ (risks from the transition to a climate-neutral and resilient economy and society) such as political regulations, technological developments and consumer behaviour can have both positive and negative effects on companies and / or investments. In addition to environmental risks, this also applies to social goals (such as labour standards, etc.) and risks in connection with corporate governance (such as tax compliance, corruption, etc.).

Sustainability Risks do not represent a specific type of risk considered individually. The occurrence of Sustainability Risks can have a significant negative impact on the value of an investment and therefore lead to a significant deterioration in the financial profile, liquidity, profitability and reputation of the underlying investment. If Sustainability Risks are not already taken into account in the assessment process of the investment, they can have significant negative effects on the expected / estimated market price and / or the liquidity of the investment and thus on the performance of the investment.

Whilst general risks may themselves cause a significant negative impact on the value of an investment, such general risks may also contribute to the materiality of Sustainability Risks to which a Fund may be exposed to.

The investment decision-making process outlined herein and the Offering Supplement of the respective Fund aim to prevent and/or mitigate as much as possible the potential significant negative impact that may otherwise result on the value of an investment. The associated opportunities can also result in medium and long-term opportunities for a positive impact on the value development of the investment.

## 4. OFFICERS, SERVICE PROVIDERS & OTHER COMPANY OFFICIALS

### 4.1 The Directors

Pursuant to the provisions of Clause 16 of the Articles, the Board shall be composed of three (3) Directors. The details of the Directors are outlined hereunder.

#### **Mr Johann Langgassner**

Mr Langgassner is a director of LL Capital & Partners Limited, a private limited liability company registered and incorporated in Malta on the 13<sup>th</sup> January 2009, with company registration number C 46015. The principal objects of LL Capital & Partners Limited are to provide investment services, including any investment advice, to receive and transmit orders on behalf of clients in connection with investment instruments, and to manage, hold and control clients' money or assets in terms of a Category 2 Investment Services Licence duly issued by the MFSA in terms of the Investment Services Act, and generally, any legal notices, regulations and guidelines issued under the Investment Services Act from time to time.

Mag. Johann (Hans) Langgassner is the founder, CEO and Chief Investment Officer of LL Capital & Partners LTD. and also serves as the chairman of the investment Committee of the company. The company, under a category 2 license issued by the MFSA in October 2009 and passported into member states of the European Union, offers an extensive range of financial services to private clients, family offices, institutional clients, fund managers and professional partners predominantly in member states of the European Union, selectively also in global markets. Those services include, inter alia, Investment Advisory, Portfolio Management, Portfolio Optimization, Risk/Return Enhancement Strategies, Personalized Portfolio Concepts in Individual Managed Accounts, Structured Fund Concepts open or closed to other Investors, International Asset Structuring, Legal and Tax Optimization concepts as well as Wealth Transfer and Succession Planning activities. Mr Langgassner is also the original promoter and managing director of fair fund series SICAV plc. He has direct responsibility for the setup, administration and management of investment funds sponsored by LL Capital & Partners Ltd. and designed for clients of the company. Additionally, he also manages and oversees the transfer, set up, administration and management of 'White Label Funds' offered to third party fund promoters or fund managers under the umbrella of the platform.

Before founding his own company Hans Langgassner broadened and deepened his experience in the financial services industry through taking responsibility in client advisory as well as managerial functions in a small private bank in Austria (Capital Bank – Grawe Group AG, head of Private Banking International, April 2004 – December 2008) and especially within one of the largest global private banking institutions (Merrill Lynch Pierce, Fenner & Smith Inc, Merrill Lynch International Bank Ltd., First Vice President Investments, April 1990 – March 2004). Through constantly achieving above average results in all functions assigned Hans Langgassner regularly qualified for the highest Merrill Lynch – internal recognition clubs and was finally awarded membership in the Charles E. Merrill Circle.

During this tenure his responsibilities included, inter alia, building and servicing a book of High Net Worth and Ultra High Net Worth clients, developing and executing financial planning mandates and international cross border structures, developing tailor made financial solutions, building and leading teams and departments, setup and leading a representative office in Prague, acting as delegate of the German speaking countries to the European Advisory Council to Management at Merrill Lynch in London and New York.

The groundwork for his professional carrier development was laid – on top of a proper education at home – by academic studies honored with a diploma from the University of Economics and Business Administration in Vienna.

The following are the contact details of Mr Langgassner:

70, AM Georgenberg, Kuchl, A-5431 Austria  
Telephone: +35627880221 Fax: +35627880222  
E-mail: Langgassner@llcapitalpartners.eu

### **Mr Johannes Puhr**

Mr Puhr is the Managing Director of fair-finance Asset Management Limited, the Investment Manager. He also acts as the Portfolio Manager for AIFs and UCITS schemes under the management of the Investment Manager, as well as the designated Investment Advisor. Mr Puhr is CEFA and CIIA qualified and advises financial services companies through his own practice at Puhr Consult KG.

The following are the contact details of Mr Puhr:

3, Flat 1, Milner Street, Sliema SLM 1726, Malta  
Telephone: +43 676 3003501  
E-mail: puhr@fair-finance.at

### **Mr Sven Ulbrich**

Mr Ulbrich is the Managing Director of fund2seed, a consulting company specialised in non-profit organisations. He has over 20 years' experience in corporate strategy, financial engineering, operational, compliance and distribution activities. Since 2005, he also acts as director to various boards within Luxembourg investment vehicles and funds.

The following are the contact details of Mr Sven Ulbrich:

Frankenhöhe 40, 55288 Spiesheim, Germany



Telephone: +49 151 1248 2012  
E-mail: sven@fund2seed.org

#### **4.3 The Auditor**

Ernst & Young shall be the Auditor of the Company.

35E Avenue John F. Kennedy, L-1855, Luxembourg  
Grand Duchy of Luxembourg

#### **4.4 The Regulatory and Compliance Adviser**

The Company has appointed PricewaterhouseCoopers, Société Coopérative as its Regulatory and Compliance Adviser.

2, Rue Gerhard Mercator,  
L-2182, Luxembourg  
Grand Duchy of Luxembourg

#### **4.5 The Money Laundering Reporting Officer**

The Company has appointed Mr Sven Ulbrich as its money laundering reporting officer, who is responsible for ensuring the Company's adherence to the anti-money laundering and funding of terrorism obligations. The following are the contact details of Mr Sven Ulbrich:

Frankenhöhe 40, 55288 Spiesheim, Germany

Telephone: +49 151 1248 2012  
E-mail: sven@fund2seed.org

#### **4.6 The Service Providers**

Details of any Service Providers as may, from time to time, be appointed and engaged to provide services as may be required in respect of each Fund, shall be provided in the relevant Offering Supplement issued by the Company in respect of such Fund.

#### **4.7 Conflicts of Interest**

Each Fund may be subject to various conflicts of interest arising out of its relationships with the Officers and its Service Providers. The Officers and the Service Providers of each Fund, other companies within their respective groups and their respective officers and shareholders may be involved in other financial, brokerage, investment or other professional activities which, in the course of their business, shall occasionally give rise to conflicts of interest with the relevant Fund.

These activities may include managing or advising or servicing other funds or companies including underlying funds invested in by the Fund, purchases and sales of securities and trades for own account and/or for the account of other customers, investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees may increase as the value of assets increase), sponsoring or promoting or establishing other collective investment schemes and serving as directors, officer, advisers or agents of other funds or companies, including underlying funds in which the fund may invest. Any Director may also act as a director of one or more company or companies, including without limitation a company that is licensed to provide investment services, such as the AIFM itself.

Such persons shall remain at liberty to undertake such activities independently of their involvement with a Fund. However, in such circumstances, such persons shall have appropriate regard to their respective obligations to act in the best interests of the Fund, so far as practicable having regard to their obligations to other clients or schemes, when such conflicts of interest may arise. Furthermore, the Company and its Officers shall ensure that the Fund's corporate governance procedures enable compliance with applicable laws, regulations and codes of conduct.

Having due regard to these obligations, the Company may buy investments from, or sell investments to, such persons, provided that such dealings occur on an arm's length basis, and on terms no less favourable to the Fund than could reasonably have been obtained had the dealing been effected with an independent third party. Such persons may also hold Shares in the Fund.

Should a conflict of interest arise, the Directors shall endeavour to ensure that it is resolved fairly, and that the Fund shall not be disadvantaged or prejudiced in any manner. Whilst no assurance may be given that a conflict of interest shall not arise at any time in the future, the Directors shall seek to resolve such conflicts of interest in the best interests of the Company and the relevant Fund.

## **5. SHARE SUBSCRIPTION, TRANSFER, CONVERSION & REDEMPTION**

### **5.1 The Shares**

#### **5.1.1. General**

In terms of Clause 6 of the Articles, the Company is authorised to issue up to a maximum of one hundred million (100,000,000) Shares having no nominal value. The Company may issue Shares of any class or classes, or any group of classes, in any Fund.

The Company has issued one-thousand-five-hundred (1,500) Founder Shares, which have been subscribed, and are held, by (i) fair-finance Asset Management Limited/Malta (as to seven-hundred-sixty-five (765) Founder Shares), and (ii) fund2seed GmbH/Germany (as to seven-hundred-thirty-five (735) Founder Shares). The Founder Shares do not constitute a separate Fund. The identity of the ultimate beneficial owners of fair-finance Asset

Management Limited and fund2seed GmbH shall be disclosed upon request. Any and all Shares issued by the Company in a Fund must be fully paid up, have no nominal value assigned to them, and may be repurchased at the option of the holders thereof in accordance with the provisions of the Articles, this Offering Memorandum, and any terms and conditions stipulated in the relevant Offering Supplement pursuant to which the Shares are issued.

Shares in a particular Fund may be issued and/or transferred solely in favour of Well-Informed Investors, depending on the nature of the Fund established by the Company, and shall further be subject to the terms and conditions of issue and transfer contained in the Articles and in the relevant Offering Supplement.

The Board has delegated to the relevant Administrator of each Fund the duties of accepting the subscription for, receiving payment for, and allotting or issuing, new Shares.

Investors should refer to the procedure outlined in the Articles of the Company in case of closure of a Fund or liquidation of the Company or any of its Funds.

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

Variations in the capital of the Company can take place without further consideration or enquiry and without the need for an amendment to any of the constitutional documents or publication.

#### **5.1.4. Allotment and Issue of Additional Shares**

The Directors are authorized to issue Shares, up to the maximum number of Shares that may be issued from time to time in terms of Clause 10 of the Articles. Without prejudice to any special rights previously conferred on the holders of existing Shares, any Share may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time determine, 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 Investors without their consent.

### **5.2 Class Rights**

The Founder Shares shall rank *pari passu* amongst themselves in all respects, and shall each carry an entitlement to one (1) vote at general meetings of the Company. Decimal fractions of such Shares do not grant voting rights. The Founder Shares shall not, however, carry any entitlement to participate in any dividends or other distributions of the Company or a Fund (as the case may be), or in the assets of the Company or a Fund (as the case may be) on a winding up, save for the return of the paid up capital after payment of all amounts due in respect of other classes, or groups of classes, of Shares.

Save as may be otherwise provided in the terms of issue of a particular class of Shares, Shares issued by the Company in any Fund shall not carry any entitlement to vote, but participate equally in the assets of that Fund in the event of its winding up, under such terms and conditions as may be set out in the relevant Offering Supplement. Such other classes, or groups of classes, of Shares in each Fund may be created as either distribution Shares (in respect of which the Fund would distribute dividends to the holders thereof) or accumulation Shares (in respect of which the Fund would not distribute dividends to the holders thereof, and whose income is accumulated and re-invested by the Fund), as the Directors may determine from time to time in the relevant Offering Supplement.

## **5.3 Funds, Investors & Minimum Investment**

### **5.3.1 General**

The Board may, at its discretion, at any time, decide to create additional Funds or to close existing Funds and in such cases, this Offering Memorandum will be updated accordingly.

### **5.3.2 Funds promoted to Well-Informed Investors**

Only Well-Informed Investors may invest in a Fund promoted to Well-Informed Investors. The Minimum Holding for each Well-Informed Investor in a Fund promoted to Well-Informed Investors shall be of one hundred thousand Euros (€100,000) or one hundred and twenty-five thousand Euros (€125,000) in the case where the conditions relative to the “Well-Informed Investor” definition, as per the RAIF Law, are complied with.

Each prospective Well-Informed Investor would be required to confirm his status as a Well-Informed Investor by completing and executing the Investor Form, and submitting the same to the Administrator. Each prospective Well-Informed Investor shall represent and warrant to the Administrator inter alia that he is able to acquire the Shares without violating Applicable Law.

All Investor Forms and any related documentation shall be kept at the registered office of the Company.

## **5.4 Application Procedure**

Applications for the subscription of Shares in any Fund shall be made on the relevant Investor Form. The purchase of Shares in writing is a legally binding contract. The Company reserves the right to reject, either in whole or in part, any application for Shares without giving any reason therefore.

Without prejudice to the Directors’/Administrator’s general right to request additional

information and/or documentation, applications by prospective Investors for subscription of Shares in a Fund shall be accompanied by the following documentation:

(a) The duly completed and executed Investor Form.

(b) Individual applicants shall be required to submit:

(i) A copy of a valid passport or other acceptable identification document bearing a photograph and specimen signature, together with reference to the applicant's nationality, duly certified by an advocate or notary.

(ii) Evidence of the applicant's permanent residential address in the form of a recent utility bill or bank statement.

(iii) A bank or professional reference duly issued by a reputable bank or professional (as the case may be) in respect of the applicant.

(c) Corporate applicants shall be required to submit:

(i) A copy of the certificate of incorporation, or equivalent document or certificate attesting to the valid incorporation of the applicant, duly certified by an advocate or notary public.

(ii) Information relating to the business of the applicant, including copies of accounts, if requested. (iii) The names, residential and business addresses, and copies of the passports or other acceptable identification documents (duly certified by an advocate or notary public), of all the directors and beneficial owners of the applicant.

(iv) Copies of any resolution/s of the board of directors of the applicant, authorising the applicant to submit an application for Shares in the Fund, and appointing attorneys for such purposes, duly certified by an advocate or notary public.

(v) Any documentation (and certified copies thereof) relevant for the identification of any attorneys appointed by the applicant as referred to in paragraph (iv) above.

(d) Payment for the Shares in such manner as may be specified herein and in the relevant Offering Supplement.

Without prejudice to the above, the Directors and the relevant reserve the right to request such other information and documentation as they may consider necessary and required for the purposes of verifying the identity of an applicant in accordance with the Applicable Laws and, specifically, any applicable anti-money laundering legislation and regulations.

## 5.5 Payment

Applications shall only be accepted and processed if accompanied by payment in Cleared Funds into the Designated Account and, generally, subject to such details, terms and conditions as shall be set out in the Investor Form. The Company shall have absolute discretion as to whether or not to accept payment in kind.

## 5.6 Share Transfers and Conversions

Investors are not allowed to convert Shares of a class into Shares of another class of the same Fund without the prior written consent of the Board. No such conversion is possible if the redemption terms of the concerned classes of Shares are different.

Investors are not allowed to convert Shares of a Fund into Shares of another Fund without the prior written consent of the Board. The Board may in its discretion and without indicating any reason decline to approve such conversion. Any conversion cost shall be borne by the Investor executing the conversion.

Subject to the provisions of the Articles and to the Minimum Holding requirements referred to herein and in the relevant Offering Supplement, Shares in a Fund shall be freely transferable between Well-Informed Investors only, subject to the prior written approval of the Board. The Board may in its discretion and without indicating any reason decline to approve or register such transfer.

No transfer of all or any part of any investor's Shares in any Fund, whether direct or indirect, voluntary or involuntary (including, without limitation, to an affiliate or by operation of law), shall be valid or effective if:

- a) the transfer would result in a violation of any law or regulation of Luxembourg, the US or any other jurisdiction (including, without limitation, the US Securities Act, any securities laws of the individual states of the United States) or subject the Company or any sub-fund to any other adverse tax, legal or regulatory consequences as determined by the Company;
- b) the transfer would result in a violation of any term or condition of the Articles of Incorporation.

It shall be a condition of any transfer that:

- a) the transferee represents in a form acceptable to the Company that such transferee is a Well-Informed Investor within the meaning of the 2016 Law, and that the proposed transfer itself does not violate any laws or regulations (including, without limitation, any securities laws) applicable to it; and/ or

- b) the transferee undertakes to fully and completely assume all outstanding obligations of the transferor towards the Company under the transferor's subscription requirements setting out the terms of the participation of the transferor in the Company; and/ or
- c) the transferee is not a Restricted Person as defined above.

Any cost associated with any attempted or realised transfer shall be borne by the Investor wishing to transfer its Shares.

Additional restrictions on the transfer of Shares may be set out within the Offering Supplement.

## 5.7 Redemptions

Subject to the provisions of the Articles and of the relevant Offering Supplement regulating the redemption of Shares in a particular Fund, any Member may, at any time and by submitting the Redemption Form, request the Administrator to affect the redemption of all or any part of that Member's Shares in the Fund.

In the event that a repurchase of a portion (but not all) of the Shares pertaining to a Member reduces such Member's holding in a Fund to less than the Minimum Holding established for that Fund, the Board may, if it deems fit, procure that the Company repurchases such Member's entire holding of Shares in the Fund.

Moreover, as further provided in the Articles and the relevant Offering Supplement, Shares may be subject to mandatory repurchase by the Company *inter alia*:

- (a) In the event that the Net Asset Value of all Shares in a Fund shall be less than one million, five hundred thousand Euros (€1,500,000); or
- (b) In circumstances where the Company, a Fund or any Member may suffer tax, pecuniary, administrative or other disadvantage; or
- (c) Where Shares are, or may be, held by a resident of the United States of America without having obtained the consent of the Board or the AIFM of the relevant Fund, or otherwise by any person in breach of any laws or regulations; or
- (d) In the event that Shares are held by any person, or have been acquired on behalf of or for the benefit of a person, who is not a Well-Informed Investor.

## 5.8 Switching of Shares

Subject to the provisions hereof, a Member holding Shares of any class in a particular Fund

(hereinafter referred to as the “Original Shares”) may from time to time, with the prior consent of the Board, switch all or any portion of the Original Shares (hereinafter referred to as “Switching”), having such minimum value at the time of Switching as may be determined by the Board from time to time, into Shares of another class in the same Fund or into Shares in another Fund (hereinafter referred to as the “New Shares”), whether in existence or agreed to be brought into existence on the following terms:

(a) The Member (hereinafter referred to as the “Applicant”) may exercise Switching by giving an irrevocable notice in writing (hereinafter referred to as the “Switching Notice”) which shall be submitted by the Applicant to the office of the Administrator of the relevant Fund, or of any other person as may be designated by the Board from time to time, and shall be accompanied by the relative share certificate or written confirmation of ownership issued by the Company in favour of the Applicant, or by such other evidence of ownership, succession or assignment as may be satisfactory to the Board.

(b) The Switching of Original Shares comprised in a Switching Notice delivered by the Applicant to the Administrator as aforesaid on any day that is not a Dealing Day, shall be made on the Dealing Day next following the receipt of the Switching Notice.

Switching instructions that are received and accepted by the Administrator on any Business Day before 17.00 CET, shall be dealt on the next immediate Dealing Day. Switching instructions received after that time shall be carried forward to the immediately following Dealing Day.

(c) Switching shall be effected by the repurchase by the Company of the Original Shares comprised in the Switching Notice (save that no repurchase monies shall be released to the Applicant, but shall be deemed to be paid to the Company for the purpose of acquiring the New Shares), and the issue by the Company in favour of the Applicant of New Shares. The aforementioned repurchase of Original Shares and issue of New Shares shall take place on the Dealing Day referred to in paragraph (b) hereof.

(d) In the case of a Switch into New Shares of another Fund, the Fund in which the Original Shares are in issue and the other Fund in which the New Shares shall be issued must have coinciding Dealing Days. Moreover, the Investor exercising the entitlement to Switch must qualify as a prospective investor in the other Fund in which the New Shares shall be issued by the Company as aforesaid.

(e) In the absence of any other arrangement between the Applicant and the Company, if for any reason whatsoever the repurchase of the Original Shares and the purchase of the New Shares may not be simultaneously completed on the same Dealing Day, then the Switching Notice shall be processed on the next Dealing Day when such repurchase and purchase may both be completed simultaneously.

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



$$\text{NS} = \frac{[(\text{A} \times \text{B}) - \text{C}] \times \text{D}}{\text{E}}$$

In the abovementioned formula, the following letters shall have such meaning as is assigned to them as follows:

**NS:** The number of New Shares to be issued

**A:** The number of Original Shares to be switched

**B:** The repurchase price of the Original Shares on the Dealing Day

**C:** Any transaction costs applicable

**D:** If applicable, the rate of exchange determined by the Board/Administrator for switching the Base Currency of the Original Shares into the Base Currency of the New Shares

**E:** The issue price of the New Shares on the Dealing Day (including any payable Commissions)

- (g) Upon Switching, the Company shall cause assets or cash representing the value of the New Shares to be allocated to the class of Shares comprising the New Shares.

## 5.9 Side Pocketing

Notwithstanding any other provisions of the Memorandum, the Articles, this Offering Memorandum and any relevant Offering Supplement, the Board may, upon the occurrence of a Special Event, segregate such number of Shares in a particular Fund which may have become, or are otherwise designated as, illiquid or difficult to value and convert such Shares into Side Pocket Shares within the same Fund in accordance with the Articles, provided that the number of Shares being converted into Side Pocket Shares as aforesaid shall in no case exceed eighty per cent (80%) of the relevant Fund's net assets.

Such new class of Side Pocket Shares shall be treated as a new class of Shares within the relevant Fund and will thus continue to be available to satisfy the liabilities of that Fund. Unless otherwise agreed by the Board and specifically stipulated in the Offering Supplement all current holders of Shares in the relevant Fund at the time of the creation of the new class of Side Pocket Shares shall be allocated a *pro rata* holding in the new class of Side Pocket Shares. Subsequent Investors in the relevant Fund shall not, however, acquire any shareholding in such new class of Side Pocket Shares.

The value of assets being transferred into the corresponding Side Pocket shall be equal to the fair

value as included in the Net Asset Value as at the most recent Valuation Day.

Notwithstanding any other provision of the Memorandum, the Articles, this Offering Memorandum and any relevant Offering Supplement, the Side Pocket Shares may only be transferred with the prior approval of the Board and such approval may be withheld at its sole discretion. All fees (if any) relating to the Side Pocket Shares shall be determined by the Directors on a case by case basis as provided in the relevant Offering Supplement and shall be immediately communicated to all existing Investors upon the occurrence of the Special Event.

Such Side Pocket Shares shall be non-redeemable until such time as the illiquid assets of the Side Pocket become liquid or capable of valuation. At that point, the Board may either compulsorily redeem such Side Pocket Shares in accordance with the procedures set out in this Offering Memorandum, or otherwise transfer such Side Pocket Shares to the liquid pool of assets of the relevant Fund as represented by the Shares forming part of the class of Shares previously held by each affected Investor prior to the implementation of the Side Pocketing as contemplated herein.

#### **5.10 Determination of the Net Asset Value**

The Company shall, under supervision of the Board and the AIFM, on each Valuation Day, determine the Net Asset Value and the Net Asset Value per Share, of each Fund. Each Fund's Net Asset Value shall be the value of that Fund's assets, less its liabilities.

The Net Asset Value per Share of each Fund shall be that Fund's Net Asset Value, divided by the number of Shares in issue in that Fund.

The Net Asset Value shall be expressed in the Base Currency (or in such other currency as the Directors may determine) as a per Share figure (rounding down to at least three decimal places of the relevant Base Currency), and shall be determined on each Valuation Day in accordance with the Articles and the relevant Offering Supplement.

The Company may, at any time, temporarily suspend the determination of the Net Asset Value of any Shares, and the sale and/or redemption of 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 a Fund, or in which market trading thereon is restricted or suspended; or
- (b) In any period during which an emergency exists as a result of which disposal by the Company of Investments which constitute a substantial portion of the assets of a Fund, is not feasible; or
- (c) During any period when for any reason the market value of Investments of a Fund may not be reasonably, promptly or accurately ascertained or obtained by the Company; or

(d) During any period in which remittance of monies which shall, or may, be involved in the realisation of, or in the payment for, Investments comprised in a Fund, may not be carried out for any reason whatsoever, or may not be carried out at normal rates of exchange; or

(e) During any period in which the proceeds of sale or repurchase of Shares may not be transmitted to, or from, the Company's account.

(f) During any period when the realisation of assets of the Fund at that time could adversely affect and prejudice the Members' interests in the Company; or

(g) During any period in which any means of communication necessary to determine the price or value of any of the Investments do not function, or do not function properly; or

(h) Upon the publication of a notice convening a general meeting for the purposes of approving the winding up of the Company, or of a Fund (as the case may be).

No issue or redemption of Shares shall take place for the duration of any period during which the determination of the Net Asset Value is suspended.

Any such suspension shall be immediately notified by the Company to the AIFM, any Regulated Market (where applicable) and any person who has made an application to the Company for the purchase of Shares, and shall be published forthwith on such electronic forum as the Company may, from time to time, determine.

The Company may elect to treat the first Dealing Day on which the conditions giving rise to the suspension have ceased, as a substitute Dealing Day, in which case the Net Asset Value calculations, and all sales and repurchases of Shares, shall be effected on the substitute Dealing Day.

## **5.11 Valuation of Assets**

The AIFM undertakes the valuation function. The Net Asset Value shall be the value of all the assets less all the liabilities attributable to the relevant Fund, taking into account the number of undivided parts in the assets of the Fund to which each such Share is entitled.

The assets of a Fund shall include, without limitation:

(i) All cash in hand, deposits and similar property, including any interest accrued thereon.

(ii) The value of all bills and notes payable and accounts receivable (including proceeds of securities sold but not delivered).

(iii) The value of all bonds, time notes, certificates of deposit, shares, stock, debenture stock, instruments and similar assets owned or contracted for by the Fund.

(iv) All stock dividends, cash dividends and cash distributions receivable by the Fund, to the extent that information thereon is reasonably available to the Fund.

(v) All interest accrued on any interest-bearing assets owned by the Fund, except to the extent that the same is included or reflected in the principal amount of such asset.

(vi) An amount equal to all such costs, charges, fees and expenses as the relevant Administrator of the Fund may have determined to amortise, insofar as the same have not been written off.

(vii) Any and all other assets of any kind and nature, including loan and real estate assets.

The liabilities of each Fund shall include, without limitation:

(a) Any and all loans, bills and accounts payable.

(b) Any and all accrued interest on loans of the Fund (including accrued fees for commitment for such loans).

(c) Any and all accrued or payable expenses (including administrative expenses, management fees, including incentive fees and custodian fees).

(d) Any and all known liabilities, present and future, including all matured contractual obligations for payments of money or property, and the amount of any unpaid dividends declared by the Fund.

(e) An appropriate provision for future taxes based on capital and income, and such amount as the Board may consider to be an appropriate allowance in respect of any contingent liability of the Fund.

(f) Any and all other liabilities of any kind and nature.

The value of the assets comprised in each Fund shall be determined as per the AIFM's valuation policy as described in the relevant Offering Supplement.

## 5.12 Share Prices

Requests to acquire and/or transfer Shares in a Fund shall be dealt with by the Administrator at the applicable price, as determined on the basis of the Net Asset Value per Share as on the Valuation Day immediately preceding the relevant Dealing Day. Subject to the provisions of the relevant Offering Supplement, the price per Share shall be the Net Asset Value for such Share.

### 5.13 Contract Notes & Share Certificates

Once complete applications and accompanying documentation are processed, the Administrator shall, as soon as possible following the Dealing Day on which the order is effected, issue contract notes, which contain full details of the relevant transaction. Such contract notes should be dispatched within ten (10) Business Days from the relevant Dealing Day.

All Shares shall be registered in the Register, and an entry therein shall be conclusive evidence of ownership of such Shares. A prospective Investor shall, at the time of application for Shares, be entitled to request the issuance of Share certificates against such charge as may be established in the relevant Offering Supplement. Any Share certificate the issuance of which is requested by a prospective Investor as aforesaid, shall be dispatched within thirty (30) Business Days from the date of completion of the Share registration process.

In the absence of such a specific request, the Company shall not issue any Share certificates.

A Member whose personal details have changed, or who has lost any Share certificate issued in his favour, shall forthwith notify the relevant Administrator of such change or loss, in which case the Administrator shall be entitled to request any additional documentation, information or confirmation from the Member before registering such change and/or issuing a new Share certificate.

5.14 Prevention of Money Laundering

The Company has appointed Mr Sven Ulbrich as its Money Laundering Reporting Officer ('MLRO'). The Company, the Administrator and their agents will comply with Luxembourg laws and regulations aimed at preventing the misuse of the financial system for the purpose of money laundering and terrorist financing.

Investors must provide adequate proof of identity to the Administrator or its agents (as the case may be) and meet such other requirements as the Company may deem necessary. The Administrator is also required to verify the source of the money invested or transmitted by Investors or their agents as may be required under Luxembourg law.

In order for the Investor Form to be considered valid and acceptable by the Administrator, the Investor must provide the Administrator or its agents with such documentation the Company or Administrator deems necessary in its discretion, including amongst others, the Investor Form, a copy of its corporate documents (e.g. the Articles, the annual reports, excerpts of the trade register, etc.), declaration on the source of funds and copies of the identity documents of the economic beneficiaries (i.e. passport or identity card).

These documents must, unless otherwise specified by the Company or the Administrator in writing, be certified by a public authority (e.g. a notary, commissioner of oaths, solicitor, the police or an ambassador) of the country of residence.

These obligations are mandatory except if dispensed with by the Company on the grounds that:

- (a) the application is placed through a professional of the financial sector that is resident in a country that imposes an identification obligation equivalent to that required under Luxembourg Law for the prevention of money laundering; or
- (b) the application is placed through a professional of the financial sector whose parent is subject to an identification obligation equivalent to that required by Luxembourg Law and where the law applicable to the parent or a statutory or professional obligation pursuant to a group policy, imposes an equivalent obligation on its subsidiaries or branches.

It is generally accepted that professionals of the financial sector resident in a country which has ratified the recommendations of the FATF are deemed to be intermediaries having an identification obligation equivalent to that required under Luxembourg law.

Any information provided to the Company or the Administrator in this context is, unless otherwise specified, collected for anti-money laundering and anti-terrorism financing purposes as well as for compliance with any other applicable law.

Failure to provide proper documentation may result in the rejection of subscriptions or the withholding of redemption proceeds by the relevant Fund.

## **6. FEES & EXPENSES**

### **6.1 General**

The following parts of this Section 6 of this Offering Memorandum provide details of the fees and expenses of the Company, namely, the remuneration due to the Directors, Auditors and Regulatory and Compliance Adviser, and other charges and expenses that may be incurred by the Company.

Details relating to the remuneration of any Service Provider that may be appointed and engaged by the Company in respect of a Fund, together with details of any other charges and expenses that may be specific to a Fund, shall be provided in the relevant Offering Supplement.

Any costs, fees and expenses as may be incurred by the Company in terms of the Articles, this Offering Memorandum and any relevant Offering Supplement, without being attributable to a particular Fund, shall be allocated in line with the relevant provisions of the relevant Offering Supplement of each respective Fund as may be established by the Company from time to time.

### **6.2 Directors' Fees**

Each Director shall receive for his services an annual fee which shall be agreed by and between the Company and each Director and shall be payable on a quarterly basis in four (4) equal instalments.

Additionally, each Director may be paid reasonable travelling, accommodation and other incidental expenses as may be incurred in the attendance by such Director of meetings of the Directors and/or general meetings of the Company, as the case may be. Such expenses shall be charged at cost and shall only be refunded by the Company against relative receipts produced by a Director for such purpose.

Directors' fees and other expenses incurred by a Director as aforesaid, shall be allocated in terms of the provisions of the relevant Offering Supplement of each respective Fund as may be established by the Company from time to time.

### **6.4 Auditors' Fees**

Auditors' fees shall be agreed by and between the Company and the Auditors. Auditors' fees shall be allocated in equal portions amongst any and all Funds as may be established by the Company from time to time.

### **6.5 Regulatory and Compliance Fees and Legal fees**

Regulatory and Compliance Fees as well as any legal fees shall be agreed by and between the Company and the Regulatory and Compliance Advisers and legal advisor (where applicable). Such fees shall be allocated in equal portions amongst any and all Funds as may be established by the Company from time

to time.

Nevertheless, in the event that these fees are incurred by the Company specifically and exclusively in relation to one or more (but not all) of the Funds existing at that time, the relative fees shall be attributable to such relevant Funds and accordingly, shall be paid by such Funds, in equal portions between them.

#### **6.6 Money Laundering Reporting Officer Fees**

The Money Laundering Reporting Officer shall receive for his services, an annual fee which shall be agreed by and between the Company and the Money Laundering Reporting Officer and which shall be payable on a quarterly basis in four (4) equal instalments.

The Money Laundering Reporting Officer's fees shall be allocated in terms of the provisions of the relevant Offering Supplement of each respective Fund as may be established by the Company from time to time.

#### **6.7 Management Fee**

Each Fund shall pay to its AIFM a management fee as set out in the relevant Management Agreement concluded by and between the Company and the AIFM. In addition, the AIFM shall be reimbursed by each Fund for properly incurred and approved out-of-pocket expenses. Details of the applicable management fee be reflected in the relevant Offering Supplement.

#### **6.8 Administration Fee**

Each Fund shall pay to its Administrator an administration fee as set out in the relevant Administration Agreement. In addition, the Administrator shall be reimbursed by the relevant Fund for properly incurred and approved out-of-pocket expenses. Details of the applicable administration fee shall be reflected in the relevant Offering Supplement.

#### **6.9 Depositary Fee**

Each Fund shall pay to its Depositary a depositary fee as set out in the relevant Depositary Agreement. In addition, the Depositary shall be reimbursed by the relevant Fund for properly incurred and approved out-of-pocket expenses. Details of the applicable depositary fee shall be reflected in the relevant Offering Supplement.

#### **6.10 Subscription Fee & Redemption Fee**

The Directors reserve the right to charge Investors a subscription fee or a redemption fee as may be set out in the relevant Offering Supplement of a Fund. Any such fees may also be chargeable in the case of the switching of Shares in a Fund into Shares of another class in the same Fund or into Shares in another



Fund, in terms of the provisions of Section 5.8 of this Offering Memorandum.

## **6.11 Other Expenses**

Where the Company incurs any expenses in relation to matters that are common to all Funds and, therefore, to the Company in general, the Directors shall allocate any such expenses in equal portions amongst any and all Funds as may be set up by the Company from time to time. In the event that any expenses are, on the other hand, attributable to one or more (but not all) of the Funds, such expenses shall be charged to such relevant Fund or Funds in equal portions between them. All expenses shall be charged either against income or against capital, as the Board shall determine.

The following expenses shall be borne by the Company, save insofar as such expenses are attributable to one or more (but not all) of the Funds:

(a) All expenses incurred in connection with the publication and provision of information to the Members and, in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing annual reports, any report to the relevant regulatory authority, or any other reports, any Offering Memorandum, any Offering Supplement, marketing or promotional materials, the costs of publishing quotations of prices and notices in the press, and the costs of obtaining a rating for the Shares from a rating agency, and all stationery, printing and postage costs incurred in connection with the preparation and distribution of cheques, warrants, certificates and statements.

(b) All expenses incurred in connection with the registration of the Company with any government agency or regulatory authority in any jurisdiction where registration is available or necessary in having the Shares listed or dealt on any Regulated Market.

(c) All expenses arising in connection with any legal or administrative proceedings.

(d) All expenses incurred in connection with the operation, promotion and management of the Company, including without limitation to the generality of the foregoing, any and all costs incurred in convening meetings of the Board and of the general meeting of the Company and in obtaining proxies in relation thereto, costs incurred in maintaining the Register, expenses incurred to procure translations, any insurance premiums and association memberships, and generally, any and all non-recurring and extraordinary items of expenditure as may arise from time to time.

## 7. TAXATION

### 7.1. General

The following is given on a general tax perspective. It is based on the Company's understanding of, and advice received on, certain aspects of the law and practice currently in force in Luxembourg. It does not purport to be a complete analysis of all possible tax situations that may be relevant to an investment decision. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed.

Investors should consult their professional advisers on the possible tax and other consequences of their subscribing for, purchasing, holding, selling or redeeming Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

### 7.2. The Company

In accordance with current legislation and current practices, the Company being a reserved alternative investment fund vehicle relying on the special investment fund tax regime will be exempt from corporate income tax, municipal business tax net worth tax and capital gains tax. Likewise, distributions paid by the Company are not subject to any Luxembourg withholding tax.

The Company is only subject to an annual tax in Luxembourg, corresponding to 0.01% of the value of the net assets (subscription tax or *taxe d'abonnement*). This tax is payable quarterly on the basis of the net assets of the Company calculated at the end of the quarter to which the tax relates.

The following exemptions from subscription tax apply:

- a) the value of the assets represented by units held in other undertakings for collective investment, to the extent such units have already been subject to the subscription tax;
- b) reserved alternative investment funds, as well as individual compartments of reserved alternative investment funds with multiple compartments:
  - i) the sole objective of which is the collective investment in money market instruments and the placing of deposits with credit institutions, and,
  - ii) the whose weighted residual portfolio maturity does not exceed ninety (90) days, and
  - iii) that have obtained the highest possible rating from a recognised rating agency;
- c) reserved alternative investment funds, the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employers' initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they own, to provide their employees with retirement benefits;
- d) reserved alternative investment funds, as well as individual compartments of reserved alternative investment funds with multiple compartments the exclusive object of which is the collective investment in microfinance.

Income receivable by the Company in the form of distributions, dividends, interest and capital gains may be subject to withholding taxes at varying rates and deducted at source in the jurisdiction of origin of such income. The Company may, in its sole and absolute discretion, invest using special purpose or intermediary vehicles as it deems appropriate, as described in section “Investment restrictions”.

### **7.3. The Members**

Prospective Investors that are uncertain of legal or other implications of acquiring, holding and selling Shares are advised to seek independent professional advice in their country of origin, place of residence or domicile.

#### **7.3.1. FATCA provisions**

FATCA requires financial institutions outside the US (“FFIs”) to pass information about financial accounts held by specified US Persons (“Specified US Persons”), directly or indirectly, to the Internal Revenue Service (“IRS”) on an annual basis. A 30% withholding tax is levied on certain US source income of any FFI that fails to comply with this requirement.

On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement (“IGA”) with the United States of America and a memorandum of understanding in respect thereof. The Company has hence to comply with such Luxembourg IGA, once the IGA has been implemented into Luxembourg law in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the IGA, the Company may be required to collect information aiming to identify its direct and indirect Investors that are Specified US Persons for FATCA purposes (“Reportable Accounts”). Any such information on Reportable Accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996.

The Company intends to comply with the provisions of the IGA and should therefore not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company.

#### **7.3.2. Common Reporting Standards (“CRS”)**

The Organisation for Economic Cooperation and Development (“OECD”) received a mandate by the G8/G20 countries to develop a Common Reporting Standard (CRS) to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis. The CRS has been incorporated in the amended Directive on Administrative Cooperation (DAC 2), adopted on 9 December 2014, which the EU Member States had to incorporate into their national laws by 31 December 2015. In this respect, the Luxembourg CRS law dated 18 December 2015 (“AEOI Law”) was published in the

Mémorial A – N° 244 on 24 December 2015.

The CRS requires Luxembourg Financial Institutions to identify their account holders (including in the case of an Investment Entity equity and debt holders) and establish where they are fiscally resident. In this respect, a Luxembourg Financial Institution should obtain a self-certification to establish the CRS status and/or tax residence of its Investors at account opening.

## 8. DATA PROTECTION

In accordance with the applicable Luxembourg data protection laws and regulations, including but not limited to the Regulation n°2016/679 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 (“GDPR”), as such applicable laws and regulations may be amended from time to time ( hereinafter collectively referred to as the “Data Protection Laws”), the Company and the AIFM, acting as joint data controllers (collectively referred to as the “Data Controllers”), collect, store and process, by electronic or other means, the data supplied by the shareholders and/or the Investors or, if the shareholder and/or Investor is a legal person, by any natural person related to the shareholder and/or the Investor such as its contact person(s), employee(s), trustee(s), agent(s), representative(s) and/or beneficial owner(s) (all the natural persons above, the “Data Subjects”) for the purpose of fulfilling the required services and complying with their legal and regulatory obligations.

If a Data Subject fails to provide such information in a form, which is satisfactory to the Data Controllers, the Data Controllers may restrict or prevent the ownership of Shares in the Company.

The data processed include in particular the Data Subject’s name, contact details (including postal or email address), banking details, invested amount and holdings in the Company (the “Personal Data”).

Personal Data supplied by Data Subjects are processed in order to enter into and execute the subscription in the Company (i.e. to perform any pre-contractual measures as well as the contract entered into by the Data Subjects), for the legitimate interests of the Data Controllers and to comply with the legal obligations imposed on the Data Controllers. Personal Data supplied by Data Subjects is processed, in particular, for the purposes of (i) subscribing in the Company, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to shareholders, (iii) maintaining the register of shareholders, (iv) account administration, (v) client relationship management, (vi) performing controls on excessive trading and market timing practices, (vii) tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA or CRS), (viii) complying with applicable anti-money laundering rules and (ix) for marketing purposes.

The “legitimate interests” referred to above are:

- the processing purposes described in point (vi) of the above paragraph of this data protection section; and
- exercising the business of the Company in accordance with reasonable market standards.

In accordance with the provisions of the Data Protection Laws, the Personal Data may also be processed by the Data Controllers’ data recipients (the “Recipients”) who, in the context of the above-mentioned purposes, refer to the Auditor, the Auditor of the AIFM, the Board of Directors, the Depository Bank and the Administrator.

The Recipients may, under their own responsibility, disclose the Personal Data to their agents and/or

delegates (the “Sub-Recipients”), which shall process the Personal Data for the sole purposes of assisting the Recipients in providing their services to the Data Controllers and/or assisting the Recipients in fulfilling their own legal obligations.

The Data Controllers may need to disclose Personal Data to Recipients located in jurisdictions outside the European Economic Area (the “EEA”). In case of a transfer of data outside the EEA, the Data Controllers will ensure that such countries of destination do benefit from an adequacy decision of the European Commission, thus enabling those countries to afford an adequate level of protection. Should such countries be not benefiting from an adequacy decision from the European Commission, the Data Controllers will enter into legally binding transfer agreements with the relevant Recipients in the form of the EU Commission approved model clauses. In this respect, the Data Subjects have a right to request copies of the relevant document for enabling the Personal Data transfer(s) towards such countries by writing to the Data Controller’s DPO. The Recipients and Sub-Recipients may, as the case may be, process the Personal Data as data processors (when processing the Personal Data upon instructions of the Data Controller), or as distinct data controllers (when processing the Personal Data for their own purposes, namely fulfilling their own legal obligations). The Data Controllers may also transfer Personal Data to third parties such as governmental or regulatory agencies including tax authorities, in or outside the European Union, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

In accordance with the conditions laid down by the Data Protection Laws, the Data Subjects acknowledge their right to:

- access their Personal Data (i.e. the right to obtain from the Data Controllers confirmation as to whether or not Data Subject’s Personal Data is being processed, to be provided with certain information about the Data Controllers’ processing of their Personal Data, to access to that data, and to obtain a copy of the Personal Data undergoing processing (subject to exceptions));
- rectify their Personal Data where it is inaccurate or incomplete (i.e. the right to require from the Data Controllers that inaccurate or incomplete Personal Data be updated or corrected accordingly);
- object to the processing of their Personal Data (i.e. the right to object, on grounds relating to the Data Subject’s particular situation, to processing of Personal Data which is based on the performance of a task carried out in the public interest or the legitimate interests of the Data Controllers. The Data Controllers shall stop such processing unless it can either demonstrate compelling legitimate grounds for the processing that override the Data Subject’s interests, rights and freedoms or that it needs to process the data for the establishment, exercise or defence of legal claims);
- restrict the use of their Personal Data (i.e. the right to obtain that, under certain circumstances, the processing of the Data Subject’ limits Personal Data should be restricted to the storage of such data unless their consent has been obtained);
- ask for the erasure of their Personal Data (i.e. the right to require that Personal Data be erased in certain circumstances, including where it is no longer necessary for the Data Controllers to process this data in relation to the purposes for which it was collected or processed);

- ask for Personal Data portability (i.e. the right to have the data transferred to the Data Subjects or another controller in a structured, commonly used and machine-readable format, where this is technically feasible).

The Data Subjects may exercise their above rights by writing to the AIFM's DPO at the following email address:

[office@fair-fund.com](mailto:office@fair-fund.com)

The Data Subjects also acknowledge the existence of their right to lodge a complaint with the Luxembourg Commission for data protection (the "CNPD") at the following address:

15, Boulevard du Jazz, L-4370, Grand Duchy of Luxembourg; or with any competent data protection supervisory authority in their EU Member State of residence.

The Data Controllers shall not hold all Personal Data for longer than necessary with regard to the purpose of the data processing, subject to any limitation periods imposed by Law.

## **9. DOCUMENTS FOR INSPECTION.**

The following documents shall be available for inspection at the registered office of the Company, and at the offices of the relevant AIFM and Administrator of each Fund, during business hours:

- (a) The Memorandum and the Articles, and the certificate of incorporation of the Company.
- (b) The Offering Memorandum.
- (c) The Offering Supplements.
- (d) The financial statements of the Company.
- (e) Copies of any agreements entered into between the Company and any relevant Service Providers in respect of a Fund.
- (f) The latest annual report.
- (g) The latest NAV of the Company.