

# PROSPECTUS

in respect of the permanent offer of Investor Shares in  
the Sub-Funds of

**Provenance Global Exposure SICAV p.l.c.**  
(the "Company")

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

3<sup>rd</sup> July 2025

This Prospectus is a revised and updated version of the Prospectus dated 28<sup>th</sup> May, 2025.



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## **IMPORTANT INFORMATION**

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### **Responsibility Statement**

The Directors whose names appear under the section headed 'Management of the Company' are the persons responsible for the information contained in this Prospectus. To the best of the knowledge of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Prospectus 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 solely on the basis of this Prospectus**

The Investor Shares are offered solely on the basis of the information and representations contained in this Prospectus and the Offering Supplement(s) relating to a particular Sub-Fund(s) which should accompany it. A Packaged Retail and Insurance-based Investment Products Key Information Document ("PRIIPs KID") will be provided free of charge to any prospective investor, however, prospective investors are cautioned that the Prospectus and the relevant Offering Supplement(s) should also be read in their entirety before making an application to acquire Investor Shares. If you are in any doubt about the contents of this Prospectus and the relevant Offering Supplement(s), you should consult an independent investment advisor.

No broker, dealer, salesman or other person has been authorised by the Company, its Directors, the Investment Manager, or Sub-Investment Manager to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Investor Shares other than those contained in this Prospectus, the Offering Supplements and any PRIIPs KID. Consequently, if any further information is given or representations are made, such information or representations must not be relied upon as having been authorised by the Company, its Directors, the Investment Manager or Sub-Investment Manager. Any purchase or subscription made by any person on the basis of information or representations not contained in, or inconsistent with, the information or representations contained in the Prospectus, the Offering Supplements and the PRIIPs KIDs shall be solely at the risk of the investor.

The delivery of this Prospectus, any Offering Supplement and any PRIIPs KID shall not constitute a representation that the information given in this Prospectus, any Offering Supplement and any PRIIPs KID is correct as of any time subsequent to the date on which such documents are dated.

The Prospectus, any Offering Supplement and any PRIIPs KID may be amended from time to time. Investors or prospective investors should therefore ensure that they are relying on the latest published version of the Prospectus, any Offering Supplement and any PRIIPs KID, copies of which may be obtained from the Administrator.

## Licensing Status and MFSA Disclaimer

The Company was established on 29<sup>th</sup> April 2025 with company number SV 624. The Company is structured as a multi-fund public limited liability company with variable share capital (SICAV) pursuant to the Companies Act. The Company may issue several classes of Investor Shares which may, alone or jointly with other classes of Investor Shares, constitute Sub-Funds. The Company and the Sub-Funds are licensed by the MFSA as CISs under the ISA. The Company qualifies as a 'Maltese UCITS' in terms of the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18).

Authorisation of the Company and its Sub-Funds by the MFSA does not constitute a warranty by the MFSA as to the performance of the Company and its Sub-Funds and the MFSA shall not be liable for the performance or default of the Company and its Sub-Funds. The MFSA has made no assessment or value judgment on the soundness of the Company and the Sub-Funds or on the accuracy or completeness of statements made or opinions expressed with regard to this Prospectus. The authorisation of Provenance Global Exposure SICAV p.l.c. is not tantamount to an endorsement of the Company by the MFSA nor is the MFSA responsible for the contents of this Prospectus.

## No Application to List Investor Shares on any Stock Exchange

As at the date of this Prospectus, and unless specified in the Offering Supplement of the relevant Sub-Fund, no application has been made for a listing on any stock exchange for any of the Investor Shares of the Sub-Funds of the Company or for the grant of permission for any Investor Shares in the Sub-Funds of the Company to be traded on any other exchange. Applications may be made in future for a listing on any stock exchange for any of the Investor Shares of the Sub-Funds of the Company or for the granting of permission for any Investor Shares in the Sub-Funds of the Company to be traded on any other exchange. When such event occurs, the relevant information regarding the application will be provided in the Offering Supplement of the relevant Sub-Fund(s).

## Restricted Offer

This Prospectus, the Offering Supplements and the PRIIPs KIDs do not constitute, and may not be used for purposes of, an offer or invitation to subscribe for Investor Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so, or, (iii) to any person to whom it is unlawful to make such offer or invitation. It is the responsibility of any persons in possession of this Prospectus, the Offering Supplements and the PRIIPs KIDs and any persons wishing to apply for Investor Shares to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction.

The Investor Shares have not been nor will they be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or under any State securities law and, except with the specific consent of the Directors, may not be offered, marketed or sold directly or indirectly, in the United States of America, its territories or possessions or any area subject to its jurisdiction (the "**United States**") or to any person which qualifies as a U.S. Person (whether in terms of Regulation S of the 1933 Act and/or the Foreign Account Tax Compliance Act ("FATCA"), as both may be amended from time to time). In addition, the Company will not be registered under the United States Investment

Company Act of 1940 (the “**1940 Act**”), as amended, and the investors will not be entitled to the benefits of the 1940 Act.

## **Investment Risk**

Investment in any Sub-Fund carries risks normally attributable to investment in CISs. Investors and potential investors in the Sub-Funds are invited to obtain individual professional advice so as to be fully aware of how they may be affected financially by such risks. Investors should also inform themselves of, and consider carefully, the tax implications of investing in the Sub-Funds and of any laws, rules or regulations or conditions which could affect (by virtue, for instance, of the investor’s domicile) the investment return on their investment in the Sub-Funds. There can be no assurance that the Sub-Fund’s investment objectives will be achieved, and investment results may vary substantially over time. Prospective investors should be aware that the value of investments can go down as well as up, and the attention of investors is drawn to the Section entitled “*Risk Factors*”. Prospective investors should carefully consider whether an investment in the Investor Shares is suitable for them in light of their circumstances and financial resources. Investors should be aware that by investing in a Sub-Fund they risk losing all or part of the capital invested.

## **Applicable Law and Jurisdiction**

This Prospectus, the Offering Supplements, the PRIIPs KIDs and any statements made therein are based on and subject to Maltese law. The courts of Malta shall have sole jurisdiction (to the exclusion of any other courts in any other jurisdiction) to settle any dispute arising out of or in connection with this Prospectus, the Offering Supplements and any PRIIPs KID (including, without limitation, any dispute regarding the existence, validity, breach or termination of this Prospectus).

This Prospectus has been approved by the Directors of the Company, who hereby confirm their approval and accept responsibility of the contents of the Prospectus.

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## DEFINITIONS

In this Prospectus, the following terms shall, unless otherwise expressly defined for any specific purpose or part/s hereof or unless the context otherwise requires, have the meanings respectively assigned to them hereunder:

<b>“Accounting Currency”</b>	USD;
<b>“Accounting Period”</b>	Unless otherwise determined by the Directors, a financial period of the Company commencing in the case of the first such period on the date of the registration of the Company and terminating on the 31 December 2025 and in any other case thereafter commencing on 1 January and ending on 31 December in the same year;
<b>“Administrator”</b>	CC Fund Services (Malta) Limited, bearing company registration number C 45733 and having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara, BKR 9034, Malta;
<b>“Application Form”</b>	Means the form, a specimen of which is available from the Administrator or from an Authorised Distributor, which is to be submitted to the Company (at the offices of the Administrator) by a prospective investor for the purpose of applying and, if accepted, subscribing to Investor Shares;
<b>“Approved Collateral”</b>	Means collateral provided by an Approved Counterparty in connection with an FDI which satisfies the requirements imposed by MFSA Rules and the Licence Conditions;
<b>“Approved Counterparty”</b>	<p>Means counterparties which:</p> <ol style="list-style-type: none"><li>1. are not the Investment Manager of the Scheme;</li><li>2. form part of a group whose head office or parent company is licensed, registered or based in Malta, or in any member of the OECD, the EU or the EEA; and</li><li>3. are subject to prudential supervision in accordance with provisions equivalent to EU Directive 93/6/EEC or EU Directives 73/239/EEC and 79/267/EEC as amended;</li></ol> <p>In the case of an OTC FDI transaction, such counterparty must satisfy the Investment Manager or the Company that:</p> <ol style="list-style-type: none"><li>a) has agreed to value the transaction at least weekly, and</li><li>b) will close out the transaction at the request of the Investment Manager at fair value;</li></ol>

<b>“Approved Institution”</b>	A credit institution that has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member State, it is subject to prudential rules considered by the MFSA as equivalent to those laid down in EU law;
<b>“Approved Regulated Market”</b>	A stock exchange or any other regulated market which operates regularly and is recognised and open to the public. A list of the Approved Regulated Markets selected for the Company as of the date hereof appears in Appendix 1 of this Prospectus and, if any additional ones are selected in relation to a particular Sub-Fund, these will be outlined in the relevant Offering Supplement; updated lists are available by direct application to the Investment Manager;
<b>“Auditor/s”</b>	Means the auditors of the Company, which, as at the date hereof, are Deloitte Audit Limited;
<b>“Authorised Distributors”</b>	The entities or individuals which may be appointed by the Company to distribute Investor Shares subject to the terms of an agreement with such persons in each case;
<b>“Board”</b>	The board of directors of the Company;
<b>“Base Currency”</b>	Means the currency in which a class of Shares is denominated, which currency will be set out in the relevant Offering Supplement;
<b>“Business Day”</b>	Except where otherwise stated in the Offering Supplement or determined by the Board, any day that is not a Saturday or a Sunday and not a public or national holiday or bank holiday in Malta;
<b>“CIS”</b>	Means a collective investment scheme; the term CISs is used to refer to more than one collective investment scheme;
<b>“Closing Date”</b>	Means the date on which the Initial Offering Period for a particular class of Investor Shares ends, details of which are set out (in respect of each Sub-Fund) in the relevant Offering Supplement;
<b>“Companies Act”</b>	Means the Companies Act (Cap. 386 of the Laws of Malta);
<b>“Company”</b>	Means Provenance Global Exposure SICAV p.l.c.;
<b>“Company Secretary”</b>	Means the person occupying the post of company secretary of the Company from time to time;

<b>“Custodian”</b>	Means Sparkasse Bank Malta plc;
<b>“Dealing Day”</b>	Means the day on which Investor Shares in a Sub-Fund can be subscribed, redeemed or switched, details of which are set out in the relevant Offering Supplement;
<b>“Directors”</b>	Means the directors of the Company;
<b>“EEA”</b>	Means the European Economic Area and unless otherwise specified herein, references to the EEA and its member states shall encompass the EU and its member states;
<b>“EU”</b>	Means the European Union;
<b>“Euro” or “€”</b>	Means the lawful currency of the EU;
<b>“FDI”</b>	Means a financial derivative instrument (including an OTC FDI);
<b>“Founder Shares”</b>	Means the founder shares having such rights as set out in the Company’s Memorandum of Association;
<b>“Group Companies”</b>	Means companies which are included in the same group for the purposes of consolidated accounts as defined in EU Directive 83/349/EEC in accordance with recognised international accounting rules;
<b>“Initial Offering Period”</b>	In relation to any particular class of Investor Shares, the period specified in the relevant Offering Supplement;
<b>“Initial Offer Price”</b>	Means the price at which Investor Shares in a Sub-Fund will be offered during the Initial Offering Period, as the same will be set out in the relevant Offering Supplement;
<b>“Investment Manager”</b>	Means AQA Capital Ltd, bearing company registration number C 70143 and having its registered address at 171, Old Bakery Street, Valletta VLT 1455, Malta;
<b>“Investor”</b>	Means any person(s) holding Investor Shares in a Sub-Fund Company;
<b>“Investor Shares”</b>	Means participating Shares of no par value, which may be divided into different classes (and which may include fractions of a whole share) which are issued in relation to a particular Sub-Fund;
<b>“ISA”</b>	Means the Investment Services Act (Cap. 370 of the Laws of Malta);

<b>“Key Information Document / PRIIPs KID”</b>	Means the Packaged Retail and Insurance-based Investment Products Key Information Document required to be drawn up in terms of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014;
<b>“Licence Conditions”</b>	Means the conditions in the relevant licence issued by the MFSA to the Company and the Sub-Funds;
<b>“Maltese UCITS”</b>	Means a UCITS whose registered office and head office are situated in Malta, that is harmonised in accordance with the UCITS Directive and is licenced in terms of the ISA;
<b>“Member State”</b>	Means a member state of the EU;
<b>“Memorandum and Articles”</b>	Means the Memorandum and Articles of Association of the Company;
<b>“MFSA”</b>	Means the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330, laws of Malta);
<b>“MFSA Rules”</b>	Means any guidelines or rules issued by the MFSA, and any amendments thereto from time to time in force, which may be applicable to the Company and the Sub-Funds;
<b>“MiFID II”</b>	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (recast), as may be amended from time to time;
<b>“Minimum Additional Investment”</b>	Means the minimum value of Investor Shares for which an additional subscription by an existing Investor may be made, details of which, insofar as applicable, will be specified in the relevant Offering Supplement;
<b>“Minimum Holding”</b>	Means the minimum value of Investor Shares that must be held by any investor in a Sub-Fund, details of which, in respect of each Sub-Fund and insofar as applicable, will be specified in the relevant Offering Supplement;
<b>“Minimum Initial Investment”</b>	Means the minimum value of Investor Shares for which an initial subscription may be made, details of which, in respect of each Sub-Fund and insofar as applicable, will be stated in the relevant Offering Supplement;
<b>“Money Market Instruments”</b>	Means instruments normally dealt in on the money market which are liquid and whose value can be accurately determined at any time, and which satisfy the criteria in the glossary to the MFSA rules for retail collective investment schemes, as the same may be amended and/or supplemented from time to time;

<b>“Net Asset Value” or “NAV per Share”</b>	Means the net asset value of a Sub-Fund or of any class of Investor Shares (as the context may require) calculated in accordance with the principles set out in this Prospectus and in the Memorandum and Articles on the relevant Valuation Day;
<b>“Offering”</b>	Means the offering of Investor Shares for subscription as described in this Prospectus and any Offering Supplement;
<b>“Offering Documentation”</b>	Means the Prospectus of the Company and the Offering Supplements of the Sub-Funds;
<b>“Offering Supplement/s”</b>	Means the offering supplement/s of a Sub-Fund/s;
<b>“OTC FDI”</b>	Means a financial derivative instrument which is dealt in on an "over-the counter" market;
<b>“Prospectus”</b>	Means this document in its entirety including each Offering Supplement, except where the latter are referred to in their individual capacity, as the same may be amended and/or supplemented from time to time;
<b>“Recently Issued Transferable Securities”</b>	Means securities in respect of which the terms of issue include an undertaking that application will be made for admission to official listing on an Approved Regulated Market and such admission is secured within a year of issue;
<b>“Redemption Form”</b>	Means the form, a specimen of which is available from the Administrator, which is to be submitted to the Company (at the offices of the Administrator) by an Investor for the purposes of requesting a redemption of Investor Shares;
<b>“Redemption Price”</b>	Means the price at which Investor Shares may be redeemed, in accordance with the provisions of this Prospectus and the relevant Offering Supplement, calculated to four (4) decimal places as at the close of business on the relevant Valuation Day;
<b>“Remitting Bank”</b>	Means the bank or financial institution from which a Subscriber's subscription monies are sent to the Company;
<b>“Register”</b>	Means the register in which the names of Investors are listed;
<b>“Service Provider”</b>	Means the Investment Manager, the Sub-Investment Manager the Administrator, the Custodian and any other service provider appointed in respect of the Company and the Sub-Funds;
<b>“Shareholder(s)”</b>	Means any person(s) holding Shares of the Company;

<b>“Shares”</b>	Means shares of no par value in the capital of the Company, which may be divided into different classes, and which may include fractions of a whole share and includes the Founder Shares and the Investor Shares;
<b>“Sub-Fund”</b>	Means one or more classes of Investor Shares constituting that sub-fund to which are allocated assets and liabilities distinct from assets and liabilities of other sub-funds of the Company which may pursue investment objectives and adhere to investment policies different from those of the other sub-funds of the Company;
<b>“Sub-Investment Manager”</b>	Means Mithril Asset Management Ltd, a company registered in Mauritius and licensed by the Mauritius Financial Services Commission;
<b>“Subscriber”</b>	Means an investor seeking to purchase Investor Shares in a Sub-Fund;
<b>“Sustainability Risk”</b>	Means an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment;
<b>“Sustainable Investment”</b>	Means an investment in an economic activity that contributes to an environmental objective, as measured by key resource efficiency indicators on (i) the use of energy, (ii) renewable energy, (iii) raw materials, (iv) water and land, (v) the production of waste, (vi) greenhouse gas emissions, or (vii) its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective (in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations), or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance;
<b>“Taxonomy Regulation”</b>	Means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
<b>“Transferable Securities”</b>	Shall bear the meaning assigned thereto in the glossary to the MFSA rules for retail collective investment schemes, as the same may be amended and/or supplemented from time to time;

<b>“UCITS”</b>	Means an undertaking for collective investment in transferable securities established in terms of the UCITS Directive;
<b>“UCITS Directive”</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast), as amended;
<b>“UCITS Regulations”</b>	Means the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18, Laws of Malta);
<b>“Valuation Day”</b>	Means the day designated for the valuation of assets of the Sub-Fund, as the same will be specified in the relevant Offering Supplement;

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

- a. words importing the singular include the plural and vice versa;
- b. words which are gender neutral or gender specific include each gender;
- c. an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate and a government agency;
- d. a reference to “includes” means to include without limitation;
- e. a reference to a law is a reference to that law as amended, consolidated or replaced;
- f. a reference to a document includes all amendments or supplements to that document, or replacements or novations of it;
- g. a reference to a section, part, paragraph or appendix refers to a section, part, paragraph or appendix of this Prospectus;
- h. a reference to an entity in the Prospectus (as the context requires) includes that entity’s successors and permitted assigns; and
- i. all references to currencies shall include any successor currency.

## **PRINCIPLE FEATURES**

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

### **Company Structure**

The Company is a collective investment scheme established as a multi-fund investment company with variable share capital (SICAV) with limited liability registered under the laws of Malta and licensed by the MFSA under the ISA.

The Company qualifies as a 'Maltese UCITS' in terms of the UCITS Regulations. As at the date of this Prospectus, the following sub-funds have been established: i) Dynamic Fund; and ii) Harmony Fund; (the "**Licenced Sub-Funds**"). The Company may, with the prior approval of the MFSA, establish further Sub-Funds by the issue of one or more separate classes of Investor Shares and may also issue further classes of Investor Shares within existing Sub-Funds, which may be denominated in various currencies.

The Company has been established for an indefinite period of time.

### **Segregated Assets**

The assets and liabilities of each Sub-Fund shall be treated for all intents and purposes at law as a patrimony separate from the assets and liabilities of each other Sub-Fund. The liabilities incurred in respect of each Sub-Fund shall only be paid out of the assets forming part of the patrimony of such Sub-Fund. In the event that the liabilities of a particular Sub-Fund exceed its assets, the proportion of liabilities in excess of the assets shall not be allocated to the other Sub-Funds and the creditors of that Sub-Fund whose liabilities exceed its assets shall have no claim or right of action against the assets of the other Sub-Funds.

In terms of Maltese law, the legal status of each Sub-Fund as a patrimony separate from the assets and liabilities of each other Sub-Fund shall be respected in any proceedings which may be instituted in terms of the Companies Act when such proceedings either relate to the dissolution and consequential winding-up of the Company or its reconstruction. Furthermore the proceedings which may be instituted under the Companies Act relating to dissolution and consequential winding-up of companies and company reconstructions shall apply in the same way to each Sub-Fund as though it were a distinct legal entity and with such modifications as are necessary in view of the fact that a Sub-Fund is not a company. Any such proceedings in relation to any one Sub-Fund shall not have any effect on the assets of any other Sub-Fund or of the Company.

The Directors shall hold or shall cause to be held such separate accounts, records statements and other documents as may be necessary to evidence the assets and liabilities of each Sub-Fund as distinct and separate from the assets and liabilities of all the other Sub-Funds.

Where a Sub-Fund is constituted by more than one class of Investor Shares, the assets and liabilities attributable to that class of Investor Shares do not constitute a separate patrimony from the assets and liabilities attributable to the other classes of Investor Shares in the same Sub-Fund.

## **Offering Documents**

The offer of Investor Shares in any Sub-Fund is governed by this Prospectus and the respective Offering Supplement (as the same may be amended or supplemented from time to time). One or more PRIIPs KIDs have also been issued in connection with the Licensed Sub-Funds.

When Investor Shares in other Sub-Funds are issued in the future, this Prospectus will be accompanied by an Offering Supplement for each new Sub-Fund. One or more PRIIPs KIDs will also be issued in respect of new Sub-Funds and classes of Investor Shares.

## **Investment Objective, Policies and Restrictions**

Details of the specific investment objective and policies for each Sub-Fund will be stated in the related Offering Supplement. The investment restrictions applicable to all Sub-Funds are set out in the section entitled 'Investment Objectives, Policies and Restrictions' below. Further restrictions (if any) in respect of each Sub-Fund will be contained in the relevant Offering Supplement. **There is no guarantee that any of the investment objectives will be met.**

## **Investment Risks**

Investors should be aware that the Sub-Funds in the Company are designed to achieve particular economic targets related to the strategies stated for the particular Sub-Fund and implemented by that Sub-Fund. Such strategies may carry with them particular risks. The Investor is urged to review carefully the risk factors set out in this Prospectus (please see section headed 'Risk Factors') and any specific risk factors relative to any particular Sub-Fund which may be stated in the Offering Supplement for such Sub-Fund.

## **Management of the Company**

The Company has appointed **AQA Capital Ltd** as its investment manager. The Investment Manager will be responsible for the management of the business and activities of the Company. Subject to what is stated in the sub-section "*Sub-Investment Manager*" under the section "*Management of the Company*" of this Prospectus, the Investment Manager has delegated the discretionary investment management in respect of the assets of the Company's Sub-Funds to the Sub-Investment Manager and has also delegated certain administrative functions to the Administrator.

## **The Offering**

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

Investor Shares will be offered at the Initial Offer Price during the Initial Offering Period. Thereafter, Investor Shares will be offered on the relevant Dealing Day (at the Net Asset Value per Investor Share) specified in the Offering Supplements. A fully completed Application Form (together with the accompanying documentation specified in the said application) must reach the Company at the office of the Administrator no later than the time provided for in the relevant Offering Supplement. The Directors may waive such notice period at their discretion. Subscription monies must also be received by the Company as set out in the relevant Offering Supplement.

The Company is entitled to close the Offering for Investor Shares in a Sub-Fund at its sole discretion.

### **Pricing**

The calculation of the Net Asset Value of each Sub-Fund shall be effected by the Administrator at such intervals and in such manner as is stated in this Prospectus and the relevant Offering Supplement.

Information regarding the NAV per Share, as determined on each Valuation Day, will ordinarily be made available at the office of the Administrator and in other public mediums (if any) as may apply to a particular Sub-Fund. Please refer to the relative Offering Supplement for details.

### **Dividend Policy**

Under the Memorandum and Articles, and where provided for under the relative Offering Supplement, the Directors may declare dividends out of a Sub-Fund as appear to the Directors to be justified. Any decision to pay or make any dividend or other distribution will be made at such frequency as may be set out in the relevant Offering Supplement and will be paid in the currency of denomination of the relevant class of Investor Shares in the Sub-Fund.

The Company may be obliged and shall be entitled to deduct an amount in respect of Malta tax from any dividend payable to a Shareholder in any Sub-Fund who is or is deemed to be taxable in Malta, and to pay such sum to the Malta tax authorities.

Investors should note that the NAV per Investor Share of certain Sub-Funds may decrease over time as the Company declares and pays dividends to Investors in these Sub-Funds.

Details of the dividend policy of each Sub-Fund (if any) will be set out in the relevant Offering Supplement.

### **Accumulation Shares**

Where only accumulation Investor Shares are issued in relation to a particular Sub-Fund, the net income (if any), after expenses, will be reflected in the price of the Investor Shares of such Sub-Fund. Where both accumulation and distribution Investor Shares are issued in relation to a particular Sub-Fund, the net income shall be allocated between the

accumulation and distribution Investor Shares on the basis of the terms set out in the relevant Offering Supplement.

### **Minimum Holding in Sub-Funds**

Each Offering Supplement may give details of the minimum number or value of Investor Shares that must be held in that Sub-Fund. In exceptional cases, the Directors shall have discretion to permit, in respect of this minimum, a lesser amount. The Minimum Holding requirement applies at all times to all Investors, however no obligations shall arise upon an Investor in the event that the value of an Investor's holding reduces to below the Minimum Holding as a result of fluctuation in NAV of the relevant Sub-Fund.

### **Minimum Initial Investment for Investor Shares in the Sub-Funds**

The Offering Supplement may give details of the Minimum Initial Investment for Investor Shares in any Sub Fund. In exceptional cases, the Directors shall have discretion to permit, in respect of such Minimum Initial Investment amount as may be specified in the related Offering Supplement, a lesser amount.

### **Minimum Additional Investment**

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

### **Subscription Applications**

Investor Shares may be acquired on the Dealing Day specified in the relevant Offering Supplement.

Application Forms for Investor Shares may be submitted to the Company at the office of the Administrator, whether directly or through Authorised Distributors, in the prescribed form, a copy of which is available from the Administrator or from an Authorised Distributor. Applications Forms can only be accepted if they are received by the Company at the office of the Administrator and if the Company has received the subscription amounts in cleared funds, within the deadlines stated in the relative Offering Supplement.

Investors should refer to the section of this Prospectus entitled 'Buying and Selling' for further details.

### **Redemption**

Investor Shares may be redeemed on any Dealing Day. A redemption request must be received by the Company at the office of the Administrator with such prior notice before the relevant Redemption Day as may be stated in the relevant Offering Supplement. Redemption requests received after such date will be processed on the next Dealing Day, provided that the Directors may accept, at their sole discretion, a shorter notice.

Investors should refer to the section of the Prospectus entitled 'Buying and Selling' for further details.

### **Accounting Currency**

For the purposes of the compilation of the annual financial statements of the Company, the reporting currency for the Company shall be the Accounting Currency.

### **Registered Office**

The registered office of the Company is 30/3 Kenilworth Court, Triq Sir Augustus Bartolo, Ta' Xbiex, XBX 1093, Malta.

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## **DIRECTORY**

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**Investment Manager**  
AQA Capital Ltd  
171, Old Bakery Street,  
Valletta VLT 1455  
Malta  
Tel. +356 2347 9800

**Sub-Investment Manager**  
Mithril Asset Management Limited  
3rd Floor, Ebène House,  
Hotel Avenue, 33 Cybercity,  
Ebène, 72201  
Mauritius  
Tel: +230 465 5526

**Administrator, Registrar and Transfer Agent**  
CC Fund Services (Malta) Limited  
Ewropa Business Centre Triq Dun Karm  
Birkirkara BKR 9034  
Malta  
Tel: +356 2568 8688

**Custodian**  
Sparkasse Bank Malta plc  
101, Townsquare,  
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**Legal Counsel**  
Camilleri Preziosi  
Level 3, Valletta Buildings,  
South Street,  
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**Auditor**  
Deloitte Audit Limited  
Deloitte Place  
Trik L-Intornjatur, Zone 3  
Central Business District  
Birkirkara CBD3050  
Malta  
Tel: +356 2343 2000

## **INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS**

### **Objectives and Policies**

A detailed description of the investment objectives and policies of each Sub-Fund will be found in the relevant Offering Supplement.

### **Restrictions**

The investment restrictions applying to each Sub-Fund under the MFSA Rules and Licence Conditions are set out below. These are, however, subject to the qualifications and certain exemptions contained in the MFSA Rules and in the Licence Conditions. Additional investment restrictions for particular Sub-Funds, if any, will be stated in the relevant Offering Supplement.

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

### **Part A - Permitted Investment Instruments**

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

A1. Transferable Securities and Money Market Instruments which are admitted to or dealt on an Approved Regulated Market;

A2. Recently Issued Transferable Securities;

A3. Units of other CISs which qualify as UCITS and are so authorised in terms of the UCITS Directive, provided that no more than 10% of the assets of the UCITS whose acquisition is contemplated, can, according to their prospectus or instruments of incorporation, be invested in aggregate in units of other UCITS or other CISs;

A4. Units of other CISs not authorised in terms of the UCITS Directive which, other than the requirement that they be harmonised in accordance with the UCITS Directive, otherwise satisfy the definition of a UCITS and the following additional requirements:

- i. such other CISs are authorised under laws which provide that CISs are subject to supervision considered by MFSA to be equivalent to that laid down in EU law, and that co-operation between authorities is sufficiently ensured;
- ii. the level of protection for unit-holders in such other CISs is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

- iii. the business of the other CISs is reported in half yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- iv. no more than 10% of the assets of the other CISs whose acquisition is contemplated, can, according to their prospectus or instruments of incorporation, be invested in aggregate in units of other UCITS or other CISs.

A5. Deposits with Approved Institutions, which are repayable on demand, or have the right to be withdrawn and maturing in no more than 12 months.

A6. FDIs, including equivalent cash-settled instruments dealt in on an Approved Regulated Market or OTC FDIs provided that:

- i. the underlying consists of instruments covered by this Part A, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives as stated in the relevant Offering Supplement;
- ii. the counterparty to the OTC FDI transaction is an Approved Counterparty; and
- iii. the OTC FDIs are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

A7. Money Market Instruments not dealt on an Approved Regulated Market, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings and they are:

- i. issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
- ii. issued by an undertaking, any securities of which, are dealt on an Approved Regulated Market; or
- iii. issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the MFSA to be at least as stringent as those laid down by EU law; or
- iv. issued by other bodies falling within the categories which the MFSA may from time to time prescribe, provided that investments in such instruments are subject to investor protection equivalent to that laid down in (i), (ii) or (iii) above and provided that the issuer:

- is a company whose capital and reserves amount to at least €10,000,000 and which presents and publishes its annual accounts in accordance with EU Directive 78/660/EEC;
- is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group;
- is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

A8. The Company may acquire movable and immovable property which is essential for the direct pursuit of its business; it may hold ancillary liquid assets but may not acquire precious metals or certificates representing them.

## **Part B – Investment Limits**

When investing in any one or more of the permitted investments stated in Part A above, a Sub-Fund shall observe the following limits:

### Transferable Securities and Money Market Instruments

B1. A Sub-Fund may not invest more than 10% of its assets in Transferable Securities and Money Market Instruments other than those referred to in paragraphs A1, A2 and A7.

B2. A Sub-Fund may invest no more than 5% of its assets in Transferable Securities or Money Market Instruments issued by the same body.

B3. The limit referred to in paragraph B2 above may be increased to 10% provided that the total value of Transferable Securities and Money Market Instruments held in bodies in which the Sub-Fund invests more than 5%, is less than 40%.

B4. The limit of 5% (in paragraph B2 above) may be raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject, by law, to special public supervision designed to protect bondholders. Sums deriving from the issue of these bonds shall be invested, in conformity with the law, in assets which during the whole period of validity of the bonds are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. If a Sub-Fund invests more than 5% of its assets in these bonds issued by one issuer, the total value of those investments in each of which it holds more than 5% of its assets may not exceed 80% of the value of the assets of the Sub-Fund.

B5. The limit of 5% (in paragraph B2 above) may be raised to 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by: (i) a Member State

or its local authorities; or (ii) by a non-Member State; or (iii) a public international body of which one or more Member States are members.

B6. The Transferable Securities and Money Market Instruments referred to in paragraphs B4 and B5 above shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph B3.

#### Deposits with Credit Institutions

B7. A Sub-Fund may not invest more than 20% of its assets in deposits made with the same Approved Institution.

#### Transactions in FDIs

B8. The Company may, in respect of a Sub-Fund, enter into FDIs falling under A6 above for investment or for efficient portfolio management.

The risk exposure of a Sub-Fund to an Approved Counterparty in an OTC FDI may not exceed 5% of its assets. This limit is raised to 10% where the counterparty is an Approved Institution. The exposure per counterparty of an OTC FDI shall be measured on the basis of the maximum potential loss incurred by the Sub-Fund if the counterparty defaults.

The exposure to one counterparty in an OTC FDI may be reduced where the counterparty provides the Sub Fund with Approved Collateral. Furthermore, the Company may, in respect of a Sub-Fund, net the mark-to-market value of its OTC FDI positions with the same counterparty, thus reducing the Sub-Fund's exposure to its counterparty, provided that the Company has in respect of that Sub-Fund, a contractual netting agreement with its counterparty which creates a single legal obligation such that, in the event of the counterparty's failure to perform owing to default, bankruptcy, liquidation or any other similar circumstance, the Company would have a claim to receive or an obligation to pay only the net sum of the positive and negative mark-to- market values of included individual FDIs.

FDIs which are transacted on an Approved Regulated Market where the clearinghouse meets the following conditions shall be deemed to be free of counterparty risk:

- i. is backed by an appropriate performance guarantee;
- ii. is characterised by a daily mark-to-market valuation of the derivative positions; and
- iii. is subject to at least daily margining.

#### Overall Single Issuer Exposure

B9. Notwithstanding the limits laid down in paragraphs B2, B7 and B8 above, a Sub-Fund may not combine:

- i. investments in Transferable Securities or Money Market Instruments issued by;
- ii. deposits made with;
- iii. counterparty risk exposures arising from OTC FDIs undertaken with; and
- iv. other exposures arising from OTC FDIs relating to

a single body in excess of 20% of its assets.

B10. The limits referred to in B2, B3, B4, B5, B7, B8 and B9 above may not be combined, so that exposure to a single body shall not exceed 35% of the assets of a Sub-Fund.

B11. Group Companies are regarded as a single issuer for the purposes of B2, B3, B4, B5, B6, B7, B8, B9 and B10. However, subject to approval by the MFSA, a limit of 20% of the assets of a Sub-Fund may be applied to investment in Transferable Securities and Money Market Instruments within the same group.

B12. Notwithstanding the limits stated above, a Sub-Fund may, subject to the prior approval of the MFSA and by applying the principle of risk spreading, invest up to 100% of its assets in different Transferable Securities and Money Market Instruments issued or guaranteed by:

- i. any Member State or its local authorities;
- ii. non-Member States; or
- iii. public international bodies of which one or more Member States are members,

provided that:

- i. the Company is satisfied that Investors have protection equivalent to that of investors in a CIS complying with the other limits laid down in this Prospectus;
- ii. the Company holds, in respect of a Sub-Fund, securities from at least six different issues; and
- iii. the securities from any one issue shall not exceed 30% of the assets of the Sub-Fund.

Where a Sub-Fund proposes to invest in Transferable Securities and/or Money Market Instruments within the limits set in this paragraph, the relevant Offering Supplement shall:

- state the names of the States, local authorities or public international bodies issuing or guaranteeing securities in which it intends to invest more than 35% of its assets; and
- include a prominent statement drawing attention to such authorisation and indicating the States, local authorities and/or public international bodies in the securities of which it intends to invest or has invested more than 35 per cent of its assets.

#### Investment in CISs

B13. A Sub-Fund may not invest more than 20% of its assets in any one CIS referred to in paragraphs A3 and A4 above.

Subject to MFSA approval, when a Sub-Fund has acquired CISs referred to in this paragraph B13, the assets of these CISs do not have to be combined for the purposes of the limits laid down in paragraphs B2 to B11.

B14. Investment in CISs referred to in paragraph A4 shall not, in aggregate, exceed 30% of the assets of a Sub-Fund.

B15. When a Sub-Fund invests in the units of other CISs that are managed, directly or by delegation, by the Investment Manager or Sub-Investment Manager or by any other company with which the Investment Manager or Sub-Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, such entities may not charge subscription or redemption fees on account of the Sub-Fund's investment in the shares of such other CISs.

B16.1 Where a commission (including a rebated commission or other fees) is received by the Investment Manager or Sub-Investment Manager by virtue of an investment in the shares of another CIS, this commission must be paid into the property of the Sub-Fund.

B16.2 Where a Sub-Fund invests a substantial proportion of its assets in other CISs, the Offering Supplement relating to that Sub-Fund shall disclose the maximum level of the management fees that may be charged both to the Sub-Fund and to the other CISs in which it intends to invest.

#### Investments to Track an Index

B17. Notwithstanding the limits stated above, a Sub-Fund may invest up to 20% of its assets in shares and/or debt securities issued by the same body where the investment policy of a Sub-Fund is to replicate an index. When the investment objective of a Sub-Fund is to replicate an index, this will be stated in the related Offering Supplement.

The index is subject to MFSA approval and will be recognised by the MFSA on the basis of the criteria set out below:

- its composition is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers; and
- it is published in an appropriate manner.

B18. The limit in paragraph B17 above may be raised to 35%, where, in the opinion of the Investment Manager and subject to the prior approval of the MFSA, this is justified by exceptional market conditions. The investment up to this limit is only permitted for a single issuer.

#### General Provisions

B19. The Company or the Investment Manager acting in connection with all of the CISs it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

B20. A Sub-Fund may acquire no more than:

- B20.1 10% of the non-voting shares of any single issuing body;
- B20.2 10% of the debt securities of any single issuing body;
- B20.3 25% of the units of any single CIS;
- B20.4 10% of the Money Market Instruments of any single issuing body.

The limits laid down in B20.2, B20.3 and B20.4 above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue cannot be calculated.

B21. Subject to MFSA approval, paragraphs B19 and B20 shall not be applicable to:

B21.1. Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;

B21.2. Transferable Securities and Money Market Instruments issued or guaranteed by a non-Member State;

B21.3. Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;

B21.4 Shares held by a Sub-Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that non-Member State, where under the legislation of that non-Member State such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that non-Member State. This waiver is applicable only if in its investment policies, the company from the non-Member State complies with the limits laid down in B2 to B10, B13 to B16, B19 and B20, and, provided that where these limits are exceeded, paragraphs B22 and B23 below are observed;

B21.5 Shares held by a Sub-Fund in the capital of subsidiary companies carrying on only the business of management, advice, or marketing in the country where the subsidiary is located, in regard to the repurchase of shares at investors' request exclusively on their behalf.

B22. A Sub-Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of their assets.

B23. Recently authorised Sub-Funds may derogate from the provisions of paragraphs B2 to B15, B16.2, B17 and B18 for six months following the date of their authorisation, provided each Sub-Fund observes the principle of risk spreading.

B24. A Sub-Fund may not carry out uncovered sales of:

- B24.1. Transferable Securities;
- B24.2. Money Market Instruments;
- B24.3. Shares of CIS; or
- B24.4. FDIs.

## Financial Derivative Instruments (FDIs)

B25. Position exposure to the underlyings of FDIs when combined, where relevant, with positions resulting from direct investments, may not exceed the investment limits included in paragraphs B2 to B11.

B26. Subject to MFSA approval, the requirements of paragraph B25, shall not apply in the case of index based FDIs, provided that the underlying index is one which meets with the criteria set out in paragraph B17.

## Efficient Portfolio Management

B27. The Company on behalf of a Sub-Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or FDIs for efficient portfolio management purposes. Provided that such transactions shall fulfil the following criteria:

B27.1 they are economically appropriate in that they are realised in a cost-effective way;

B27.2 they are entered into for one or more of the following specific aims:

- reduction of risk; or
- reduction of cost; or
- generation of additional capital or income for the Sub-Fund with a level of risk which is consistent with the risk profile of the Sub-Fund and the risk diversification rules laid down in paragraphs B2 to B11.

B27.3 their risks are adequately captured by the risk management process of the Investment Manager.

## Borrowing and Lending Powers

B28. The Company may not borrow on behalf of a Sub-Fund. However, by way of derogation to the foregoing, the Company may borrow, for the account of a Sub-Fund, up to 10% of the value of assets of that Sub-Fund provided that such borrowing is on a temporary basis. The assets of such Sub-Fund may be charged as security for any such borrowings.

The Company may, for the account of a Sub-Fund, acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the purposes of the 10% limit mentioned above, provided that the offsetting deposit: (a) is denominated in the Base Currency; and (b) equals or exceeds the value of the foreign currency loan outstanding.

The Company may not borrow for investment purposes.

Without prejudice to the powers of the Company to invest in Transferable Securities, the Company may not lend cash, or act as guarantor on behalf of third parties.

Any special borrowing restrictions relating to a Sub-Fund may be formulated by the Directors at the time of the creation of a Sub-Fund. There are no special borrowing restrictions currently in operation.

### Leverage

B29. A Sub-Fund's global exposure relating to FDIs shall not exceed the Net Asset Value of that Sub-Fund. The exposure is calculated taking into account:

- the current value of the underlying asset;
- the counterparty risk;
- future market movements; and
- the time available to liquidate positions.

The Company shall use the commitment approach or a value at risk ("VaR") model in order to measure the global exposure and leverage of any Sub-Fund arising out of its FDI positions as set out in the relevant Offering Supplement.

In the event of any inconsistency between any of the above restrictions and the restrictions set out in Part BII of the MFSA Rules applicable to UCITS, the latter shall prevail and apply with effect from the date of change in the said MFSA Rules.

### **Derogation for Newly Launched Sub-Funds**

In order to permit an orderly allocation of new capital, each Sub-Fund is, in terms of the MFSA Rules, exempt from complying with the risk diversification rules laid down in paragraphs B2-B7, sub-paragraph 2 of B8, B9- B15, sub-paragraph 2 of B16 and B17 during the first six (6) months from its launch (the Closing Date). Where a newly launched Sub-Fund avails itself of this derogation it shall seek to observe the principle of risk-spreading.

### **Breaches of Investment Restrictions**

If the limits laid down above are exceeded for reasons beyond the control of the Investment Manager, the Sub-Investment Manager, or the Company, or as a result of subscription rights, the Investment Manager, the Sub-Investment Manager or the Company shall take such steps as are necessary to ensure a restoration of compliance, in respect of that Sub-Fund, with such restriction(s) as soon as possible, taking due account of the interests of its Investors, but in any event (unless otherwise authorised by the MFSA), within a period of six (6) months from the date when such excess was discovered.

In the event that there is a contravention of the investment restrictions of the Company as described above, and the said contravention is not remedied within the above-mentioned six (6) month period, the MFSA will be notified of the said contravention.

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

Any changes to the investment objective of any Sub-Fund shall require: (a) the prior consent in writing of Investors holding (in aggregate) more than 50% of the Investor Shares then in issue in that Sub-Fund; or (b) the sanction of an ordinary resolution passed at a separate general meeting of the holders of the Investor Shares of such Sub-Fund in terms of the Memorandum and Articles.

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

The Directors may however, alter the investment policies and restrictions as may be applicable to the Company or to a Sub-Fund, provided that: (i) any material alterations to the investment policies and restrictions as may apply to the Company as a whole shall be notified to all the Investors of the Company twenty (20) calendar days in advance of the alteration; and (ii) any material alterations to the investment policies and restrictions as may apply to a Sub-Fund shall be notified to the Investors holding Investor Shares in the particular Sub-Fund at least twenty (20) calendar days in advance of the alteration.

In addition to the above, any changes to the investment objectives, policies and restrictions of the Company or a Sub-Fund are subject to the prior approval of the MFSA.

**The strategies which are employed by each Sub-Fund are speculative and entail a number of risks. No assurance can be given that the Investment Objective of the Sub-Funds will be realized (See the section entitled "Risk Factors").**

## **MANAGEMENT OF THE COMPANY**

### **Directors of the Company**

The Company is administered by its Board of Directors. The Directors of the Company are:

#### *Ms Anna Belkina*

Anna has over 15 years of experience in the investment industry. Having joined Mithril Asset Management Limited in 2011 as an Investment Analyst, in April 2024 she was appointed as Head of Investments, the Sub-Investment Manager of the Company. To comply with the best international investment practices in terms of portfolio management, Anna gained a CFA charterholder in 2016 and a MSCI membership in 2017. Her main inputs at Mithril are overseeing investment strategies and portfolios of a company and its clients, analysing market trends, managing asset allocation, ensuring compliance with investment policies while optimizing returns, and communication with clients. Anna was appointed as Investment Director in December 2024.

#### *Mr David Grech*

David has over 20 years' experience within the investment funds industry and currently acts as an independent non-executive director and investment committee member of a number of licensed entities. Since 2013 he has been a lecturer with the Banking and Finance Department of the Faculty of Economics, Management & Accountancy at the University of Malta. In 2008 he joined HSBC Securities Services (Malta) Ltd. as Senior Manager Financial Reporting and Analysis. During the period between 2001 and 2008 he worked for Valletta Fund Management Ltd, and later for Valletta Fund Services Ltd, and between 1995 and 2001 he was employed with Bank of Valletta International Ltd. David is a qualified and warranted Certified Public Accountant and also holds a Master of Science Degree in Finance from the University of Leicester. He is also a Member of the Malta Institute of Accountants.

#### *Mr Mario Fountain*

Mario joined AQA Capital Ltd with over 15 years of experience in the fund services industry with BOV Fund Services Ltd, a subsidiary of Bank of Valletta plc, Malta's largest banking group, where he was the Deputy Head of the Finance Department. Previously he obtained his Honours Degree in Banking & Finance from the University of Malta graduating in 2005. Mario is the Head of Operations at AQA Capital Ltd.

### **The Investment Manager**

The Company has appointed **AQA Capital Ltd** (the "**Investment Manager**") as the investment manager to the Company and its Sub-Funds under an Investment

Management Agreement between the Company and the Investment Manager dated 12<sup>th</sup> May 2025.

The Investment Manager was incorporated in Malta on the 20<sup>th</sup> April 2015 (Company Registration Number C 70143) as a private limited liability company. The Investment Manager's authorised and issued share capital is presently EUR 200,000 and its registered office is situated at 171, Old Bakery Street, Valletta VLT 1455, Malta. The Investment Manager is licenced by the MFSA to provide investment management services to UCITS Funds and other collective investment schemes (Licence number IS/70143) and qualifies as a Maltese Management Company in terms of the Investment Services Act (UCITS Management Company Passport) Regulations.

The Directors of the Investment Manager are:

*Elaine Bonnici*

Ms Bonnici started her career at one of Malta's leading banks, focused primarily on retail and commercial advances. She then moved to the Malta Financial Services Authority, within the Authorisation Unit, gaining extensive experience in the regulatory framework for investment services and collective investment schemes. Ms Bonnici joined AQA Capital as the Head of Compliance and was later appointed as Head of Strategy and Business Development.

Ms Bonnici holds an Honours Degree in Banking and Finance and a Master's Degree in Banking and Finance, both awarded from the University of Malta, and has her academic work published in the Islamic Economic Studies journal.

*Alberto Conca*

Alberto Conca has over 20 years of experience in portfolio management, having worked in the United States, Ireland, Italy, and Switzerland. After graduating in Economics from the University of Pavia, Mr Conca moved to Connecticut (USA), where he worked on the development of non-linear models for the prediction of volatility. He later returned to Italy and worked for RAS, becoming the Head of Equity at Aletti Gestuelle. Mr Conca then worked as a fund manager for Kairos Alternative Investments, and at Pioneer Alternative Investments, where he co-managed the Global Long Short Fund from Ireland. In 2008, he arranged and managed funds at Sequoia and later at Lemanik. In 2015 he co-founded AQA Capital Ltd, a European management company, taking the role of Chief Investment Officer. Since 2018, Mr Conca is also a shareholder and the Chief Investment Officer of Zest SA, a Swiss asset manager offering management of collective investment schemes and discretionary portfolio management services.

*Joseph Falzon*

Prof. Joseph Falzon is the former Head of the Department of Banking and Finance, and the former Dean of the Faculty of Economics, Management and Accountancy, at the University of Malta. He received a B.A. degree from the University of Malta in June 1979, a M.A. degree in economics from Memphis State University, Memphis, Tennessee, U.S.A. in December 1980, and a Ph.D. degree in economics from Northwestern

University, Evanston, Illinois, U.S.A. in August 1984. His doctoral areas of specialisation were in international finance, monetary economics and macroeconomics.

He is the author of several local and foreign publications and of numerous papers on the Maltese economy. He is the co-editor of "Strategic Challenges in European Banking" published by Macmillan in 1999, and the editor of "Bank Performance, Risk and Securitization", and "Bank Stability, Sovereign Debt and Derivatives", both published by Palgrave Macmillan in 2013.

His current research interests include portfolio management, hedge fund strategies, risk management and economic development. Prof. Falzon has served as a consultant to the Government of Malta and to several private and financial organisations. Prof. Falzon has also served, since 1995, as Member of the Organising Committee of the European Association of University Lecturers of Banking and Finance. He also organised the 1996 and 2012 annual conferences of this association in Malta.

#### *Christian Manicaro*

Christian Manicaro graduated in Economics from the University of Malta and started his career as a Merger and Acquisitions analyst at the Office of Competition. Later, he moved to the United Kingdom, reading a MSc at the University of York, and acquiring the CFA Charterholder. After his studies, Dr Manicaro joined APS Bank Limited in Malta as a fund manager. He then joined AQA Capital Ltd, setting up offices in Malta and networking connections throughout the country. He has also obtained a PhD in Finance and is a visiting lecturer at the University of Malta. Dr Manicaro is the Managing Director and Chief Executive Officer at AQA Capital Ltd.

#### *Joseph Portelli*

Mr Portelli has been employed in the financial markets for over 27 years. He has been engaged in various capacities with Wall Street firms including the Bank of America, Nomura Securities, Goldman Sachs, Milburn Ridgefield, Global Capital and Liongate Capital Management. He was employed as a foreign exchange dealer, portfolio manager, and futures and options trader for much of his career. Mr Portelli was also the managing director and chief investment officer of FMG Funds, and emerging market specialist.

Currently he sits on the board of the Malta Stock Exchange and other financial institutions and is a visiting lecturer at the University of Malta, Banking and Finance Department.

#### *Gabriele Rossi*

After graduation from Bocconi University, Mr Rossi worked as an auditor for PWC. He later moved to Vodafone (Italy) where he worked in the planning and economics department. Mr Rossi then worked as a financial analyst for Mediobanca, evaluating Italian big cap and managing the examination of several IPOs.

He set up and managed the Italian equity research department at Exane BNP Paribas and, subsequently, Mr Rossi co-managed long-short equity funds and bond funds at Sequoia, Lemanik SA and ZEST SA.

In terms of the Investment Management Agreement, the Investment Manager is responsible for the development of an overall strategy for the investment of the assets of the Sub-Funds in accordance with the investment objectives, strategies and restrictions set out in the applicable Offering Documentation as well as the taking of all investment and trading decisions and to select, allocate and monitor the assets of the Sub-Funds in a manner consistent with the overall strategies and the investment objectives and restrictions set out in the Offering Documentation. The Investment Manager is also responsible for the provision of administration services to the Company and the Sub-Funds, however, this may be delegated to an administrator approved by the Company and in this regard the Administrator has been engaged (see the section entitled "Administrator" below for further details). The Investment Manager may also perform additional services, in connection with its functions as the Investment Manager, under the terms of the Licence Conditions, the MFSA Rules and the Offering Documentation or as may be otherwise agreed between the Company and the Investment Manager.

In addition to the delegation of administration services described above, the Investment Manager may, and has, in terms of the Investment Management Agreement and subject to applicable MFSA Rules and the consent of the Company, delegate(d) certain of its other functions, powers, discretions, privileges and duties, including the discretionary portfolio management of the assets of the Company and the Sub-Funds to the Sub-Investment Manager. The Investment Manager will remain liable thereunder for any act or omission of its delegate as if the act or omission were its own unless a loss arose because of the Sub-Investment Manager acting in bad faith or the Sub-Investment Manager's conduct constituted actual fraud, wilful misconduct, gross negligence, or material breach of its obligations under the Sub-Investment Management Agreement.

The Investment Management Agreement may be terminated (generally or in relation to specific Sub-Funds) at any time by either party upon no less than ninety (90) days' prior written notice or forthwith in case of material breach of obligations or liquidation of a party. The Investment Management Agreement also provides that the Investment Manager shall not be liable to the Company for any loss arising in connection with the subject matter of the Investment Management Agreement, howsoever any such loss may have occurred unless: (i) such loss arose because of the Investment Manager acting in bad faith; or (ii) the Investment Manager's conduct constituted actual fraud, wilful misconduct, gross negligence, or material breach of its obligations under the Investment Management Agreement.

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

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

### **The Sub-Investment Manager**

Pursuant to a discretionary sub-investment management agreement dated 12<sup>th</sup> May 2025 (the "**Sub-Investment Management Agreement**") between the Company, the

Investment Manager and **Mithril Asset Management Ltd** (the “**Sub-Investment Manager**”), the Investment Manager has appointed the latter to undertake the discretionary investment management in respect of the Company’s Sub-Funds.

Mithril Asset Management, founded in 2009, is an independent global asset management company licensed by the Mauritius Financial Services Commission with licence number C108007141, and having its registered address at 3<sup>rd</sup> Floor, Ebene House Hotel Avenue, 3<sup>rd</sup> Floor, 33 Cybercity, Ebène, 72201, Mauritius.

In terms of the Sub-Investment Management Agreement, the Investment Manager delegated the discretionary management of the portfolio of all assets of the Sub-Funds to the Sub-Investment Manager with full discretion to invest such assets in pursuit of the investment objectives and subject to the investment restrictions described in the Offering Documentation.

The Sub-Investment Management Agreement provides that the Sub-Investment Manager will not be liable for any loss arising in connection with the subject matter of the Sub-Investment Management Agreement unless the loss arose out of actual fraud, negligence, wilful misconduct or bad faith or other material breach by the Sub-Investment Manager of the provisions of the Sub-Investment Management Agreement. Pursuant to the Sub-Investment Management Agreement, the Sub-Investment Manager has agreed to indemnify the Investment Manager and the Company against losses as a result of such wrongful acts.

The Sub-Investment Management Agreement further provides that the agreement may generally be terminated by the Company or the Sub-Investment Manager, providing at least ninety (90) days’ prior written notice. The Sub-Investment Management Agreement may be terminated without notice, *inter alia*, in the cases of material breaches, liquidation of a party, breach of representations and warranties and/or if it ceases to be lawful for the Sub-Investment Manager to continue to provide its services and shall, unless action to prevent same is taken, terminate automatically if the Investment Management Agreement between the Company and the Investment Manager is terminated.

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

The fees payable to the Sub-Investment Manager shall be paid by the Company as set out in the relevant Offering Supplements.

### **Custodian**

The Company has appointed **Sparkasse Bank Malta** public limited company (the “Custodian”) as Custodian and banker of the Fund.

Sparkasse Bank Malta p.l.c. is a public limited company registered under the laws of Malta, with registration number C27152 and registered office at 101 Townsquare, Ix-Xatt Ta’ Qui-Si-Sana, Sliema SLM 3112, Malta.

Sparkasse Bank Malta p.l.c. is fully owned by Anteilsverwaltungssparkasse Schwaz ("AVS"), a corporate entity established in Austria, governed by the Austrian Savings Bank Act, whose activities consist in holding and managing its assets, mainly its participation in: (i) Sparkasse Schwaz AG, a savings bank established in Austria which is a member of the Austrian savings banks forming part of the Erste Group, and (ii) Sparkasse Bank Malta p.l.c. through the financial holding company Sparkasse (Holdings) Malta Limited.

Sparkasse Bank Malta p.l.c. is licensed by the MFSA to carry out the business of banking as a credit institution in terms of the Banking Act (Chapter 371 of the Laws of Malta), and to provide investment services and act as custodian for collective investment schemes under the Investment Services Act (Chapter 370 of the Laws of Malta). The Custodian provides safekeeping and related services to various other funds and entities in various jurisdictions, and is actively involved in the provision of a comprehensive range of financial services in and from Malta.

The Custodian has been appointed to act as Custodian in respect of the Sub-Funds pursuant to a Custodian agreement dated 12th May 2025 , between the Company, the Investment Manager and the Custodian (the "**Custodian Agreement**"). The Custodian will perform its Custodian functions in accordance with the Custodian Agreement, which includes provisions reflecting the relevant Custodian requirements under the UCITS Directive, as transposed into Maltese law. The Custodian's functions include the following:

- (i) ensuring that the Sub-Fund's cash flows are properly monitored, and in particular that all payments made by or on behalf of investors upon the subscription of shares of the Sub-Fund have been received and that all the cash of the Sub-Fund has been booked in cash accounts opened in the name of the Company (for the Sub-Fund) or in the name of the Custodian acting on behalf of the Company (for the Sub-Fund) with a credit institution or bank;
- (ii) the safekeeping of the assets of the Sub-Fund, which means (a) for financial instruments that can be held in custody: holding in custody all financial instruments that can be registered in a financial instruments account opened in the Custodian's books and all financial instruments that can be physically delivered to the Custodian (if any), and (b) for other assets: verifying the ownership of the Company (for the Sub-Fund) and maintaining a record of such other assets;
- (iii) the following oversight duties:
  - (a) to ensure that the sale, issue, re-purchase, redemption and cancellation of shares of the Sub-Fund are carried out in accordance with the requirements prescribed by the MFSA, if any, applicable to the Sub-Fund, and the memorandum and articles of association of the Company;
  - (b) to ensure that the value of the shares of the Sub-Fund is calculated in accordance with the provisions of the memorandum and articles of association of the Company;

- (c) to carry out the instructions of the Investment Manager or the Company, unless they conflict with the requirements prescribed by the MFSA, if any, applicable to the Sub-Fund, or the memorandum and articles of association of the Company;
- (d) to ensure that in transactions involving the Sub-Fund's assets any consideration is remitted to the Company within the usual time limits;
- (e) to ensure that the Sub-Fund's income is applied in accordance with the memorandum and articles of association of the Company.

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

Cash will be held by the Custodian as banker.

The Custodian may perform banking and certain investment services (in particular, the execution and, or receipt and transmission of orders in relation to financial instruments) for the Sub-Fund.

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

The Custodian is permitted to appoint sub-custodians and to entrust assets of the Sub-Fund for safekeeping with them, and generally, to delegate all or part of its services and functions (other than the cash flow monitoring function and oversight duties referred to in points (i) and (iii) above) to third parties, subject to the terms and conditions stipulated in the Custodian Agreement. A description of the safekeeping functions delegated by the Custodian, the list of delegates and sub-delegates for the performance of the safekeeping functions, and information on any conflicts of interest that may arise from such a delegation will be provided to investors, by the Company or the Investment Manager, upon request.

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

Furthermore, the Custodian is liable to the Company, in respect of the Sub-Fund, and to shareholders of the Sub-Fund, for other losses (i.e. other than the loss of financial instruments held in custody, as mentioned above), suffered by them as a result of the

Custodian's negligent or intentional failure to properly fulfil its obligations pursuant to the relevant provisions of the Investment Services Act, the Investment Services Act (Custodians of Collective Investment Schemes) Regulations (S.L. 370.32) and Investment Services Rules for Investment Services Providers issued by the MFSA, as applicable to the Custodian.

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

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

The Custodian Agreement contains provisions whereby the Company agrees to indemnify the Custodian (out of the assets of the Sub-Fund) for actions, proceedings, claims, loss or damages, costs, demands and expenses (including legal and professional expenses) which may be brought against, suffered or incurred by the Custodian in relation to the performance of the Custodian's services, duties and functions, and the insolvency, acts or omissions of the Company, Investment Manager or any other service provider, delegate or third party, except where and to the extent that the Custodian is liable for the same in terms of the Custodian Agreement.

The Custodian Agreement may be terminated by the Custodian or by Company and the Investment Manager, by giving at least six (6) months' notice, and on certain other grounds set out in the Custodian Agreement.

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

The Custodian is not responsible for the contents of this Offering Memorandum or any Offering Supplement, nor for the approval thereof.

The Custodian's contact details are:

Sparkasse Bank Malta p.l.c.  
101 Townsquare,  
Ix-Xatt Ta' Qui-Si-Sana,  
Sliema SLM 3112,  
Malta

Tel: +356 2133 5705  
Fax: +356 2133 5710  
E-mail(s): [info@sparkasse-bank-malta.com](mailto:info@sparkasse-bank-malta.com)  
Website: [www.sparkasse-bank-malta.com](http://www.sparkasse-bank-malta.com)

Pursuant to a custody agreement (the “**Custody Agreement**”) entered into between the Company in respect of each Sub-Fund, the Investment Manager and Sparkasse Bank Malta plc, the Company has appointed the latter as the Custodian of its Sub-Funds.

### **Administrator**

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

Pursuant to the administration agreement, the Administrator is responsible, for the provision of certain administration services in respect of the Sub-Funds including, amongst others: (i) the calculation of Net Asset Value; (ii) registrar and transfer agency services; (iii) assistance related to FATCA and CRS obligations. For the purpose of calculating the Net Asset Value, the Administrator will rely on, and shall not be responsible for the accuracy of, financial data furnished to it by the Investment Manager, any sub-advisors, any broker and/or independent third party pricing services. The Administrator will not be responsible or liable for the accuracy of information furnished by other persons in performing its services for the Company. The Administrator in no way acts as guarantor or offeror of the Shares or any underlying investment, nor is it responsible for the actions of the Company’s sales agents, any broker or the Investment Manager. Moreover, the Administrator is not responsible for any trading decisions of the Company (all of which will be made by the Investment Manager) or the effect of such trading decisions on the performance of the Company.

The Administration Agreement may be terminated by the Company, the Investment Manager or the Administrator by not less than ninety (90) days’ prior written notice. The Administration Agreement may also be terminated immediately by the Company, the Investment Manager or the Administrator in certain extraordinary circumstances mentioned in the Administration Agreement.

Under the Administration Agreement the Company indemnifies the Administrator and holds it harmless from and against all liabilities, damages, loss, claims and expenses (including without limitation legal fees on a full indemnity basis and amounts reasonably paid in settlement) arising out of any claims asserted or threatened against the Administrator in the performance of any of its obligations or duties (including without limitation complying with instructions given to the Administrator by or on behalf of the Company); provided, however that the Administrator shall not be entitled to such indemnification with respect to any liabilities, damages, costs, claims and expenses which were caused by the Administrator’s own gross negligence, fraud, willful misconduct or, reckless or willful disregard of its duties under the Administration Agreement. Any indemnity expressly given to the Administrator in this Agreement shall be in addition to, and without prejudice to, any indemnity allowed at law.

The Administration Agreement is regulated by the laws of Malta and subject to the jurisdiction of the Maltese courts. The fees payable to the Administrator are set out in the Section entitled "Fees" below and in the Administration Agreement.

The Administrator's contact details are:

CC Fund Services (Malta) Limited  
Ewropa Business Centre,  
Dun Karm Street,  
Birkirkara  
BKR 9034,  
Malta

Tel: + 356 25 688 688  
E-mail(s): [ccfs@ccfunds.com](mailto:ccfs@ccfunds.com)  
Website: <https://www.ccfunds.com>

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

### **Legal Advisors**

Camilleri Preziosi Advocates are the legal advisors to the Company and the Sub-Funds. Camilleri Preziosi is a specialised practice focusing on domestic and international transactions in the field of corporate and commercial law and in the financial services sector.

### **Auditors**

Deloitte Audit Limited are the Auditors of the Company and the Sub-Funds. Deloitte is one of the leading and largest professional services organisations in Malta, providing industry-focused assurance, tax and advisory services to enhance value to clients.

### **Money Laundering Reporting Officer and Compliance Officer**

The money laundering reporting officer of the Company is Maria Attard. The money laundering reporting officer is responsible for ensuring the Company's compliance with its obligations under the Prevention of Money Laundering Act (Cap 373 of the Laws of Malta) and regulations issued thereunder.

The Compliance Officer of the Company is Glorianne Bonello Gatt. The Compliance Officer shall act as point of liaison between the MFSA and the Company, receive any instructions from the MFSA, provide any information to MFSA as may be requested by the MFSA from time to time and generally to ensure compliance by the Company with the licence conditions arising from the MFSA Rules.

## **Company Secretary**

The Company has appointed Ms Jessica Scicluna, having Maltese identity document number 0438297(M), as company secretary.

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

## **RISK FACTORS**

The discussion below is of a general nature and is intended to describe various risk factors which may be associated with an investment in the Sub-Funds. Prospective investors should also see the section of the relevant Offering Supplement entitled "*Risk Factors*" for any additional risks particular to the Investor Shares in that Sub-Fund. These risk factors are not intended to be exhaustive, and investors should consult their own advisors before considering an investment in the Investor Shares in a particular Sub-Fund.

The factors of relevance to the Investor Shares in a particular Sub-Fund will depend upon a number of interrelated matters including, but not limited to, the nature of the Investor Shares. No investment should be made in the Investor Shares in a particular Sub-Fund until careful consideration of all those factors has been made.

### **General**

Investment in the Sub-Funds should be regarded as a medium- to long-term investment. There can be no guarantee that the investment objective of the Sub-Funds will be achieved. The Sub-Funds' investments are subject to normal market fluctuations and the risks inherent in all investments, and there are no assurances that capital appreciation will occur. The value of investments and the income deriving therefrom (if any) can, from time to time, go down as well as up and investors may not realise the amount of their initial investment. In particular, deduction of the initial charge and the exit fee (where applicable) means that if an investor withdraws from the investment in the short-term, he may not get back the amount he invested.

Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of Investor Shares in the Sub-Funds. No assurance can be given as to the effect that any combination of risk factors may have on the value of Investor Shares in the Sub-Funds.

Any loss incurred by the Company or a Sub-Fund due to the late or non-payment of subscription proceeds in respect of subscription applications received shall be borne by the relevant Subscriber or, if not possible or practical to recover such losses from the Subscriber, by the relevant Sub-Fund.

### **Management Risk**

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

## **Non-Voting Investor Shares**

Investors ought to note that Investor Shares do not carry voting rights. Consequently, investors shall not have the right to vote on, amongst others, the following matters: (i) appointment and removal of the Company's Directors; (ii) the fixing of the Director's remuneration; and (iii) alterations and/or additions to the Memorandum and Articles of Association of the Company, including for the avoidance of doubt, any changes in the Company's name.

## **Insufficient Risk Recognition**

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

Investors should understand the risks associated with an investment in the Investor Shares in a particular Sub-Fund and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisors of (i) the suitability of an investment in the Investor Shares in the light of their own particular financial, fiscal and other circumstances, (ii) the information set out in this Prospectus, (iii) the risks associated with the use by the Sub-Fund of derivative techniques (if applicable), (iv) the nature of the Sub-Fund's assets, and (v) information set out in the relevant Offering Supplement. Investors in the Investor Shares in a particular Sub-Fund should recognise that the Investor Shares may decline in value and should be prepared to sustain a substantial loss of their investment in the Investor Shares.

## **Suspension Risk**

Investors are reminded that in certain circumstances, their right to have their Investor Shares redeemed may be suspended.

## **Lack of Operating History**

As at the date of this Prospectus, the Company and the Sub-Funds do not have any established track record which could be utilised as a basis for evaluating the potential performance thereof.

## **Segregation of Liability**

The provisions of the Companies Act provide for segregated liability between Sub-Funds and as such, under Maltese law, the assets of one Sub-Fund will not be available to satisfy the liabilities of another Sub-Fund. However, it should be noted that the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There can be no guarantee that the courts of any jurisdiction outside Malta will respect the limitations on liability as set out above.

## **Risks Relating to Fund of Funds**

Where the Sub-Funds invest all or a portion their capital in units of other CISSs, the performance of such Sub-Funds will be dependent on the performance of the funds selected for investment by the Investment Manager or Sub-Investment Manager and will depend on the Investment Manager's or Sub-Investment Manager's ability to effectively allocate and reallocate the Sub-Fund's assets amongst such funds. If the underlying funds in which the Sub-Funds invest register a negative performance, the value of the Investor Shares will be negatively affected.

## **Counterparty Risk**

Currency forward contracts, swaps and other forms of OTC FDIs are not guaranteed by an exchange or its clearing house. Consequently, there are no requirements with respect to record keeping, financial responsibility or segregation of customer funds and positions. The business failure of a counterparty with which the Company has entered into "a trade" will most likely result in a default. The default of a party with which the Company has entered into "a trade" will force the Company to cover its resale or repurchase commitments, if any, at the then current market price. This may result in lower returns for investors in the event that the current market price is (i) higher than the price at which the Company has entered into the trade with the counterparty or (ii) lower in case of a resale. The Company is also exposed to the risk of failure by a counterparty to perform its obligations under an OTC FDI contract. Transactions in over-the-counter markets are not subject to the same regulatory oversight as exchange-based markets.

## **Credit Risk**

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

## **Credit Ratings**

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

relevant obligations. Ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Ratings may also be withdrawn or revised at any time. Further to a derogation granted by the MFSA, the Company may also enter into transactions with Approved Counterparties which are not subject to independent verification of credit worthiness by a credit rating agency; such unrated Approved Counterparties however remain subject to the conditions set out in the definition of Approved Counterparties in the "Interpretation" Section above and subject to the due diligence carried out in this respect by the Investment Manager and/or Sub-Investment Manager.

### **Interest Rates**

Investors in the Investor Shares in a particular Sub-Fund should be aware that an investment in such Investor Shares might involve interest rate risk in that there may be fluctuations in the currency of denomination of the Sub-Fund's assets and/or the Investor Shares in that Sub-Fund.

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

### **Market Disruption Events & Settlement Disruption Events**

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

### **Hedging**

The Company, in respect of the Sub-Funds, may employ various techniques in respect of the Sub-Funds to attempt to reduce a portion of the risks inherent in their respective investment strategies. The ability to achieve the desired effect through a particular technique is dependent upon many factors, including the liquidity of the market at the desired time of execution. Thus substantial risk remains so that such techniques cannot always be implemented or effective in reducing losses. Hedging transactions, including the use of FDIs, which may be used by the Company have risks associated with them, including possible default by the other party to the transaction, illiquidity and, to the extent that the view of the Investment Manager or Sub-Investment Manager as to certain market movements is incorrect, the risk that the use of hedging transactions could result in losses greater than if they had not been used.

## Use of FDIs

While the prudent use of FDIs can be beneficial, FDIs also involve risks which are different from, and in certain cases, greater than, the risk presented by more traditional investments.

OTC FDIs, in particular, are typically structured derivative transactions. Structured derivative transactions are complex and may involve a high degree of loss. The Sub-Funds may use FDIs (including OTC FDIs) for investment purposes as well as for efficient portfolio management purposes.

Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase volatility in the performance of the Sub-Funds.

The FDIs that the Company and the Sub-Funds may transact in include, without limitation, options, futures, swaps and forwards. Should the need arise, when transacting in FDIs, the Investment Manager, the Sub-Investment Manager (as applicable) or the Company may (on behalf of the Sub-Funds) be required to collateralize the Sub-Funds' assets, whether by way of outright collateral transfers or by way of security interests thereon, in order to secure the obligations undertaken.

FDIs are highly specialised instruments that require investment techniques and risk analyses different from those associated with equity and debt securities. There can be no guarantee or assurance that the use of FDIs will meet or assist in meeting the investment objectives of a Sub-Fund.

FDIs do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the use of FDIs may not always be an effective means of, and sometimes could be counter-productive to, the relevant Sub-Fund's investment objective.

The prices of FDIs, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.

In the case of listed put or call options, the Company's ability to close out its position as a purchaser or seller of a listed put or call option is dependent, in part, upon the liquidity of the option market.

Where the Company, on behalf of a Sub-Fund, enters into swap arrangements or a forward foreign exchange contract, the Sub-Fund will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Sub-Fund could experience

delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Company, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

### **Exchange Rate Fluctuations**

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

### **Market Volatility**

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

### **Liquidity Risk**

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

### **Specific Restrictions in Connection with the Subscription and Redemption of Investor Shares**

Investors should note that there may be restrictions in connection with the subscription, holding and repurchase of and trading in the Investor Shares in a particular Sub-Fund. Such restrictions may have the effect of preventing the investor from freely subscribing, holding, trading and/or repurchasing the Investor Share. In addition to the features described below, such restrictions may also be caused by specific requirements such as the minimum amount that may be held or invested in any particular class of Investor Shares.

Additionally, the Company will have the option to limit the number of Investor Shares in any Sub-Fund repurchased on any Dealing Day to a stated percentage of the total Net Asset Value of that Sub-Fund on that Dealing Day and, in conjunction with such limitation, to *pro rata* limit the number of Investor Shares repurchased by any Investor on such Dealing Day so that all Investors wishing to have Investor Shares in that Sub-Fund repurchased on that Dealing Day realise the same proportion of such Investor Shares. In the event the Company elects to limit the number of Investor Shares repurchased on such

date, an Investor may not be able to repurchase on such Dealing Day all the Investor Shares that it desires to repurchase.

### **Illiquidity of Investor Shares**

There may be no secondary market for the Investor Shares, and consequently, Investors can normally dispose of the Investor Shares only by means of redemption on a Dealing Day. There is no assurance that the Company will be able to liquidate the portfolio securities attributable to the Investor Shares being redeemed without losses. These losses might have an adverse effect on the Net Asset Value of that Sub-Fund 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 Investor Shares, the Company may be unable to redeem such Investor Shares.

### **Substantial Redemptions**

Substantial redemption/repurchase of Investor Shares in a particular Sub-Fund could require the Company to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Investor Shares in that Sub-Fund. In these circumstances, the Company may defer redemptions/repurchases. Illiquidity in certain markets could also make it difficult for any Sub-Fund to liquidate positions on favourable terms, thereby resulting in a decrease in the value of the assets. In these circumstances, the non-redeeming Investors will bear a disproportionate risk of any decline in the value of a Sub-Fund's assets subsequent to the redemptions.

### **Temporary Suspension in Redemptions and Suspension in the determination of Net Asset Value**

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

### **Performance Fees**

To the extent that the Investment Manager and/or the Sub-Investment Manager will be entitled to receive a performance fee from the Company, such fees may create an incentive for the Investment Manager and/or the Sub-Investment Manager to engage in investment strategies and make investments that are more speculative than would be the case in the absence of such fees.

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

## **Conflicts of Interest**

Conflicts of interest may arise from time to time between the interests of the Directors, the Investment Manager, the Custodian, the Administrator and their respective delegates including sub-investment managers and sub-custodians, where applicable, in connection with fees, commissions and other revenues derived from the Company.

Prospective investors and Investors are referred to the section headed 'conflicts of interest'.

## **Confidential Information**

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

## **Risk relating to Omnibus Accounts**

Prospective investors should note that assets of the Company and the Sub-Funds may at any time be co-mingled, in an omnibus account, with assets of other persons held at a sub-custodian (or any delegate of the sub-custodian (the "Sub-Delegate")) or any clearing system, settlement system, dematerialised book entry system, central securities depository or similar system (the "Securities System") with which the Custodian may, directly or indirectly, transfer, settle, clear, deposit or maintain assets of the Company and Sub-Funds.

In the holding assets on a co-mingled basis at sub-custodians, Sub-Delegates or through a Securities System, prospective investors should note that the Company (on behalf of the Sub-Fund) may only be entitled, in common with those other persons, to its proportionate share of the assets so held in such omnibus account. Prospective investors should also note that omnibus accounts (where certain assets of the Sub-Funds are to be held) may have specific risks related to settlement cycles for certain assets which may operate both on an intra-day and inter-day basis, including the following: (i) the total amount of instruments recorded in such omnibus accounts may be unavailable at a given time during any intra-day or inter-day settlement cycle; (ii) a decrease in the total amount of instruments in such omnibus accounts may lead to potential shortfalls of instruments in absolute terms; (iii) a shortfall of instruments in absolute terms in omnibus accounts means that the Sub-Fund's entitlement to such instruments may be reduced in order to facilitate the purchase, sale or exchange of instruments of other persons within the omnibus account until such time as subsequent settlement cycles reconcile such shortfall. Further, if there is a failure of the Custodian, a sub-custodian, Sub-Delegate or Securities System, during a period of any shortfall of instruments, the Company (on behalf of the Sub-Funds) may only have a right to its proportion of the total amount of instruments in the relevant omnibus account.

## **Taxation**

Investors in the Investor Shares in a particular Sub-Fund should be aware that they may be required to pay (amongst others) income tax, withholding tax, capital gains tax, wealth

tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Sub-Funds, capital gains within the Sub-Funds, whether or not realised, income received or accrued or deemed received within the Sub-Fund, and this will be according to the laws and practices of the country where the Investor Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Sub-Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Sub-Fund, whereas the performance of the Sub-Fund, and subsequently the return investors receive after redemption of the Investor Shares, might partially or fully depend on the performance of the underlying. This can have the effect that the investor has to pay taxes for income and/or performance which he does not, or does not fully, receive. Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

### **Foreign Account Tax Compliance Act Risks**

FATCA imposes a new reporting regime and, potentially, a thirty per cent (30%) withholding tax with respect to: (i) certain payments from sources within the US; (ii) so-called 'foreign pass-thru payments' made to certain non-US financial institutions that do not comply with this new reporting regime; and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-US financial institution.

The Company (or a Sub-Fund) may be classified as a non-US financial institution for these purposes.

In order to avoid being subject to US withholding tax, investors are likely to be required to provide information regarding themselves. In this regard, the Maltese and US Governments have signed an intergovernmental agreement with respect to the implementation of FATCA. Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company or a Sub-Fund becomes subject to a withholding tax as a result of FATCA, the return of all Shareholders may be materially affected. To the extent the Company or a Sub-Fund suffers US withholding tax on its investments as a result of FATCA, the Company may take any action in relation to an investor's investment in the Sub-Fund to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI (i.e., foreign financial institution) gave rise to the withholding.

The Company may mandatorily redeem the Investor Shares of any Shareholders that fail to cooperate with the Company's efforts to comply with FATCA.

## **Common Reporting Standard Risks**

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

The detailed requirements for complying with the Common Reporting Standard may impose additional burdens and costs on the Company (or each Sub-Fund) and/or its Shareholders. Although the Company will attempt to satisfy any obligations imposed upon it (and the Sub-Funds) by the Common Reporting Standard, no assurance can be given that it will be able to satisfy such obligations. Implementation of the Common Reporting Standard may require the Company to conduct additional due diligence and report upon accounts held with it by Shareholders who are reportable persons in other participating jurisdictions. The Company may require certain additional financial information from Shareholders and financial intermediaries acting on behalf of Shareholders to comply with its diligence and reporting obligations under the Common Reporting Standard.

If the Company is unable to obtain the necessary information from Shareholders, it may take any steps necessary to avoid resulting sanctions, which may include (but are not limited to) compulsorily redeeming the Investor Shares of the relevant Shareholder.

## **Change of Law**

The Company must comply with regulatory constraints, such as a change in the laws affecting the investment restrictions of one or more Sub-Funds, which might require a change in the investment policy and objectives followed by a Sub-Fund.

## **Political and Regulatory Risk**

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

## **Importance of the Investment Manager and Sub-Investment Manager**

The Company’s success depends, to a large extent, upon the Investment Manager’s and/or Sub-Investment Manager’s ability to determine appropriate investments. In addition, if any of the officers of the Investment Manager and/or Sub-Investment Manager cease to participate in the operation of the Investment Manager and/or Sub-Investment Manager to the extent they relate to the operations of the Company, the objectives, activities and performance of one or more classes of Investor Shares may be adversely affected.

## **Borrowing Risks**

The Company in respect of a Sub-Fund may not be able to repay borrowings or may be forced to sell investments at a disadvantageous time in order to repay borrowings. The Investment Manager and/or Sub-Investment Manager might elect to sell its more liquid assets to repay borrowings, or to meet redemptions, thus increasing its concentration in less liquid securities.

## **Consequences of winding-up proceedings**

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including counterparties) to terminate contracts with the Company and claim damages for any loss arising from such early termination. Notwithstanding that Maltese law caters for the insolvency of a sub-fund (so that the insolvency of any Sub-Fund does not affect the Company or its unaffected Sub-Funds), the commencement of such proceedings may result in the Company being dissolved and its assets (including the assets of all Sub-Funds) being realised and applied to pay the fees and expenses of the appointed liquidator/ other insolvency officer and other liabilities, before any surplus is distributed to the shareholders of the Company. In the event of proceedings being commenced, the Company may not be able to pay, in full or at all, any amounts to the Shareholders, including the redemption amounts for repurchased shares in respect of any Sub-Funds.

## **Nominee Arrangements**

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

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

## **European Market Infrastructure Regulation**

On 16 August 2012, the European Market Infrastructure Regulation (“EMIR”) entered into force. EMIR introduces certain requirements in respect of derivative contracts, which will apply primarily to “financial counterparties” such as EU authorised investment firms, credit institutions, insurance companies, UCITS and alternative investment funds managed by EU authorised alternative investment fund managers, and “non-financial counterparties” which are entities established in the EU which are not financial counterparties. Broadly, EMIR’s requirements in respect of derivative contracts are: (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts.

The implementation of EMIR is achieved largely through secondary measures which are being phased in over time. Certain of EMIR’s requirements have applied since 15 March, 2013 and additional requirements are coming into force subsequently thereafter and/or are yet to be finalised. The EU regulatory framework relating to derivatives is set not only by EMIR but also by the Markets in Financial Instruments Directive (“MiFID II”) and its implementing measures. Prospective investors should be aware that the regulatory changes arising from EMIR and MiFID II may significantly raise the costs of entering into derivative contracts and may adversely affect a Sub-Fund’s ability to engage in transactions in derivatives.

## **SFDR – Legal Risk**

The series of legal measures (including SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage (the EU sustainable finance action plan) are being introduced in the European Union on a phased basis and some elements (for example supporting regulatory technical standards) are subject to implementation delays. The Investment Committee seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of these legal measures as they are introduced. The Company may be required to incur costs in order to ensure compliance with these new requirements as part of the initial implementation phase and to incur further costs as the requirements change and further elements are introduced. This could be the case, in particular, if there are adverse political developments or changes in government policies as the implementation phase progresses. These elements could impact the viability of the Sub-Funds and their returns.

## **ESG Data Reliance**

The scope of SFDR is extremely broad, covering a very wide range of financial advisors and financial market participants with regard to the integration of Sustainability Risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect to financial products. It seeks to achieve more transparency regarding how financial market participants integrate Sustainability Risks into their investment decisions and consideration of adverse sustainability impacts in the investment process. Data constraint is one of the biggest challenges when it comes to sustainability-related information to end-investors, especially in the case of principal

adverse impacts of investment decisions, and there are limitations on sustainability and ESG-related data provided by market participants in relation to comparability.

## **ESG and Sustainability Criteria**

Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Company might otherwise invest. Such securities could be part of the benchmark against which the Company is managed or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Company's performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria.

The Investment Manager and Sub-Investment Manager currently do not apply any ESG criteria for the Company or any of its Sub-Funds. As a result, the Company does not apply negative screening to exclude specific sectors or companies based on ESG criteria.

The Company does not aim to achieve long-term capital growth integrating an ESG approach, but this situation may change depending on the regulatory and legal framework. In that case, the Prospectus will be updated.

It should also be noted that the Taxonomy Regulation provides a common taxonomy for identifying economic activities as "environmentally sustainable" (within the meaning of the Taxonomy Regulation) within the European Economic Area. However, the scope of the Taxonomy Regulation is limited to six environmental objectives (and so does not cover the entire universe of ESG objectives) and is not currently expected to be used universally, outside of the EEA. For the purposes of the Taxonomy Regulation, it should be noted that the investments underlying the Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities.

## **CONFLICTS OF INTEREST**

The Investment Manager, the Directors, the Custodian, the Administrator and their respective delegates including the Sub-Investment Manager and any sub-custodians, where applicable (together the "**Interested Parties**") are or may be involved in other financial broking, investment or other professional activities which, in the course of their business, will, on occasion give rise to conflicts of interest in respect of the Company and the Sub-Funds.

In particular, prospective investors should be aware that:

- (a) The Interested Parties may carry out functions for other CISs engaging in activities which are similar to that of the Company and the Sub-Funds;
- (b) The Investment Manager and/or Sub-Investment Manager may make investments for other clients without making the same available to the Company and the Sub-Funds where, having regard to its obligations, the Investment Manager and/or Sub-Investment Manager considers, so far as reasonably practicable having regard to its obligations to such other clients, that it is acting in the best interests of Shareholders;
- (c) Some of the Directors may have a direct or indirect beneficial interest in the Founder Shares or in the allocations which may be payable from time to time to the holders of the Founder Shares. This may lead to a conflict of interest between the interest of such Directors or other consultants to generate returns for the holders of the Founder Shares, and their role as Directors of the Company. Thus, to the extent of such interests, such Directors may have a conflict of interest between their duty to act for the benefit of the Shareholders in limiting expenses of the Company and the Sub-Funds and their interest in receiving such fees, returns and allocations. Any such conflicts that might arise will be resolved, in so far as is practicable, in a manner which is fair to all interested parties;
- (d) As at the date of this Prospectus, Ms Anna Belkina is Head of Investments of the Sub-Investment Manager, is a director of the Company and holds 1 Founder Share of the Company;
- (e) As at the date of this Prospectus, Mr Mario Fountain is Head of Operations of the Investment Manager and is a director of the Company; and
- (f) Mithril Asset Management Ltd is the appointed Sub-Investment Manager and holds 99.9% of the Founder Shares of the Company.

Should a conflict of interest actually arise, the Company will endeavour to ensure that it is resolved fairly.

## **FEES AND EXPENSES**

### **Investment Management and Performance Fees**

Each Sub-Fund may be bound to pay an investment management fee and a performance fee. Please refer to the Offering Supplement in respect of a Sub-Fund for further details in respect of the fees applicable to that Sub-Fund.

Different fees may apply to different Sub-Funds and to different classes of Investor Shares in any Sub-Fund.

The Investment Manager and Sub-Investment Manager will also be entitled to recover from the Sub-Funds all properly incurred and approved out-of-pocket expenses.

### **Charges and Expenses when investing in CISs**

If the Company, on behalf of a Sub-Fund, invests in the units of other CISs managed, directly or by delegation, by the Investment Manager or Sub-Investment Manager or by any other company with which the Investment Manager or Sub-Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager, Sub-Investment Manager or other company shall not charge subscription or repurchase fees on account of the investment by the Company in the units of such other CISs.

If the Company, on behalf of a Sub-Fund, invests in the units of other CISs not managed, directly or by delegation, by the Investment Manager, Sub-Investment Manager or by any other company with which the Investment Manager or Sub-Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Sub-Fund may incur certain fees relating to the investment in such CISs.

If the Company, on behalf of a Sub-Fund, invests a substantial proportion of its net assets in other CISs, the maximum level of management fees that may be charged to the Sub-Fund by such CISs, will be set out in the relevant Offering Supplement. Details of such fees will also be contained in the Company's annual report. Furthermore, where a commission is received by the Investment Manager or Sub-Investment Manager by virtue of an investment in the units of another CIS on behalf of a Sub-Fund, that commission shall be paid into the property of the relevant Sub-Fund.

### **Remuneration of the Custodian**

The Custodian will receive, for safe keeping of the assets of each Sub-Fund and other services, a custody fee at varying rates based on the value of the assets of each Sub-Fund, in accordance with the details set out in the relevant Offering Supplement.

## **Remuneration of the Administrator**

Under the terms of the Administration Agreement, the Administrator is entitled to receive from each Sub-Fund an Administration fee as specified in the relevant Offering Supplement.

## **Audit and Legal Fees**

Legal Fees shall be agreed between the Company and the legal advisors and will be paid on a time-spent basis. Audit and review fees will be charged by the auditors as per agreement with the Company. Audit and legal fees will be paid out of the assets of the Sub-Funds.

## **Director Fees and Expenses**

The Directors will be paid annual fees for acting as Directors of the Company. The annual fees payable to the Directors shall, in aggregate, not exceed EUR 50,000, and such sum shall be maintained unless modified by the members of the Company entitled to attend and vote at the general meeting of the Company.

The Company will meet all travel, accommodation and other reasonable expenses incurred by the Directors in holding Board meetings and in relation to the business of the Company and the Directors will also be reimbursed for any justifiably incurred out-of-pocket expenses.

## **Company Secretary Fees**

The Company Secretary will be paid a minimum company secretary fee of EUR10,000 per annum.

The Company Secretary will also be reimbursed for agreed out of pocket expenses.

## **Other Expenses**

The Company will also pay the following costs and expenses (save to the extent that such expenses may be waived or otherwise discharged by the person to whom they are due and are not otherwise recovered by the Sub-Fund):

- i. All expenses which may be incurred in connection with the acquisition and disposal of assets in respect of the Sub-Fund;
- ii. All brokerage, bank and other charges incurred by the Company in relation to business transactions of the Sub-Fund (including charges in relation to any borrowing);
- iii. All fees and expenses due to any valuer, dealer or distributor in respect of services rendered for the benefit of the Sub-Fund;
- iv. All expenses incurred in connection with the publication and supply of information of the Sub-Fund to Shareholders and to the MFSA;
- v. All expenses which may be incurred in having the Investor Shares of the Sub-Fund listed or dealt in on any regulated market;

- vi. All expenses arising in respect of legal or administrative proceedings in respect of the Sub-Fund;
- vii. All expenses incurred in connection with the operation and management of the Sub-Fund, including, without limitation, costs of administration, costs for convening Shareholder meetings, costs incurred in keeping the Register and all non-recurring and extraordinary items of expenditure, as may arise from time to time;
- viii. All expenses relating to the compliance risk management reports;
- ix. Expenses relating to the production of the PRIIPs KID documents (including, without limitation SRI calculations).

Fees charges or expenses incurred in relation to a particular Sub-Fund will be applied to that Sub-Fund. Where costs and expenses relate to matters common to more than one Sub-Fund, these will be apportioned in such manner and on such basis as the Company deems to be reasonable.

### **Organisation Costs**

The preliminary expenses of the Company and the Licensed Sub-Funds (including, without limitation, licensing fees, legal and printing costs, and the costs incurred in connection with the preparation and execution of the offering documents, PRIIPs KIDs and material contracts) will be borne equally by the said Licensed Sub-Funds and the amount so payable may be amortised in such manner and over such period as the Company may determine. Costs for setting up further Sub-Fund/s will be borne by the relevant Sub-Fund/s.

### **Expenses in relation to Efficient Portfolio Management Techniques**

When engaging in efficient portfolio management techniques, certain fees may be incurred (which would reduce the revenue of the Sub-Funds). These fees would depend on a number of factors, such as the type of derivative contract entered into and market liquidity. Such fees may be paid to Sparkasse Bank Malta plc.

### **Alterations to the Fees**

The Directors may, at their sole discretion, agree to any changes to the fees applicable to any Sub-Fund provided that notice of any material alterations to the said fees as may apply to a Sub-Fund or to a class of Investor Shares thereof and the date when the said alterations shall come into force shall be given to the Investors holding Investor Shares in the particular Sub-Fund or Class of Investor Shares thereof within thirty (30) days from the date of the Directors' decision.

## **BUYING AND SELLING**

### **General**

Each Sub-Fund can be constituted by multiple classes of Investor Shares. Each class represents an interest in the Sub-Fund's portfolio, but may have its own characteristics, such as fee structure, Minimum Investment, Minimum Holding, dividend policy or Base Currency.

Applications to acquire Investor Shares are subject to the restrictions appearing in this Prospectus, the Memorandum and Articles and, in relation to a particular Sub-Fund, the related Offering Supplement.

### **Subscription Procedures**

Investor Shares will: (i) in respect of applications received during the Initial Offering Period, be allotted at the Initial Offer Price on the Dealing Day following the lapse of the Initial Offering Period; and (ii) subsequently, on the relevant Dealing Day designated in the Offering Supplement at the Net Asset Value per Investor Share.

Investors can purchase Investor Shares by submitting an Application Form (together with all supporting documentation requested therein) to the Company at the offices of the Administrator within the applicable cut-off time specified in the relevant Offering Supplement. The Company may reject an Application Form for any reason and is not obliged to disclose the reason, or reasons, for so rejecting such Application Form. The Application Form, if accepted by the Company will constitute a legally binding contract.

The Company shall not be bound to register more than four persons as the joint holders of any Investor Share.

No Investor Shares in a Sub-Fund shall be issued on any Dealing Day on which the determination of the Net Asset Value of such Sub-Fund is suspended.

The Company shall be entitled to issue Investor Shares in fractions of not less than 3 decimal places and not more than 4 decimal places.

### **Cut Off time for Receipt of Applications**

The cut off time for receipt of applications for the purchase of Investor Shares of each Sub-Fund (in respect of both lump sum investments and/or investments under the monthly investment plan, if applicable) shall be specified in the relevant Offering Supplement.

### **Subscription Monies**

Applications are to be accompanied by payment by means of bank transfer or by means of direct debit. Any related bank fees or charges shall be borne by the Subscriber. Payments for investments shall be made in the Base Currency (or in any other currency, in which case this will be converted to the Base Currency in question at the prevailing

exchange rate). Any applicable bank charges for conversion into the Base Currency as aforesaid will be borne by the investor/s.

Investor Shares will only be issued to successful Subscribers upon receipt of cleared payments by the Custodian within such notice period as may be set out in the relevant Supplement, provided that the Offering Supplement may also provide and set out the details in terms of which the Company may issue Investor Shares subject to full cash payment by a certain settlement date.

## **Registration**

A Shareholder shall have his title to Investor Shares evidenced by means of an entry made in the Register.

## **General**

Subscribers should take notice that by completing and executing the Application Form, the Subscriber is entering into a number of undertakings and giving a number of warranties as specifically set out in the Application Form. Each investor must represent and warrant to the Company that amongst other things, he/she is able to buy Investor Shares without violating applicable laws.

The Company reserves the right to seek evidence of identity to comply with any applicable prevention of money laundering laws and regulations. In the case of failure, the Company may take such action as it thinks fit.

## **Subscriptions in Specie**

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

In such circumstances, before the Investor Shares are issued, the Company shall appoint an expert valuer to draw up a valuer's report which shall include: (i) a description of each of the assets comprising the consideration; (ii) the value of each asset and a description of the method of valuation used; and (iii) a confirmation that the value of the consideration is at least equal to the Net Asset Value of the Investor Share to be issued in return for such consideration.

Valuation reports drawn up by the expert valuer shall be held at the registered office of the Company and shall be available for inspection by officials of the MFSA during compliance visits.

The Company shall only issue Investor Shares in the relevant Sub-Fund once the assets in question have been transferred in favour of the Company to the satisfaction of the Directors and the Custodian.

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

## **Transfer of Investor Shares**

Transfers of Investor Shares may be effected by a transfer in writing in any usual or common form and every form of transfer shall state: (a) the full name and address of the transferor and transferee; (b) the number of Investor Shares to be transferred; and (c) such other information as the Company may require, including, information necessary to satisfy the Company that the proposed transfer complies with applicable laws and appropriate identification documentation is provided as required by the Company and/or the Administrator to comply with applicable anti-money laundering regimes. The proposed transferee must, in the instrument of transfer, agree to take such Investor Shares subject to the same conditions and restrictions pursuant to which the Investor Shares were held by the transferor.

The Company may refuse to register a transfer of Investor Shares unless the instrument of transfer or an authentic copy thereof is deposited at the registered office of the Company or at such other place as the Company may reasonably require, with such other evidence as the Company may reasonably require to show the right of the transferor to make the transfer.

The Company reserves the right to withhold its consent for the transfer of Shares in other instances set out in the Articles. If the Company declines to register a transfer of any Investor Share it shall, within one month after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

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

## **Redemption Procedures**

Subject to the restrictions appearing in this Prospectus, the Memorandum and Articles, or, in relation to a particular Sub-Fund, the relevant Offering Supplement, a Shareholder may, at any time, cause any or all of his Investor Shares to be redeemed by the Company on a Dealing Day at the Redemption Price. Redemption instructions may be made on a Redemption Form (or in any other written form acceptable to the Company) which must be delivered to the Company at the office of the Administrator within the applicable cut-off time.

## **Cut off Time for the Receipt of Redemption Instructions**

The cut off time for the receipt of redemption instructions of each Sub-Fund will be specified in the relevant Offering Supplement. Redemption requests received after such date will be processed on the next Dealing Day, provided that the Directors may accept, at their sole discretion, a shorter notice.

## **Payment of Redemption Proceeds**

The Redemption Price will be paid in the Base Currency within fifteen (15) Business Days from the relevant Dealing Day. Payment will be made by bank transfer to an account held in the name of the registered holder as duly instructed in the redemption instructions. The Company, the Investment Manager, the Custodian, the Administrator and/or any other delegate shall not be responsible for a delay in transmission except in the event of fraud or wilful default on behalf thereof.

In the case of an Investor Share held jointly by two or more persons, the Company shall cause the redemption payment to be made by bank transfer to the account held in the name of any one or more joint holders as duly instructed in the redemption instructions. Payment of the redemption proceeds as aforesaid shall be deemed as having been effected to all joint holders.

Any applicable bank charges incurred will be borne by the registered holder/s.

### **Redemption in Specie**

At the discretion of the Company and with the approval of the applicant, the Company may satisfy any application for repurchase of Investor Shares by the transfer to that Shareholder of assets of the relevant Sub-Fund in specie, PROVIDED THAT the Company shall transfer to each Shareholder that proportion of the assets of the Sub-Fund which is then equivalent in value to the Investor Shares held in the Sub-Fund by the Shareholder then requesting the repurchase of Investor Shares, but adjusted as the Company may determine to reflect the liabilities of the Sub-Fund, PROVIDED FURTHER THAT the nature of the assets and the type of the assets to be transferred to each Shareholder be determined by the Company on such basis as the Company shall deem equitable and not prejudicial to the interests of the remaining Shareholders, and for the foregoing purposes the value of assets shall be determined on the same basis as used in calculating the Net Asset Value as set out in Appendix 2.

In the event that an expert valuer is appointed to value unquoted or unlisted securities to be transferred *in specie* (which appointment shall be required in the instance prescribed in paragraph B(ii) of Appendix 2), the valuation report drawn up by the expert valuer (for the purpose of valuing such unquoted or unlisted instruments as aforesaid) shall be held at the registered office of the Company and shall be available for inspection by officials of the MFSA during compliance visits. The costs of any valuation of assets to be transferred pursuant to a redemption *in specie* are to be borne by the relevant Shareholder to whom the assets are transferred.

### **Deferral of Redemptions**

If the Company receives requests for the repurchase of Investor Shares in respect of ten per cent or more of the outstanding Investor Shares in any Sub-Fund on any Dealing Day, the Company may elect to restrict the total number of Investor Shares repurchased to ten per cent of the outstanding Investor Shares in such Sub-Fund, in which case all the relevant requests will be scaled down *pro rata* to the number of Investor Shares requested to be repurchased.

Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Company will be treated as if the request had been made in respect of the next Dealing Day (in relation to which the Company shall have the same deferral powers as provided in the paragraph above) until the original request has been satisfied in full.

Shareholders may not revoke or withdraw redemption instructions delivered to the Company, even if the Company elects to exercise its power of deferral. Requests for redemption carried forward from an earlier Dealing Day shall have priority over later requests.

### **Temporary Suspension of Redemption of Investor Shares**

The Company may suspend the determination of the Net Asset Value of a Sub-Fund or of any class of Investor Shares, and the sale and repurchase of such Investor Shares, in the following instances:

- i. During any period when any stock exchange on which a significant proportion of the investments of the Sub-Fund is quoted is closed, other than for ordinary holidays, or during which dealings thereon are restricted or suspended;
- ii. During any period when disposals of investments by the Sub-Fund cannot be effected normally or without seriously prejudicing the interests of Shareholders;
- iii. During any period when for any reason, including but not limited to a breakdown in means of communication, the value of a significant part of the assets and liabilities of the Sub-Fund cannot be determined with sufficient accuracy by the deadlines required;
- iv. During any period when the Sub-Fund is unable to repatriate funds for the purpose of making payments on the redemption of Investor Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Investor Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange; or
- v. During any other period as may be specified in the relevant Offering Supplement.

Notice of such suspension will be given to all Shareholders in the relevant Sub-Fund, including any Shareholder tendering his Investor Shares for redemption.

The Company may elect to treat the first Business 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 sales and repurchases of Investor Shares shall be effected on the substitute Dealing Day PROVIDED THAT this shall be without prejudice to the Company's powers of deferral (please see section headed 'Deferral of Redemptions') in the event that requests for the repurchase of Investor Shares are equal to or exceed ten per cent

or more of the outstanding Investor Shares in any Sub-Fund. Any such suspension shall be appropriately published by the Company in a local newspaper and shall be notified immediately to the Shareholders, the MFSA and the Malta Stock Exchange (if applicable).

Shareholders will be promptly notified upon the termination of such suspension.

### **Mandatory Redemption:**

The Company may require the compulsory redemption of all Investor Shares held by a Shareholder in the following circumstances:

- a) in circumstances where the Company, the Sub-Fund or any Shareholder may suffer a tax, pecuniary, administrative or other disadvantage; or
- b) where Investor Shares are or may be held by a U.S. Person without the consent of the Company, or otherwise in breach of any laws or regulations; or
- c) in the circumstances mentioned under the heading 'Total Repurchase' in the section of this Prospectus headed 'General Information'; or
- d) in the event that a Shareholder fails to cooperate with the Company's efforts to comply with FATCA; or
- e) if the Directors otherwise determine, at their sole discretion, that such ownership of Investor Shares is not in the best interests of the Company or the respective Sub-Fund.

Such compulsory redemptions will take place at the prevailing Net Asset Value on the Dealing Day that such redemption takes place. In the case of a compulsory redemption, the Directors shall, as agent and for the account of the relevant Shareholder, be entitled to execute any documents as may be required for the purpose of the redemption.

### **Total Repurchase**

If at any time the Net Asset Value of all Investor Shares in issue across all Sub-Funds falls below USD5,000,000, the Company may by not less than 30 calendar days' notice to Shareholders, repurchase all Investor Shares in the Sub-Funds, not previously repurchased. The same power shall apply in relation to a Sub-Fund in the event that the Net Asset Value of all Investor Shares constituting a Sub-Fund falls below USD3,000,000. The Directors of the Company shall have full discretion to repurchase the Investor Shares in these cases, and shall in no event have to exercise this if and/or when these thresholds are reached at any point in time.

### **Switching**

Subject to the restrictions provided in the relevant Offering Supplement, a Shareholder may exchange (switch) all or part of his Investor Shares (the "**Original Investor Shares**") into Investor Shares in other designated Sub-Fund/s (the "**New Investor Shares**") as laid out specifically in the relevant Offering Supplement. Switching of Investor Shares is also available between classes of Investor Shares in a particular Sub-Fund. Such switching

may be exercisable by Shareholders by means of a switching notice which shall be irrevocable and shall be filed by the Shareholder in written or electronic form at the office of the Administrator within the period specified in the relevant Offering Supplement.

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

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

$$NS = \frac{AxBxC}{D}$$

NS = the number of New Investor Shares which will be issued;

A = the number of Original Investor Shares to be switched;

B = the redemption price of such Original Investor Shares on the relevant Dealing Day;

C = the rate of exchange determined for switching the Base Currency of the Original Investor Shares into the Base Currency of the New Investor Shares, if applicable; and

D = the issue price of the New Investor Shares on the relevant Dealing Day (adjusted for any fees and commissions payable).

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## **REMUNERATION POLICY**

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The Investment Manager has a remuneration policy in place to ensure compliance with the UCITS Directive. This remuneration policy imposes remuneration rules on staff and senior management within the Investment Manager whose activities have a material impact on the risk profile of the Sub-Funds. The Investment Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management, will not encourage risk-taking which is inconsistent with the risk profile of the Sub-Funds and the Articles, and will be consistent with the UCITS Directive. The Investment Manager will ensure that the remuneration policy is at all times consistent with the business strategy, objectives, values and interests of the Company, the Sub-Funds and Shareholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times.

Further details with regard to the remuneration policy are available at the following website: [www.aqa-capital.com](http://www.aqa-capital.com). The remuneration policy may be obtained free of charge on request from the Investment Manager.

## **SUSTAINABILITY MATTERS**

The Investment Manager maintains a policy (the “**ESG Policy**”) which integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes in respect of Environmental, Social and Governance issues (“**ESG**”), where relevant. The ESG Policy forms an integral part of its investment process and seeks to mitigate ESG and sustainability risks by ensuring that the Investment Manager only invests in companies or assets that are operated in an environmentally responsible manner, with respect for human rights and labour rights and providing good, healthy and safe working conditions, and which promote good governance conduct, always to the extent applicable and appropriate. Where applicable, consideration of potential ESG and sustainability risks related to a company or asset is integrated in the Investment Manager’s investment process, from transaction sourcing and selection to approvals and execution.

The consideration of sustainability risks and opportunities, when applied, may have a material impact on long-term returns for Shareholders. Please refer to the section entitled “**Risk Factors**” in this respect.

Potential risks are further identified in the due diligence process, by means of screening for ESG controversies or further ESG analysis, as warranted in the context of the specific investments, and addressed for each investment on a case-by-case basis, pursuant to the Investment Manager’s risk management framework and ESG Policy.

In respect of the Company, as at the date hereof, the Investment Manager does not deem sustainability risks to be relevant to the Company and the Sub-Funds and consequently, does not make investments decisions in respect of the Company based on sustainability risks, and does not consider the adverse impacts of sustainability factors on the returns it offers to its Shareholders, as this does not fit in with any of the current investment strategies of the Sub-Funds of the Company. Should the Company consider sustainability risks or principal adverse impacts of sustainability factors to be relevant in the context of the investment objective and/or policies of a particular Sub-Fund, the necessary information will be included in the Offering Supplement of the relevant Sub-Fund.

The classification of the Sub-Funds as Article 6 Funds means that the Sub-Funds do not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of SFDR or have sustainable investment as their objective in a way that meets the specific criteria contained in Article 9 of SFDR.

Consequently, each Sub-Fund that is classified as an Article 6 Fund shall not be expected to pursue an investment approach that explicitly promotes environmental or social characteristics or to have sustainable investment as its objective. Accordingly, the investments underlying the Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities.

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## INDEMNITY

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

The above-mentioned rights of indemnification may be insured against by policies maintained by the Company.

In addition, the Company has granted indemnities to the Investment Manager, the Custodian and the Administrator and each of their Directors, Officers, employees and agents in respect of actions brought against them in their respective capacities as set out in the Investment Management Agreement, the Administration Agreement and the Custody Agreement(s).

## NET ASSET VALUE

### **Allocation of Assets and Liabilities**

The assets and liabilities of each Sub-Fund shall be allocated in the following manner:

- i. the proceeds from the issue of Investor Shares representing a Sub-Fund shall be applied in the books of that Sub-Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund;
- ii. where any asset is derived from another asset, such derivative asset shall be applied in the books of the same Sub-Fund as the asset from which it was derived and on each revaluation of such asset, the increase or diminution in value shall be applied to the relevant Sub-Fund;
- iii. where the Company incurs a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, such a liability shall be allocated to the relevant Sub-Fund;
- iv. where an asset or liability of the Company cannot be considered as being attributable to a particular Sub-Fund or Sub-Funds as above stated, such asset or liability, shall be allocated to all the Sub-Funds *pro rata* to the Net Asset Value of each Sub-Fund at the time the attribution is made or in such other manner as the Directors may determine.

### **Calculation of Net Asset Value**

The Net Asset Value per Share will be determined by the Administrator, except when the determination of same has been suspended in accordance with the Memorandum and Articles, on each Valuation Day and is calculated to four (4) decimal figures by calculating the net difference between the value of its assets and liabilities calculated on the basis of the provisions of the Memorandum and Articles as outlined in Appendix 2.

### **Net Asset Value per Investor Share**

Where a Sub-Fund is constituted by one class of Investor Shares, its Net Asset Value per Share shall be determined by calculating the Net Asset Value divided by the number of Investor Shares outstanding. Where a Sub-Fund is constituted by more than one class of Investor Shares, the Net Asset Value per Share (of each class of Investor Shares in that Sub-Fund) shall be determined by calculating the Net Asset Value attributable to that class of Investor Shares divided by the number of Investor Shares outstanding in that class.

The Net Asset Value and the Net Asset Value per Share shall be expressed in the Base Currency of the class of Investor Shares concerned. For the purpose of the calculation of the Net Asset Value and NAV per Share, the value of assets or liabilities denominated in a currency other than the Base Currency of that Investor Share shall be determined by taking

into account the rate of exchange (from a source determined by the Directors to be most appropriate) prevailing at the time of the determination of the NAV.

The Net Asset Value per Investor Share for each class of Investor Shares will appear on the Investment Manager's website on <https://www.aqa-capital.com> and may also, at the sole discretion of the Directors, be published on one or more newspapers at such frequency as the Directors may from time determine.

## **GENERAL INFORMATION**

### **Duration of the Company**

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

### **Capitalisation of the Company**

The share capital of the Company shall be equal at any time to the value of the issued share capital of the Company. The Company may issue up to a maximum of one hundred billion (100,000,000,000) Investor Shares without any nominal value assigned to them. The actual value of the paid up share capital of any Sub-Fund shall be at all times equal to the value of the assets of any kind of the particular Sub-Fund after the deduction of such Sub-Fund's liabilities. Shares will be issued as fully paid. There are no outstanding options or any special rights relating to Shares.

### **Founder Shares**

The Company issued 1,000 Founder Shares with no nominal value, which Founder Shares constitute a separate class of Shares of the Company but do not constitute a Sub-Fund. 999 of the Founder Shares are held by Mithril Asset Management Limited, the Sub-Investment Manager, and 1 Founder Share is held by Ms Anna Belkina. The Founder Shares are ordinary shares with voting rights and participate in the net assets of the Company on dissolution and liquidation after all the Investor Shares in the Company have been repurchased.

### **Investor Shares**

The Company has designated the maximum number of Investor Shares on offer in each class as stated in the relative Offering Supplements.

The Directors may from time to time split Investor Shares into a greater number of Investor Shares or consolidate Investor Shares and such transactions shall be carried out based on the applicable NAV per Investor Share on the last Valuation Day before the transaction is effected.

Investors in the Sub-Funds shall participate in the income and capital of the Company in respect of the Investor Shares in the Sub-Funds in which they invest.

The Investor Shares of each Sub-Fund participate in the assets of the respective Sub-Fund and in any dividends, and, upon liquidation, in any distributions of the Company relating to the respective Sub-Fund. Investors have no rights against the assets of other Sub-Funds in which they have no Investor Shares.

Investor Shares may be issued as fractional shares of not less than three (3) but not more than four (4) decimal places. Fractional Investor Shares will be consolidated into whole Investor Shares when an Investor holds enough fractional Investor Shares to make up a whole Investor Share. With the exception of voting rights, the holders of fractional Investor Shares carry the same rights as integral shares of the same class and exercisable in proportion to the fraction held.

## **Voting Rights**

### *Founder Shareholders*

The Founder Shares are voting shares and carry the right to one (1) vote per Founder Share on all matters laid before the general meeting of the Company.

### *Investor Shareholders*

Holders of Investor Shares shall have no right to vote.

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

The Company may increase or reduce the maximum number of Shares which may be issued by the Company by an extra-ordinary resolution passed in accordance with the Company's Memorandum and Articles.

## **Amendment to Memorandum and Articles**

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

## **Variation of Class Rights**

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

## **Annual and Half Yearly Reports**

The Company's accounting year ends on 31 December of each year.

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards and are audited annually at the Company's expense by an

independent firm of auditors. The Company will also issue unaudited interim financial statements.

Audited annual reports and financial statements shall be published and submitted to the MFSA within four months following the end of the accounting year and half yearly reports and financial statements shall be published and submitted to the MFSA within two months following the period to which they refer.

Copies of the said annual and half yearly reports will be provided to Investors free of charge upon request. In the event that such request is made, such report/s will be sent by mail or by electronic mail to the mail address or electronic mail address indicated for this purpose by the Investor in his/her Application Form (or in such other manner as may be agreed from time to time with the Investors). In the alternative, the Company may upload a copy of the annual and half yearly reports to the following website: [www.provenancefunds.com](http://www.provenancefunds.com), or any alternative website determined by the Directors.

### **Ownership of Shares in the Company**

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

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

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

### **Annual General Meeting**

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

Holders of voting Shares in the Company may attend in person or by proxy. Shareholders will not be entitled to vote on matters relating to particular Sub-Funds in which they do not hold any Investor Shares.

Notice of the meeting will be sent to all holders of voting Shares included in the Register of Members held by the Company, fourteen (14) days before the date of the relevant Annual General Meeting. Such notice as aforesaid may be given by mail or by electronic mail.

### **Compliance Officer**

The Company is required to appoint an individual resident in Malta as its Compliance Officer. The Compliance Officer shall act as point of liaison between the MFSA and the Company, receive any instructions from the MFSA, provide any information to MFSA as may be

requested by the MFSA from time to time and generally to ensure compliance by the Company with the licence conditions arising from the MFSA Rules.

### **Further Issues of Investor Shares**

The Company may at any time decide to offer further Investor Shares (subject to the maximum amount of Investor Shares comprised in the authorised share capital) with or without preferred, deferred or other special rights or restrictions, whether with regard to dividend, voting or otherwise, at such times and on such other terms as the Board shall think proper.

The Company may, at any time, issue additional classes of Investor Shares constituting other Sub-Funds, which may be designated in any currency and with particular investment objectives, policies and restrictions, and the assets of which may be managed utilising different methodologies, investing in different markets with particular opportunities and investment risk characteristics. Such other class(es) of Investor Shares will be offered by means of an Offering Supplement for the specific Sub-Fund. When making an Initial Offering of Investor Shares in a newly established Sub-Fund the Directors shall establish the Initial Offering Price for such Investor Shares at the time of offer and this shall be stated in the Offering Supplement for the specific Sub-Fund. The Company may, at any time, also issue additional classes of Investor Shares in an existing Sub-Fund which may be designated in any currency.

### **Repurchase of Investor Shares**

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

### **Limiting Changes in Portfolio**

On any Dealing Day, a net reduction or increase in the number of Investor Shares in issue of any Sub-Fund would normally result in a reduction or increase, and other adjustments, in the portfolio of assets of that Sub-Fund. Dealing and other transactional costs can be incurred as a result of such changes in the portfolio. In order to mitigate this effect, the Company may arrange or procure, without obligation, that one or more entities will be given the opportunity to match, wholly or partially, with a subscription for Investor Shares, any expected net cash outflow from the redemption or repurchase of Investor Shares requested by other investors, and conversely with a request for redemption of Investor Shares, any expected net cash inflow from subscription for Investor Shares by other investors. The entities concerned may be entitled to charge a fee for their service; see the relevant Offering Supplement for further details. Such matching transactions will invariably be carried on a Dealing Day and at the relevant NAV per Investor Share.

### **Closure of a Sub-Fund**

Apart from cases where the assets of a Sub-Fund are not sufficient to meet the liabilities in respect of such Sub-Fund, in which case the rules on insolvency will apply to the Sub-Fund in question, Sub-Funds of the Company may be closed from time to time and their licence surrendered to MFSA. In cases where there are no outstanding Investor Shares in a Sub-Fund, as a result of redemptions or exchanges of Investor Shares with Investor Shares in another Sub-Fund, the Directors may resolve to close the Sub-Fund in question and surrender its licence to the MFSA. Where there are outstanding Investor Shares in a Sub-Fund, then the consent in writing of Investors holding at least 75% of the Investor Shares then in issue in that Sub-Fund will be required, unless the Directors are exercising their powers relating to mandatory redemption of all Investor Shares held by an Investor or their powers to redeem all Investor Shares in that Sub-Fund (vide parts entitled "Mandatory Redemption" and "Total Repurchase" respectively, under the section "Buying and Selling").

The MFSA must consent to the closure of a Sub-Fund and to the surrender of its Licence.

### **Liquidation**

The Company and the Sub-Funds have been incorporated for an indefinite period, unless otherwise provided in the Offering Supplement relating to a Sub-Fund and unless closed or liquidated as herein described.

#### *Of a Sub-Fund*

Apart from the rules applicable to the closure of a Sub-Fund which are outlined in the Memorandum and Articles and in this Prospectus (see the Part entitled "Closure of a Sub-Fund" above), a Sub-Fund may be dissolved and wound up either voluntarily or under supervision or by the court. Upon the winding up or dissolution (whether the liquidation is voluntary or by the Court) of any Sub-Fund, the assets of such Sub-Fund available for distribution (after satisfaction of creditors' claims) amongst the Investors of such Sub-Fund shall be distributed to the Investors of such Sub-Fund pro rata to their respective shareholding.

#### *Of the Company*

Subject to all Sub-Funds in the Company being closed, the Company may be dissolved and wound up either voluntarily or under supervision or by a competent Court. Any voluntary liquidation of the Company shall be carried out pursuant to applicable Maltese laws and the Memorandum and Articles.

Any proceedings in relation to the Company shall respect the legal status of each Sub-Fund as a patrimony separate from the assets and liabilities of each other Sub-Fund and proceedings under the Companies Act shall apply *mutatis mutandis* to each Sub-Fund as though it were a distinct legal entity and with such modifications as are necessary to accommodate the fact that a Sub-Fund is not a company. Any proceedings in relation to any one Sub-Fund shall not have any effect on the assets of any other Sub-Fund or of the Company itself. The term 'proceedings' as used herein refers to any proceedings whatsoever including the proceedings in terms of Title II of Part V and of Part VI of the

Companies Act.

## **Indebtedness**

As at the date of this Prospectus, the Company has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other material contingent liabilities.

## **Documents for Inspection**

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

- 1) The Memorandum and Articles and Certificate of Incorporation of the Company;
- 2) The latest Prospectus, and Offering Supplements for all Sub-Funds;
- 3) The PRIIPs KIDs;
- 4) The Investment Management Agreement and the Sub-Investment Management Agreement;
- 5) The Custody Agreement and Administration Agreement; and
- 6) The latest Annual and Half Yearly report of the Company.

A copy of this Prospectus, together with any Offering Supplements thereto, has been lodged with the MFSA and the Malta Business Registry and are therefore also available for inspection at their offices in Malta.

## **Notices**

Any notice or other document required to be served upon a Shareholder shall be sent by mail or electronic mail (in the latter case to the email address indicated for this purpose by the Shareholder in his/her Application Form) or in such other manner as may be agreed from time to time with the Shareholder.

## TAXATION

**Brief details of the taxation treatment of the Investor Shares in Malta are set out below but it is entirely the responsibility of prospective investors to inform themselves as to any taxation or exchange control legislation affecting them personally. The following summary should not be considered legal or professional tax advice.**

### **General**

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

The following is a summary of the anticipated tax treatment in Malta applicable to the Company and to its Shareholders. This information, which does not constitute legal or tax advice, refers only to Shareholders who do not deal in securities in the course of their normal trading activity. The information below is based on tax law and practice applicable at the date of this Prospectus. Investors are reminded that tax law and practice and the levels of tax relating to the Company and the Shareholders may change from time to time.

### **The Company**

In terms of current legislation, collective investment schemes (including sub-funds of such collective investment schemes) are classified as either "prescribed" or "non-prescribed funds". In general, a prescribed fund is defined as a fund resident in Malta which has declared that the value of its assets situated in Malta amounts to at least eighty-five per cent (85%) of the value of the total assets of the fund ("**Prescribed Fund**"). Maltese resident funds which do not have such an exposure to Maltese assets and all non-resident funds are treated as being non-prescribed ("**Non-Prescribed Fund**"). The Company will be making the necessary declaration in relation to the status of a Sub-Fund as a Prescribed or Non-Prescribed Fund and this will be set out in the related Offering Supplement.

In respect of Sub-Funds which are classified as Non-Prescribed Funds, a tax exemption at the level of the Sub-Fund applies on all the income and capital gains derived by such Sub-Fund (except for income from immovable property situated in Malta, if any).

In respect of Sub-Funds which are classified as Prescribed Funds, such Sub-Funds will receive investment income (other than investment income paid by another licensed collective investment scheme) as defined in the Income Tax Act subject to a withholding tax, and such investment income cannot be received by the said Sub-Funds gross of tax. The applicable rate of withholding tax is currently 15% on local bank interest and 10% on investment income other than local bank interest. Other income and capital gains (except for income from immovable property situated in Malta, if any) are tax exempt in the hands of Prescribed Funds.

The Company (whether in respect of Prescribed or Non-Prescribed Funds) is not entitled to a credit or to a refund of any tax at source deducted from income received by the Company.

In respect of both Prescribed and Non-Prescribed Funds, capital gains, dividends, interest and any other income from foreign securities held by the Company may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its investors.

The Company shall notify the Maltese Commissioner for Revenue of any change to the status of the Company for taxation purposes.

### **Value Added Tax**

Fees chargeable to the Company may be subject to VAT in accordance with applicable law. If any VAT is charged, this will generally not be recoverable by the Company.

### **Capital Gains derived by Non-Maltese Resident Investors**

Capital gains realised by investors who are non-residents of Malta and who are not owned and controlled by, directly or indirectly, nor act on behalf of, individuals who are ordinarily resident and domiciled in Malta, on the transfer or redemption of Investor Shares in Prescribed or Non-Prescribed Funds, are exempt from tax in Malta.

### **Capital Gains derived by Maltese Resident Investors**

#### *Non-Prescribed Funds*

Capital gains realised by Maltese resident investors on redemption of Investor Shares or the transfer of Investor Shares to third parties in a Sub-Fund classified as a Non-Prescribed Fund are treated as follows:

In case of redemption of the Investor Shares by Maltese resident investors (other than (a) persons carrying on banking business, or (b) persons carrying on the business of insurance, or (c) companies owned and controlled, directly or indirectly, by such persons in (a) and (b)) any capital gain realised upon the redemption of units will be subject to a withholding tax of 15%. Such withholding tax is considered as a final tax and will be deducted at source by the Company. A Maltese resident investor is not obliged to declare the interest so received in his income tax return (to the extent that the interest is paid net of tax). In the case of Maltese resident persons carrying on banking business or carrying on the business of insurance or companies owned and controlled, directly or indirectly, by such persons, and in case of Maltese resident investors who opt not to receive the capital gains subject to a 15% withholding tax, such investors will be bound to declare such capital gains in their personal income tax return and would be subject to tax at the normal rates of tax which are applicable to them.

In case of transfers of the Investor Shares by Maltese resident investors to third parties, the transferor is obliged to declare any capital gains in the income tax return and pay tax

at the normal rates. Any capital gains on an eventual redemption will be calculated without reference to any intermediate transfer.

### *Prescribed Funds*

Where the Investor Shares in a Prescribed Fund are listed on the Malta Stock Exchange or another recognised exchange, any transfer or redemption of the said Investor Shares will be exempt from Maltese tax. Where the Investor Shares in a Prescribed Fund are not so listed then the transferor will be obliged to declare any capital gains in the income tax return and pay tax at the normal rates.

### **Distributions by the Sub-Funds**

Distributions by the Sub-Funds (both Prescribed and non-Prescribed Funds) will be subject to a withholding tax if such distribution by the Sub-Fund is made out of what is known as the Untaxed Account (i.e. untaxed profits of the Company) and is made to:

- a) Maltese resident investors (other than Maltese resident companies), and
- b) non-Maltese resident investors (including non-resident companies) who are owned and controlled by, directly or indirectly, or who act on behalf of, individuals who are ordinarily resident and domiciled in Malta.

The rate of withholding tax is 15% and such withholding tax will be deducted by the Company. Investors who receive dividends out of the untaxed account subject to the said 15% withholding tax are not required to declare such dividends in their Maltese income tax returns. However, such investors are entitled, depending on their personal circumstances, to declare such dividends in their income tax return and claim a credit of the 15% tax withheld.

The distribution of profits out of the untaxed account to persons (other than those mentioned in (a) and (b)) is not subject to withholding tax.

In view of the fact that a Non-Prescribed Fund will likely receive foreign source income from its investments and such foreign source income will be exempt from Maltese tax in the hands of the said Non-Prescribed Fund, it is expected that such Sub-Fund will be allocating the majority of its profits to its untaxed account.

### **Duty on Documents and Transfers**

Redemptions of Investor Shares by the Company and transfers of Investor Shares to third parties are exempt from duty on documents and transfers in Malta, as the Company is a licensed collective investment scheme and will be applying for a stamp duty exemption determination in terms of the applicable Maltese stamp duty legislation.

### **FATCA Implementation in Malta**

On 16 December 2013, the governments of Malta and the United States signed an agreement to "Improve International Tax Compliance and to Implement FATCA" (the

“**Inter-Governmental Agreement**” or “**IGA**”). This agreement significantly increased the amount of tax information automatically exchanged between Malta and the United States. It provides for the automatic reporting and exchange of information in relation to accounts held in Maltese “financial institutions” by U.S persons and the reciprocal exchange of information regarding U.S. financial accounts held by Maltese residents. One or more Sub-Funds may be subject to these rules.

The Inter-Governmental Agreement provides that Maltese financial institutions will report to the Maltese Office of the Commissioner for Revenue in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the U.S. Secretary of the Treasury or his delegates in respect of any Malta-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Company (and/or each Sub-Fund) will be a reporting financial institution and is required to register with the US Internal Revenue Service (“IRS”) to obtain a Global Intermediary Identification Number. The Company is required to conduct due diligence on potential investors in its Sub-Fund/s to identify whether accounts are held directly or indirectly<sup>1</sup> by “U.S. Persons”<sup>2</sup> (“U.S. Reportable Accounts”), The Company (and/or each Sub-Fund and/or the Administrator) shall be entitled to require investors to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which a Sub-Fund may have as a result of the Inter-Governmental Agreement or any legislation issued in connection with the agreement. Where reporting obligations arise, the Company (and/or each Sub-Fund) would need to report information on such U.S. Persons to the competent authority in the Company’s jurisdiction. The said competent authority will then exchange the information reported to it with the IRS annually. Investors will be deemed, by their subscription for or holding of Shares, to have authorised the automatic disclosure of such information to the relevant tax authorities.

Under the terms of the IGA and the relevant regulations, FATCA withholding tax will not be imposed on payments made to the Company, or on payments made by the Company to an account holder, except to the extent the Company, its investors or any other account holder fails to comply with its obligations under FATCA or the IGA, or otherwise fails to comply with any other obligations it may have to the Company with respect to the Company's obligations under FATCA or the IGA, as applicable. If subject to, or required to, withhold, such FATCA withholding tax will generally be at the rate of 30% of the relevant payment.

Other jurisdictions may enact legislation, regulations or official guidance which may result in further intergovernmental agreements with potentially similar reporting exchange of information and/or withholding obligations.

## **Common Reporting Standards**

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

<sup>1</sup> The obligation to report US Persons under FATCA extends to the beneficial owners and controlling persons of certain legal entities.

<sup>2</sup> This means a US citizen, a permanent US resident or a person that meets the substantial presence test as defined by the US Internal Revenue Service.

The European Union directive regarding the taxation of interest income (the “**EU Savings Directive**”) has been repealed and was effectively replaced by EU Council Directive 2014/107/EU. EU Council Directive 2014/107/EU (“DAC 2”) extends the scope of mandatory exchange of information between EU member states to financial account information. This extension effectively incorporated the Common Reporting Standard in the EU Directives concerning automatic exchange of information.

The EU Council Directive 2014/107/EU and the Common Reporting Standard have been implemented in Maltese legislation through the publication of the Co-Operation with Other Jurisdictions on Tax Matters (Amendment) Regulations with effect from 1 January 2016 and the Inland Revenue has published guidelines in this respect.

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

The Company (or each Sub-Fund) may require certain additional financial information from new and existing Shareholders, financial intermediaries acting on behalf of Shareholders and in some cases information in relation to the tax residence of the beneficial owners of the Shareholders, to comply with its diligence and reporting obligations. The information will include amongst other things details of the name, address, taxpayer identification number (TIN), account number, account balance/value, place of residence and in the case of Shareholders who are individuals, the date and place of birth together with details relating to payments made to Shareholders and their holdings. This information may be shared with the tax authorities in other EU Member States (and in certain countries subject to the terms of the information exchange agreements entered into with those countries) and jurisdictions which implement the OECD Common Reporting Standard. If the Company (or each Sub-Fund) is unable to obtain the necessary information from its Shareholders, it may take any steps necessary to avoid resulting sanctions, which may include (but are not limited to) compulsorily redeeming the relevant Shareholder.

**PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN PROFESSIONAL TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SHARES OF THE COMPANY TO THEM INDIVIDUALLY. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF AN INVESTOR. THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO INVESTORS.**

## **ANTI-MONEY LAUNDERING**

The Investment Manager, the Sub-Investment Manager, the Company, the Administrator and Custodian are subject persons in terms of the Prevention of Money Laundering Act (Cap. 373 of the Laws of Malta) (the “PMLA”) and the Prevention of Money Laundering and Funding of Terrorism Regulations (S.L. 373.01 of the Laws of Malta (the “PMLFTR”)). Consequently, they are required to comply with the obligations which arise from the PMLFTR and the Implementing Procedures issued by the Financial Intelligence Analysis Unit (the “Implementing Procedures”).

The PMLA establishes the foundations for the legal framework by introducing basic legal definitions, laying down the procedures for the investigation and prosecution of money laundering offences, and establishing the Financial Intelligence Analysis Unit (the “FIAU”). The obligations under the PMLA include the identification of investors and, where applicable, the beneficial owner; the establishment of the purpose and intended nature of the business relationship, including obtaining information (and where required, documentation) in relation to the source of funds and source of wealth of the investor and building a risk profile of the investor; the ongoing monitoring of transactions, the retention of the relevant identification and transaction documentation, the reporting of transactions suspected of involving money laundering or financing of terrorism, and transfer of relevant data to the relevant competent authorities (in particular the FIAU and the MFSA).

In this regard, appropriate risk-based procedures will be established in order to fulfil these obligations and a Money Laundering Reporting Officer will be appointed in respect of the Company and the Sub-Funds. In fulfilment of the obligations under AML Laws, all prospective investors will be subject to customer due diligence in accordance with the policies and procedures established by the Company from time to time. Investors will also be subject to ongoing customer due diligence checks in fulfilment of the Company’s ongoing monitoring obligation to ensure that the documents, data or information obtained are kept up-to-date. The level and type of customer due diligence and the level of verification required may vary according to the investor’s money laundering (“ML”) and funding of terrorism (“FT”) risk profile. The Company is also obliged to obtain information on the purpose and intended nature of the business relationship, in order to be in a position to establish the business and the AML risk profile of the investor and to obtain information on the investor’s source of wealth and source of funds. The Company is also obliged at law to carry out ongoing monitoring in the case of an existing business relationship, which includes the scrutiny of transactions undertaken throughout the course of the relationship in order to ensure that the transactions being undertaken are consistent with the knowledge of the investor and of his business and risk profile.

The above referenced information does not constitute an exhaustive list of information which may be requested and the Company, Investment Manager and/or any of the persons mentioned above may request such additional information and documentation as is considered necessary to verify the identity of an applicant, to identify the source of wealth and funds of the prospective investor and/or to comply with their respective anti-money laundering obligations in accordance with AML Laws on an ongoing basis. Each applicant shall also be required to make such representations as may be required by the Company, Investment Manager and/or the Administrator in order to enable the same to

comply with AML Laws.

In the event of delay or failure by the applicant to produce any information and documents required as aforesaid, the Company will refuse to accept the respective application or request (and, where applicable, the subscription monies relating thereto) until proper information and documents have been provided and none of the Company, the Investment Manager, the Directors, the Money Laundering Reporting Officer, the Administrator, the Custodian and other authorised Service Providers or intermediaries shall be liable to an applicant where an application or request is not processed.

Investors should note that where redemption proceeds are requested to be remitted to an account which is not in the name of the Investors, the Company reserves the right to request such information as may be reasonably necessary in order to: (i) verify the identity of the owner of the account to which the redemption proceeds will be paid; and (ii) understand why the request is being made for such redemption proceeds to be remitted into an account which is not in the name of the Investors.

Each applicant acknowledges that the Company, the Investment Manager, the Directors, the Money Laundering Reporting Officer, the Administrator, the Service Providers or intermediaries (and each of their subsidiaries, employees, agents and affiliates) shall be held harmless against any loss arising as a result of a failure to process an application or request if any such information and documentation requested is not duly provided.

## **Sanctions**

The Company is also subject to the obligations as set out in the National Interest (Enabling Powers) Act (Chapter 365 of the Laws of Malta) (the “NI Act”). In this respect, the Company is required to comply with the sanctions imposed in terms of: (i) the United Nation Security Council Resolutions, (ii) the Regulations of the Council of the European Union, and (iii) the regulations issued by the Minister of Foreign Affairs in Malta, upon the recommendation of the Sanctions Monitoring Board and of the Attorney General (“Sanctions Lists”).

The Company is obliged to refuse to make any redemption payment or distribution to a Shareholder, if the payment of any redemption or distribution moneys to such Shareholder may result in a breach or violation of any applicable anti-money laundering laws or the sanctions imposed by the United Nations Security Council, the Council of the European Union and/or the Minister of Foreign Affairs.

The Shareholder is advised that, the Company may be obliged, either by law or due to its commitment to comply with any other non-mandatory sanctions, to “freeze the money” of such Shareholder, either by prohibiting additional investments from the Shareholder, declining any redemption requests from the Shareholder, suspending the payment of redemption proceeds payable to the Shareholder, and/or segregating the assets in the account in compliance with governmental regulations. The Shareholder is advised that the above measures may be applied in the event that the Shareholder, the ultimate beneficial owner, and/or any person owning or controlling the Shareholder is a designated person in terms of any of the Sanctions Lists. By subscribing into the Company, the Shareholder consents to such freezing of assets in accordance with the relevant

sanctions regime. The Company may also be required to report such action and to disclose the Shareholder's identity to the Sanctions Monitoring Board or other applicable governmental and regulatory authorities.

Shareholders may be required to make such representations to the Company as the Company, the Investment Manager, Custodian or the Administrator may require in connection with applicable Sanctions obligations, including, without limitation, representations to the Company that such Shareholder and/or Ultimate Beneficial Owner is not an individual named on any Sanctions List or is an individual named on the "List of Specially Designated Nationals" and "Blocked Persons" administered by OFAC, as such list may be amended from time to time, or an individual or entity otherwise prohibited by the OFAC sanctions programs.

Shareholders may also be required to represent to the Company that amounts contributed by it to the Company were not directly or indirectly derived from activities that may contravene U.S. Federal, state or international laws and regulations.

Finally, as the aforementioned legislation and/or requirements are subject to change, any additional requirements imposed on the Investment Manager, the Company or the Administrator will be reflected in the requirements requested of the Shareholder.

## **DATA PROTECTION**

As part of the subscription procedure, personal data relating to all prospective investors, investors and other natural persons (also referred to as "**Data Subjects**"), is required to be obtained.

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

The Company is a controller of Personal Data, that is, a body which collects, processes and determines the purposes and means of the processing of Personal Data. The Company will process this data according to the relevant privacy laws, including The General Data Protection Regulation (the "**GDPR**") and the Data Protection Act, Chapter 586 of the Laws of Malta, and subsidiary legislation thereto, as may be amended from time to time.

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

Data Subjects may contact the Company by email on [administrator@provenancefunds.com](mailto:administrator@provenancefunds.com).

By investing in a Sub-Fund, investors acknowledge to have been informed of and provided with a copy of the Data Protection Notice on the processing of personal data.

## **SUBSCRIBERS' UNDERTAKINGS & WARRANTIES**

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

- (i) The Subscriber irrevocably subscribes for the Investor Shares as specified in the Application Form, as may be determined in accordance with the Memorandum and Articles at the Initial Offering Price or, if this application is made after the Closing Date, at the prevailing Offering Price per Share on the next Dealing Day following acceptance of this application by the Company. The Subscriber understands that fractional Shares may be issued.

The Subscriber acknowledges that Investor Shares will be issued on the next Dealing Day following receipt of both the Application Form and the subscription monies in cleared funds, the former of which must be received by the Company at the office of the Administrator and the latter of which must be received by the Company, no later than the Closing Date and thereafter within the deadlines stated in the relative Offering Supplement.

- (ii) The Subscriber acknowledges and confirms receipt of, and that he has read, is familiar with and understands this Prospectus, the related Offering Supplement and the applicable PRIIPs KID.
- (iii) The Subscriber recognises that an investment in a Sub-Fund of the Company may involve a high degree of risk and has taken full cognisance of and understands all of the risk factors related to the purchase of Investor Shares, including but not limited to those set forth in this Prospectus under the heading "Risk Factors" and such other specific risk factors that may be set out in the Offering Supplement of the relevant Sub-Fund. In evaluating the suitability of an investment in the Company, the Subscriber has not relied upon any representations or other information (whether oral or written) other than as set forth herein.
- (iv) The Subscriber is fully capable of assessing and bearing the risks involved and associated with an investment in the Sub-Funds.
- (v) The Subscriber acknowledges the Minimum Investment and Minimum Holding applicable to the relevant Sub-Fund as outlined in the related Offering Supplement.
- (vi) The Subscriber warrants that it has the knowledge, experience, and expertise in financial matters to evaluate the risks and understands the relevant Sub-Fund's investment policy, has received, read and understood this Prospectus and the Offering Supplement relating to the relevant Sub-Fund and is aware of the risks inherent in investing in the Investor Shares relating to the Sub-Fund and the method by which the assets of the Sub-Fund are held and traded, as described in this

Prospectus/the related Offering Supplement, and the Subscriber can bear the risk of loss of his/her entire investment.

- (vii) The Subscriber agrees that the Investor Shares hereby subscribed for will be held subject to the terms and conditions of the Memorandum and Articles as amended from time to time and that the Company may, subject to the terms of the applicable contract, fully protect and indemnify its Directors, the Investment Manager, the Administrator and the Custodian including their delegates, against liability for all acts taken on his or its behalf, except for acts involving gross negligence or misconduct.
- (viii) The Subscriber fully appreciates and understands the Company's rights to accept or reject all applications for subscription in its sole discretion. The Subscriber agrees, represents and warrants that the Investor Shares which will be subscribed by the Subscriber are not being acquired for the account of any person who is, directly or indirectly by a US person. The Subscriber further agrees that: (a) no Investor Shares hereby subscribed for will at any time be directly or indirectly transferred to a US person without first seeking written authority from the Company for such transfer; (b) that the Subscriber will promptly notify the Company if and when the Subscriber should become a US Person while the Subscriber owns any Investor Shares of the Company; (c) that should the Subscriber become a US Person while the Subscriber owns any Investor Shares of the Company, those Investor Shares may be compulsorily redeemed at the prevailing Redemption Price at the discretion of the Company; and (d) that prior to effecting any transfer of Investor Shares, the transferor will obtain from the transferee a representation or warranty that the proposed transferee is not a US Person.
- (ix) The Subscriber agrees that no Investor Shares hereby subscribed for may at any time be transferred to any other person without first seeking the approval of the Company in accordance with the provisions of the part entitled "Transfer of Investor Shares" under the Section entitled "Buying and Selling".
- (x) The Subscriber acknowledges and accepts that no share certificates will be issued unless the Subscriber specifically requests the Company to issue a share certificate and makes such request in writing.
- (xi) The Subscriber acknowledges and accepts that the Application Form is governed by Maltese law and hereby submits to the exclusive jurisdiction of the Courts of Malta.
- (xii) The Subscriber confirms that, to the best of the Subscriber's knowledge and belief, the Subscriber's subscription monies are not, in whole or in part, the proceeds of drug trafficking or any other criminal activity, nor do they represent, in whole or in part, directly or indirectly, such proceeds.
- (xiii) If the Subscriber is an individual person, or is a nominee for an individual person, he warrants that he is, and the beneficial owners (if applicable) are, at the date of execution of the Application Form, greater of 18 years of age, or the minimum age

permitted to enter into a legally binding and irrevocable contract, such as the Application Form, in his, or the beneficial owner's country of residence.

- (xiv) The Subscriber acknowledges that it has read and understood the parts headed "Prevention of Money Laundering" and "Data Protection" in the Prospectus and further acknowledges that the Company, Administrator or other service provider to the Company may be required by applicable laws and/or regulations to take further reasonable steps to establish the identity of the Subscriber or of any other person whom the Company, the Administrator or other service provider knows or has reason to believe is a person for whom or on whose behalf the Subscriber is acting and the Subscriber undertakes to co-operate with and assist the Company, the Administrator or other service provider in relation to such steps and the Subscriber acknowledges that the Company, the Administrator or other service provider shall be held harmless and indemnified by the Subscriber against any loss arising as a result of a failure to process the Application Form if any information required by the Company, the Administrator or other service provider has not been provided by the Subscriber. In this context, the Subscriber hereby agrees that it will provide the relevant information requested in terms of the Application Form.
- (xv) The Subscriber acknowledges that if the Subscriber wishes to redeem his Investor Shares, but certain requested information has not been provided to the Company or the Administrator, the redemption will be acted upon, but no monies will be paid to the Subscriber. Instead, the monies will be held in the Subscriber's name at the Company's account and the Subscriber will bear all associated risks.
- (xvi) The Subscriber confirms that, if it is a bank, insurance company, or other financial institution, or financial intermediary, which is domiciled in an EU, OECD or FATF approved jurisdiction and is regulated by an approved regulated body, subscribing for on behalf of another person as nominee, it has verified the identity of that other person in accordance with applicable anti-money laundering laws and/or regulations.
- (xvii) The Subscriber acknowledges that suspicious events are reportable, under the Maltese prevention of money laundering laws and regulations and, by way of example, failure to provide justification for the change of bank account, or a request to pay the proceeds into a bank account in a jurisdiction which the Subscriber is not a resident could be deemed suspicious and therefore would be reportable under the regulations and may cause the payment to be delayed or refused.
- (xviii) The Subscriber agrees that, where redemption requests made by the Subscriber are sent to the Company at the office of the Administrator by facsimile, the Subscriber shall immediately send the original such notice to the Company at the office of the Administrator by post or by courier but that the Administrator shall, nonetheless, be entitled, but not obliged, to treat such facsimile notice at face value and to act thereon if the original has not arrived by the relevant Dealing Day.

## **APPENDIX 1 – APPROVED REGULATED MARKETS**

The following is a list of Approved Regulated Markets as the term is defined and used in this Prospectus:

1(a) any stock exchange which is:

- located in an EEA Member State; or
- located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America; or

(b) any stock exchange included in the following list:

1. Argentina - Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza,;
2. Bahrain - Bahrain Stock Exchange;
3. Bangladesh - Chittagong Stock Exchange and Dhaka Stock Exchange;
4. Bolivia - Mercada La Paz Stock Exchange and Santa Cruz Stock;
5. Botswana - Botswana Stock Exchange;
6. Brazil - Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
7. Channel Islands - Channel Islands Stock Exchange;
8. Chile - Santiago Stock Exchange and Valparaiso Stock Exchange;
9. China - Shanghai Stock Exchange, Fujian Stock Exchange, Hainan;
10. Colombia - Bolsa de Bogota and Bolsa de Medellin;
11. Ecuador - Quito Stock Exchange and Guayaquil Stock Exchange;
12. Egypt - Cairo Stock Exchange and Alexandria Stock Exchange;
13. Ghana - Ghana Stock Exchange;
14. India - Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabad Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange,

Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;

15. Indonesia - Jakarta Stock Exchange and Surabaya Stock Exchange;
16. Jordan - Amman Stock Exchange;
17. Kazakhstan - Kazakhstan Stock Exchange;
18. Kenya - Nairobi Stock Exchange;
19. Korea - Korean Stock Exchange;
20. Kuwait - Kuwait Stock Exchange;
21. Lebanon - Beirut Stock Exchange;
22. Malaysia - Kuala Lumpur Stock Exchange;
23. Mauritius - Stock Exchange of Mauritius;
24. Mexico - Bolsa Mexicana de Valores;
25. Morocco - Casablanca Stock Exchange;
26. Namibia - Namibian Stock Exchange;
27. Nigeria - Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
28. Oman - Muscat Securities Market;
29. Pakistan - Lahore Stock Exchange and Karachi Stock Exchange;
30. Palestine - Palestine Stock Exchange;
31. Peru - Bolsa de Valores de Lima;
32. Philippines - Philippines Stock Exchange;
33. Qatar - Doha Stock Exchange;
34. Romania - Bucharest Stock Exchange;
35. Russia - RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
36. Saudi Arabia - Riyadh Stock Exchange;
37. Singapore - The Stock Exchange of Singapore;
38. South Africa - Johannesburg Stock Exchange;
39. Swaziland - Swaziland Stock Exchange;
40. Sri Lanka - Colombo Stock Exchange;
41. Taiwan - Taipei Stock Exchange Corporation;

- 42. Thailand - The Stock Exchange of Thailand;
- 43. Turkey - Istanbul Stock Exchange;
- 44. Ukraine - Ukrainian Stock Exchange;
- 45. Uruguay - Montevideo Stock Exchange;
- 46. Venezuela - Caracas Stock Exchange and Maracaibo Stock Exchange;
- 47. Zambia - Lusaka Stock Exchange;

(c) any of the following:

- The market organised by the International Capital Market Association;
  - The (i) market conducted by banks and other institutions regulated by the FSA and subject to the Inter-Professional Conduct provisions of the FSA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non-Investment Products Code drawn up by the participants in the London market, including the FSA and the Bank of England;
  - The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;
  - The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
  - KOSDAQ;
  - NASDAQ;
  - SESDAQ;
  - TAISDAQ/Gretai Market;
  - The Chicago Board of Trade;
  - The Chicago Mercantile Exchange;
  - The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
  - The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;
  - The French market for Titres de Crédit Negotiable (over-the-counter market in negotiable debt instruments);
  - Prospects MTF operated by the Malta Stock Exchange.
2. In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is:

- i. located in an EEA Member State,
- ii. located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland or the United States,
- iii. the Channel Islands Stock Exchange, or
- iv. listed at 1(c) above.

The stock exchanges and regulated markets described above are set out herein in accordance with the requirements of the MFSA.

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## **APPENDIX 2 – EXCERPT FROM THE ARTICLES OF ASSOCIATION**

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### **Determination of Net Asset Value**

- 11.1 The Company on each Valuation Day shall determine the Net Asset Value and the Net Asset Value per Share of each class of Investor Shares in the Company and the Sub-Funds, which shall be the value of the assets less the liabilities of the Company attributable to such class divided by the number of Shares in issue in such class. The Net Asset Value and the Net Asset Value per Share shall be expressed in the Base Currency as per Share figure for each class of Shares in issue rounding down to such decimal figure of the relevant Base Currency as may be outlined in the Prospectus or the relative Supplement. The Net Asset Value and the Net Asset Value per Share shall be determined for each Valuation Day in accordance with this Article. The frequency of Valuation Days shall be determined in accordance with the Prospectus.
- 11.2 Subject to the provisions of Article 11.3, the value of the assets comprised in a Sub-Fund shall be ascertained on the following basis:-

#### *Quoted Investments*

- (A) the value of any Investment quoted, listed or normally dealt in, on or under the rules of an Approved Regulated Market shall be calculated in the following manner:
- (i) by reference to the price appearing to the Directors to be the latest available dealing price or (if bid and offered quotations are made) the latest available middle quotation on such Approved Regulated Market and if an Investment is quoted, listed or normally dealt in, on or under the rules of more than one Approved Regulated Market, the Directors may adopt the price or, as the case may be, the middle quotation on the Approved Regulated Market which, in their opinion, provides the principal market for such Investment;
- or
- (ii) by reference to prices obtained from independent pricing sources deemed appropriate, including, without limitation, 'Bloomberg Valuation Services' (BVAL); 'Bloomberg Generic Composite Rate' (BGN); and/or any different or alternative sources set out in the pricing policy between the Manager and the Company from time to time ("**Pricing Sources**"), which Pricing Sources adopt different data, methods and/or pricing feeds to value securities;

- (iii) in the case of any Investment which is quoted, listed or normally dealt in, on or under the rules of an Approved Regulated Market but in respect of which, for any reason:
  - (a) prices from Pricing Sources or the relevant Approved Regulated Market may not be available at any relevant time; or
  - (b) the value thereof based on the said prices or quotations as described in paragraphs (i) and (ii) above does not establish the fair value of any Investment,

then the value thereof shall be determined in accordance with the policies and procedures set out in the valuation policy and applicable pricing policy of the Manager or by such professional person as may be appointed by the Directors for such purpose or generally in relation to some or all the Investments of the Company and for such time as may be determined by the Directors.

#### *Unquoted Investments*

- (B) the value of any Investment which is not quoted, listed or normally dealt in, on or under the rules of an Approved Regulated Market shall be the initial value thereof ascertained as hereinafter provided or the value thereof as assessed on the latest valuation thereof made in accordance with the provisions hereinafter contained. For this purpose:-
  - (i) the initial value of such an Investment shall be the amount expended by the Sub-Fund in the acquisition thereof (including in each case the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Company); or
  - (ii) the Directors may at any time cause a valuation to be made of any such Investment at a fair market value by an expert valuer to be appointed for such purpose by the Directors. Where an expert valuer is appointed for the purposes of this paragraph B, such expert valuer shall be required to satisfy the following criteria:
    - (a) Such valuer shall be an independent person from any Service Providers to the Company;

- (b) The valuer must be of good standing, with recognized and relevant qualifications, and an authorised member of a recognised professional body in the jurisdiction of the assets; and
- (c) The valuer shall be appointed by the Directors, in consultation with, and subject to the approval of, the Auditors and the Custodian.

*Units in a Collective Investment Scheme*

- (C) the value of each unit or share in any collective investment scheme which provides for the units or shares therein to be realised at any time at net asset value shall be the last published net asset value per unit or share.

*Cash Deposits and Similar Property*

- (D) cash, deposits and similar property shall be valued at their face value (together with accrued interest).

*Other Investments and General*

- (E) other Investments shall be valued in such manner and at such time or times as the Directors shall from time to time determine.
- (F) where any Investment has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such Investment shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration included or excluded as the Directors shall from time to time determine.
- (G) there shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Directors may have determined to amortise less the amount thereof which has previously been or is then to be written off.
- (H) where an amount in one currency is required to be converted into another currency, the Directors may effect such conversion using the latest available rates of exchange as the Directors shall determine at the relevant time except where otherwise specifically provided therein;
- (I) where the current price of an Investment is quoted ex dividend or interest, there shall be added to the assets a sum representing the amount of such dividend receivable by the Sub-Fund but not yet received, and there shall be taken into account interest accrued on interest-bearing Investments up to the date at which

the valuation is made unless such interest is included in the price or quotation referred to in paragraph (A) above.

- (J) there shall be added to the Investments the amount of income (if any) available for allocation in respect of the last preceding Accounting Period but in respect of which no allocation has been made.
- (K) any amount of dividend which has been declared by the Company but not paid will continue to be treated as an asset until it is actually paid.
- (L) financial derivative instruments shall be valued on the basis of the prices provided by the counterparty to the OTC financial derivative instrument.

*Deductions*

- (M) there shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including tax (if any) as in the estimate of the Directors is chargeable in respect of the current or previous Accounting Period, outstanding borrowings, and accrued interest on borrowings (if any), but excluding liabilities taken into account in terms of sub paragraph (N) below;
  - (N) where, in consequence of any notice or repurchase request duly given, a reduction of the Sub-Fund by the cancellation of shares has been or is to be effected but payment in respect of such reduction has not been completed, the shares in question shall be deemed not to be in issue and any amount payable in cash or Investments out of the capital of the Sub-Fund in pursuance of such reduction shall be deducted.
- 11.3 Notwithstanding anything contained in Article 11.2 above, the Directors may, after consultation with the Custodian, adjust the value of any Investment or other property or permit some other method of valuation to be used if they consider that in the circumstances (including without limitation a material volume of subscriptions or requests for repurchase of shares in the Sub-Fund; or the marketability of the Investments or other property; or such other circumstances as the Directors deem appropriate) such adjustment or other method of valuation should be adopted to reflect more fairly the value of such Investment or other property.
- 11.4 The Directors shall not be under any liability by reason of the fact that a value reasonably believed by them to be the correct value of any Investment may subsequently be found not to be such.
- 11.5 Without prejudice to their general powers to delegate their functions herein contained, the Investment Manager may delegate any of its functions in relation to

the calculation of Net Asset Value to the Administrator, or to any other duly authorised person. In the absence of wilful misconduct or manifest error, every decision taken by the Investment Manager or by the Administrator or any duly authorised person in calculating the Net Asset Value shall be final and binding on the Company and on present, past or future Members.

- 11.6 The Company, the Investment Manager or the Administrator shall not be responsible for any error in calculating the value of assets, if the Company, the Investment Manager or the Administrator has acted in good faith when making such calculations, and no adjustments shall be made to the values of any assets.