

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

Offering Memorandum

(hereinafter referred to as the “Offering Memorandum”)

16 September 2014

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

ČESKÝ FOND SICAV p.l.c.

(hereinafter referred to as the “Company”)

an open-ended collective investment scheme organised as a multi-fund
public limited company with variable share capital under the laws
of the Republic of Malta

This Offering Memorandum dated 16 September 2014 replaces the Offering Memorandum dated 23 May 2014

Important Notice: *This Offering Memorandum may not be distributed unless accompanied by, and is to be read in conjunction with, the Fund Particulars Supplement relating to the Investor Shares being offered in a particular Sub-Fund*

ČESKÝ FOND SICAV P.L.C. (INCLUDING THE SUB-FUNDS) IS LICENSED AS A COLLECTIVE INVESTMENT SCHEME BY THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”) UNDER THE INVESTMENT SERVICES ACT (CAP. 370, LAWS OF MALTA). 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. PROFESSIONAL INVESTMENT FUNDS ARE NON-RETAIL SCHEMES AND THEREFORE THE PROTECTION NORMALLY ARISING AS A RESULT OF THE IMPOSITION OF THE MFSA’S INVESTMENT AND BORROWING RESTRICTIONS AND OTHER REQUIREMENTS FOR RETAIL SCHEMES DO NOT APPLY.

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IMPORTANT INFORMATION

Sole Basis of Offer

The Investor Shares are offered solely on the basis of the information and representations contained in this Offering Memorandum and in the Fund Particulars Supplement relating to a particular Sub-Fund which should accompany it. If you are in any doubt about the contents of this Offering Memorandum and the relevant Fund Particulars Supplement, you should obtain independent advice. Any purchase or subscription made by any person on the basis of information or representations not contained in or inconsistent with the information or representations contained in the Offering Memorandum and the Fund Particulars Supplement shall be solely at the risk of the investor.

Licensing Status and MFSA Disclaimer

Český Fond SICAV plc (“the Company”) is organised under the laws of Malta as a multi-fund public limited liability investment company with variable share capital (SICAV) pursuant to the Companies Act, Cap. 386 of the Laws of Malta. The Company and its Sub-Funds are authorised in terms of the Investment Services Act, Cap. 370 of the Laws of Malta, as an open-ended collective investment scheme and licensed and regulated by the MFSA as a Professional Investor Fund (“PIF”) which targets ‘Qualifying Investors’ as set out in the relevant Funds Particulars Supplement. The MFSA has made no assessment or value judgement on the soundness of the fund or the accuracy or completeness of statements made or opinions expressed with regard to it.

PIFs are Non-Retail schemes. Therefore the protection normally arising as a result of the imposition of the MFSA’s investment and borrowing restrictions and other requirements for retail schemes do not apply. Investors in PIFs are not protected by any statutory compensation arrangements in the event of the fund’s failure.

The Company was licensed on the 23 May 2014 with Licence number SV 310.

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

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

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

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

The directors of the Company, whose names appear under the section headed *Functionaries and Officials* (the “Directors”) on page 14 of this Offering Memorandum are the persons responsible for the information contained in this Offering Memorandum. To the best of the knowledge and belief of the Directors (who have taken reasonable care to ensure such is the case) the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Board of Directors of the Company have approved this Offering Memorandum together with any extant Fund Particular Supplement or Supplements.

Shares in the Company may only be held by Qualifying Investors as set out in the relevant Fund Particulars Supplement (as herein defined).

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

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

The Shares have not been nor will 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 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 U.S. Person (as defined in Regulation S of such Act, as 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. Based on interpretations of the 1940 Act by the staff of the United States Securities and Exchange Commission relating to foreign investment companies, if the Company has more than 100 beneficial owners of its securities who are U.S. Persons, it may become subject to the 1940 Act. The Directors will not knowingly permit the number of holders of Shares who are U.S. Persons to exceed 70.

The Directors may from time to time declare other categories of persons who do not qualify under applicable laws to purchase Shares in the Company.

The value of investments as reflected in the NAV (as defined below) per Share, can go down as well as up and the attention of investors is drawn to the section headed *Risk Factors* on page 21 of this Offering Memorandum and other risk factors indicated in any Fund Particulars Supplement of any relevant Sub-Fund.

Potential investors should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding and disposal of Shares. If in doubt about the contents of this Offering Memorandum, potential investors should consult their professional advisors for assistance.

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

Right to Reject Any Subscription Application

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

No Application to List Shares on any Stock Exchange

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

INTERPRETATION

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

“Accounting Period”	Unless otherwise determined by the Directors, means a fiscal 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 30 April 2015 and in any other case commencing on the 1 May and ending on the 30 April of each year.
“Act”	The Investment Services Act, Cap 370 of the laws of Malta.
“Administrator”	Valletta Fund Services Limited or such other person as may be appointed by the Company, as administrator to the Company from time to time.
“Administration Agreement”	Any agreement for the time being subsisting to which the Company and the Administrator are parties and relating to the appointment and duties of the Administrator.
“Articles”	Means the Articles of Association of the Company.
“Auditors”	KPMG of Portico Building, Marina Street, Pieta’ PTA 9904, or any other person as may be appointed by the Company from time to time.
“Authorised Investor”	A Qualifying Investor
“Base Currency”	The base currency of the Company is Czech Koruna (CZK). In respect of the Sub-Funds of the Company, the currency in the relative units is denominated as specified in the relevant Fund Particulars Supplement.
“Board”	The Board of Directors of the Company including any committee of the Board.
“Business Day”	Except where otherwise stated in the Fund Particulars Supplement, any day that is a normal business day and is not a public or national holiday in Malta or the Czech Republic or such other day as the Directors may, from time to time, determine.
“Class”	A class of shares. A class or classes of Investor Shares may alone or together constitute a Sub-Fund and may have different rights from any other class or classes in the same Sub-Fund, as set forth in the relevant Fund Particulars Supplement.
“Closing Date”	The date on which the Initial Offering Period for a particular class of Investor Shares ends. The Closing Date for each class of Investor Shares will be set forth in the Fund Particulars Supplement for the related Sub-Fund.
“Commission”	Means such amount payable on the issue or repurchase of Shares as may be specified in the Offering Memorandum and relevant Fund Particulars Supplement.
“Custodian”	Such person engaged by the Company from time to time to act as custodian and / or prime broker and as the same may be specified in the relevant Fund Particulars Supplement.
“Dealing Cut-off Day”	For each Sub-Fund, means the day specified in the relevant Fund Particulars Supplement.
“Dealing Day”	Means the day, as determined in the relevant Fund Particulars Supplement and such other day or days as the Directors may from time to time determine, on which Shares can be subscribed, exchanged or redeemed.
“Director”	Any director of the Company for the time being, including any alternate director.
“Duties and Charges”	All duties, taxes, governmental charges, valuation fees, property management fees, agents fees, brokerage fees, bank charges, transfer fees, registration fees and / or other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale, purchase or transfer of Shares or the purchase or proposed purchase of investments or otherwise which may have become or will become

payable in respect or prior to or upon the occasion of any transaction, dealing or valuation.

"EEA"	The European Economic Area. Unless otherwise specified, references to the EEA and its member states shall encompass the EU and its member states.
"EURO" or "€"	The single currency unit of the Member States of the European Union that has been adopted by adhering Member States pursuant to the Treaty establishing the European Community as amended and the lawful currency of Malta.
"Exit Fee"	A fee that may be charged upon the redemption of Shares as determined in the relevant Fund Particulars Supplement.
"FATF"	The Financial Action Task Force, an inter-governmental body whose purpose is the development and promotion of policies, both at national and international levels, to combat money laundering and terrorist financing
"Founder Return"	The amount payable to the Founder Shareholders which cannot be more than the aggregate of the Management Fee, Performance Fee, Subscription Fee and Redemption Fee received from all the Sub-Funds of the Company, less any expenses incurred by the Company that are not directly attributable to any of the Sub-Funds.
"Founder Shareholder/s"	The holder / s of the Company's voting shares as described in the section headed "General Information". The Founder Shareholders are also members of the Investment Committee.
"Founder Shares"	The shares of the Company that carry a voting right and that are not open to subscription by Qualifying Investors.
"Fund Particulars Supplement"	A document supplemental to this Offering Memorandum which contains specific information in relation to a Sub-Fund.
"Initial Offering Period"	The period of the initial offer of Shares at the Initial Offer Price as determined in the relevant Fund Particulars Supplement.
"Initial Offering Price"	The price per Share during the Initial Offer Period as determined in the relevant Fund Particulars Supplement.
"Investment Committee"	The committee established by the Board of Directors to assist it in its responsibility for the investment management services of the Company.
"Investment Researcher"	The research provider appointed by the Board of Directors to undertake certain tasks as detailed in the Fund Particulars Supplement of the relevant Sub-Fund.
"Investor"	A holder of Investor Shares.
"Licence"	The licence issued to the Company and any Sub-Fund, as the case may be, by the MFSA under the Act.
"Malta"	Means the Republic of Malta.
"Management Fee"	Means the management fee payable into an account held by the Company and which will be computed as determined in the relevant Fund Particulars Supplement. The proceeds shall be paid as distribution to Founder Shareholders net of management expenses.
"Memorandum and Articles"	The Memorandum of Association and the Articles of Association of the Company.
"MFSA"	The Malta Financial Services Authority.
"Minimum Holding"	Each Investor is required to hold, in a currency acceptable to the Board of Directors, an amount of shares in one or more sub-funds of the Company (including the Sub-Fund) equivalent to at least Euro 75,000 if the Sub-Fund is designated for Qualifying Investors.

- “Minimum Initial Investment”** The minimum amount of Investor Shares for which an initial subscription may be made. In relation to any particular Class of Investor Shares, see the related Fund Particulars Supplement for details.
- “NAV”** Means the net asset value of the Sub-Fund or per Share, calculated in Accordance with Articles 13 and 14 of the Articles of Association and/or this Offering Memorandum.
- “Offering Memorandum”** Means this document in its entirety including any relevant Fund Particulars Supplement.
- “Offering Price”** The issue price at which Investor Shares may be purchased after the Closing Date, which shall be equivalent to the NAV per share on the relevant Valuation Day.
- “Officer”** Means any Director or Manager of the Company or the Company Secretary.
- “PIF”** Means a professional investor fund as licensed by the MFSA.
- “Performance Fee”** Means the performance fee payable into an account held by the Company and which will be computed as determined in the relevant Fund Particulars Supplement.
- “Performance Period”** Means with respect to each Sub-Fund, the period specified for the computation of the Performance Fee, in the relevant Fund Particulars Supplement.
- “Portfolio Manager”** Means each portfolio manager, if any, appointed by the Board of Directors, in respect of each Sub-Fund, if any to undertake certain tasks as detailed under the sub-heading Portfolio Manager under the heading Functionaries and Officials in this Offering Memorandum.
- “Prime Broker”** Means the institution or entity appointed by the Company in relation to a Sub-Fund in place of any/or in addition to a Custodian to perform safekeeping and ancillary administrative services in respect of the assets of the Sub-Fund. A Sub-Fund’s first Prime Broker, if any, is/are detailed in the relevant Fund Particulars Supplement.
- “Preliminary Expenses”** Means the preliminary expenses incurred in the establishment of the Company, the obtaining by the Company of approval from the MFSA under the Act, the registration of the Company with any other regulatory authority and each offer of Shares to the public (including the costs of preparing and publishing the Offering Memorandum and the Supplements and any marketing or promotional material) and may include any costs or expenses (whether incurred directly by the Company or not) incurred in connection with any subsequent application for a listing or quotation of any of the Shares in the Company on a Regulated Market.
- “Qualifying Investor”** A person who meets one or more of the following criteria:
- (i) a body corporate which has net assets in excess of EUR 750,000 or USD 750,000 or which is part of a group which has net assets in excess of EUR 750,000 or USD 750,000 (or equivalent in another currency);
 - (ii) an unincorporated body of persons or association which has net assets in excess of EUR 750,000 or USD 750,000;
 - (iii) a trust where the net value of the trust’s assets is in excess of EUR 750,000 or USD 750,000 (or equivalent in another currency);
 - (iv) an individual, or in the case of a body corporate, the majority of its Board of Directors or in the case of a partnership, its General Partner who has reasonable experience in the acquisition and/or disposal of:
 - funds of a similar nature or risk profile; or
 - property of the same kind as the property, or a substantial part of the property, to which the PIF relates;
 - (v) an individual whose net worth or joint net worth with that person’s spouse exceeds EUR 750,000 or USD 750,000 (or equivalent in another currency);
 - (vi) a senior employee or Director of service providers to the PIF;

(vii) a relation or close friend of the promoters limited to a total of 10 persons per PIF;

(viii) an entity with (or which are part of a group with) EUR 3.75 million or USD 3.75 million (or equivalent in another currency) or more under discretionary management, investing on its own account;

(ix) the investor qualifies as a PIF promoted to Qualifying or Extraordinary investors;

(x) an entity (body corporate or partnership) wholly owned by persons or entities satisfying any of the criteria listed above which is used as an investment vehicle by such persons or entities.

“Redemption”	Means the repurchase of Shares by the Company in terms of the Articles and this Offering Memorandum. The words “redemption” and “repurchase” may be used interchangeably.
“Redemption Day”	Means, unless otherwise determined by the Directors, every day that is a Dealing Day.
“Redemption Fee”	A fee that may be charged upon the redemption or repurchase of Shares as determined in the relevant Fund Particulars Supplement.
“Redemption Notice”	The form, a specimen of which is available from the Administrator or from an authorised distributor, which has to be submitted to the Company by a shareholder for the purposes of requesting a redemption of Investor Shares.
“Redemption Price”	Means the price paid on redemption of Shares which shall be the NAV per share on the relevant Valuation Day.
“Register”	Means the register of investors held by the Company (or any other person on its behalf) in accordance with the applicable law.
“Regulated Market”	Means any stock exchange or regulated market considered by the Company to provide a satisfactory market for the securities in question.
“Regulations”	Any rules, by-laws, regulations that may be in force from time to time pursuant to the Act, including any conditions of a licence issued by the MFSA, or other rules, guidelines by-laws and/or regulations and any amendment thereto from time to time in force and as may be applicable to the Company and the Sub-Funds.
“Shares” or Investor Shares”	The non-voting shares in the Company carrying those rights as are specifically laid down in clause 6 of the Memorandum of Association of the Company
“Sub-Fund/s”	The distinct class or classes of Investor Shares constituting that Sub-Fund to which are allocated assets and liabilities distinct from other assets and liabilities allocated to other Sub-Funds. A Sub-Fund may pursue investment objectives and adhere to investment policies different from those of the other Sub-Funds and may be made up of more than one class of Investor Shares.
“Subscriber”	A person who has completed a Subscription Application for Investor Shares in a Sub-Fund of the Company.
“Subscription Fee”	An initial fee payable by holders of Investor Shares.
“Subscription Application Form”	The form, a specimen of which is available from the Administrator or from an authorised distributor, which has to be submitted to the Company by a prospective investor for the purpose of applying and, if accepted, subscribing to Investor Shares.
“Subscription Period”	Means the period during which subscriptions into the Sub-Fund from Authorised Investors are accepted as specified in the relevant Fund Particulars Supplement.
“U.S.”	The United States of America (including the States and the District of Columbia), its territories, its possessions and all other areas subject to its jurisdiction.

“U.S. Person”	Unless otherwise determined by the Directors in respect of a Sub-Fund and set out in the Offering Memorandum and relevant Fund Particulars Supplement, means a person defined as such under Regulation S of the U.S. Securities Act of 1933, as amended.
“Valuation Day”	Shall have the meaning given to it in the relevant Fund Particulars Supplement.
“VAT”	Value Added Tax.

General

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

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

KEY FEATURES

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

Company Structure

ČESKÝ FOND SICAV p.l.c. is a collective investment scheme established as a self-managed umbrella (multi-fund) investment company with variable share capital (SICAV) under the laws of Malta.

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

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

The capital raised for each Sub-Fund will be invested in line with its investment objectives, subject to its investment policies and restrictions. The objectives of the Company are:

- a) the collective investment of its funds in securities and other movable and immovable property, or in any of them, with the aim of spreading investment risks and giving shareholders of the Company the results of the management of its funds; and
- b) to take any and all such steps, and carry out any transactions that the Company may deem useful or expedient for the attainment, promotion and development of the above objectives to the full extent permitted by the Act.

Investment Objective, Strategies, Policies and Restrictions

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

Board of Directors

- i. Marek Smýkal
- ii. Martin Burda
- iii. Mark Guillaumier

Administrator

The Company has appointed Valletta Fund Services Limited pursuant to the Administration Agreement signed by Mr. Marek Smýkal and Valletta Fund Services Limited on 22 May 2014 to provide fund administration services to the Sub-Funds.

Investment Management

The Board of Directors, with the assistance of the Investment Committee, will be responsible for managing the assets of the Company and of its Sub-Funds.

Accounting Reference Date

30th April of each year

Accounts

The financial statements of the Company shall be prepared in accordance with International Financial Reporting Standards.

New Classes

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

Sub-Funds

The Offering Memorandum is to be at all times accompanied by a Fund Particulars Supplement for the Sub-Funds which are the subject of the offering. Offerings in other Sub-Funds may be made again in the future. Information about Sub-Funds other than the ones referred to herein may be obtained from the offices of the Company or the Administrator.

Detailed procedures of how to buy and sell are set out below in the section entitled *Buying and Selling* on page 25 and in the relevant Fund Particulars Supplement. Investor Shares may be issued in one or more classes as determined in the relevant Fund Particulars Supplement.

Share Capital

The share capital of the Company is divided into Founder Shares and Investor Shares. The initial issued share capital of the Company is CZK 3,675,000 divided into 3,675,000 Founder Shares with no nominal value. The maximum number of shares that may be allotted shall not exceed five billion (5,000,000,000) shares. The Founder Shares carry voting rights and a right to a Founders' Return but do not carry a right to participate in the assets of the Company or its Sub-Funds on winding up (except repayment of paid up capital following settlement of any and all amounts due to the Investor Shares).

The Founder Shares will be subscribed to by Mr. Marek Smýkal holder of Czech Passport Number 41519094 and residing at Na Kopečku 567, 250 67 Klecany, Czech Republic, Mr. Martin Burda holder of Czech Passport Number 38326217 and residing at Podlíbska 976, Prague 9, Klanovice, 19014 Czech Republic and Mr. Petr Hanák holder of Czech Passport Number 41526883 and residing at Podvinný Mlýn 2283/18, 190 00 Prague 9, Czech Republic.

The Offering

Subject only to a 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 Application for Investor Shares as stipulated below.

Investor Shares will be offered by means of Fund Particulars Supplements at the relevant Initial Offering Price during the Initial Offering Period, and thereafter, on each Subscription Day at the Offering Price.

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

Pricing

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

Information regarding the NAV per Share, as determined on each Valuation Day, will ordinarily be made available at the office of the Administrator and in other public mediums as may apply to the particular Sub-Fund.

Minimum Holding in Sub-Funds

The Fund Particulars Supplement of each Sub-Fund will give details of the minimum number or value of Investor Shares that shall be held in all Sub-Funds at any point in time. In exceptional cases, the Directors shall have discretion to permit, in respect of this minimum, a lesser amount, on condition that such amount does not fall below the legal minimum of €75,000 in the case of qualifying investors, or the equivalent in any other currency.

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

Minimum Initial Investment for Investor Shares in the Sub-Funds

The Fund Particulars Supplement will give details of the minimum initial investment for Investor Shares in any Sub-Fund subject to the Minimum Holding limit described above. In exceptional cases, the Directors shall have discretion to permit, in respect of such minimum initial investment amount as may be specified in the related Fund Particulars Supplement, a lesser amount, permitted it does not fall below the legal minimum of €75,000 in the case of qualifying investors.

Minimum Additional Investment

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

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

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

The Company may repurchase all the Shares in terms of the Articles.

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

Investment objectives and strategies

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

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

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

Investment policy

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

Hedging policy

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

Investment restrictions

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

Breaches of Investment Restrictions

The Company shall take all reasonable steps to comply with the restrictions. If, however, in exceptional circumstances, the restrictions are breached, the Board and the Investment Committee shall, as soon as practicable and taking into account the interests of Investors, take all such steps necessary to ensure a restoration of compliance, in respect of that Sub-Fund, with such restriction(s) as soon as possible, taking due account of the interest of its Shareholders, but in any event (unless otherwise authorised by the MFSA), within a period of six (6) months from the date when such excess was discovered. The Directors shall supervise the operation of each Sub-Fund to ensure that the Sub-Fund complies with these restrictions.

Alterations to the Investment Objectives, Policies and Restrictions

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

FUNCTIONARIES AND OFFICIALS

Company Management

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

Mr. Marek Smýkal

Mr Marek Smýkal is one of the founders of Farma Polabí s.r.o. and has been a partner in Farma Polabí s.r.o. since June 2008 and CEO since 2010. Marek is currently responsible for the general management of Farma Polabí. Farma Polabí is a group of companies with different investors, that invest in Czech farmland and as a group it is the third largest private owner of farmland in the region of Polabí in the Czech Republic. Marek has 15 years experience working in international financial institutions, including client relationship management, general management, capital markets and financial investment products. Prior to joining Farma Polabí, Marek's most recent role was Head of Corporate Banking, BNP Paribas Fortis, Prague Branch. Marek obtained a degree in Economics and International Trade from the University of Economics in Prague.

Mr. Martin Burda

Mr Martin Burda, MBA, served as the CEO of Investicni Ceske sporitelny, the largest Czech asset management company, with USD 7 billion assets under management, until 2013. He has also served as Board Member of Erste Asset Management, responsible for CEE Sales of the whole Erste Bank group. Martin also chaired the Czech Fund and Asset Management Association (AFAM). Martin obtained a degree in Nuclear Physics from the Charles University and MBA degree from the University of Pittsburgh.

Mr. Mark Guillaumier

A Maltese national, Mr Guillaumier holds an honours degree in Economics from the University of Malta. He has occupied various important posts throughout his working career in the financial sector which spans over 37 years. In 1992 he joined the Malta Stock Exchange and in 2001 he was appointed Chief Executive, a position he held until he retired in 2010. During his time at the Exchange, he was responsible for the setting up and implementation of a business development strategy for the Exchange both on a local as well as on an international level. He was also appointed as Senior Advisor to the Maltese Ministry of Finance and represented the Maltese Financial Services sector on the Financial Services Committee (FSC) of the European Commission in Brussels. He also sat on a number of international committees including the European Central Bank Advisory Group and the Budget and Audit Committee of the Federation of European Securities Exchanges (FESE). He also served as a Director on the Board of the European Central Securities Depositories Association (ECSDA). Mr Guillaumier is well known and has widely participated as a speaker and panellist in numerous international conferences and seminars worldwide.

The Investment Committee

The investment management of each of the Sub-Funds shall be carried out by an Investment Committee appointed by the Board of Directors. The Investment Committee is required to meet at least four (4) times a year with the majority of meetings to be held in Malta, and is responsible for the management of assets of the Sub-Funds, including, amongst others, the following:

- to monitor and review the investment policy and performance of the Sub-Funds;
- to establish and review guidelines and parameters for investment by the Sub-Funds;
- to make recommendations to the Board of Directors;
- to approve guidelines for investments in assets, and issue rules for Stock Selection;
- to set up a portfolio structure and asset allocation;
- to establish internal authority limits for the Portfolio Managers; and
- to set counterparty limits

The Investment Committee is required to report to the Board of Directors on its activities and the performance of the Sub-Funds at minimum four (4) times a year.

The Directors have appointed Mr. Marek Smýkal, Mr. Martin Burda, Mr. Petr Hanák and Mr Ian Zammit as voting members of the Investment Committee.

Mr Petr Hanák

Mr Petr Hanák has been investing in farmland since 2004. He founded Farma Polabi s.r.o. in 2007 and has been actively developing its business since then. Petr has thirteen years experience in banking, having focused on corporate finance and corporate banking. He currently holds the position of Director, Head of Structured Finance and Syndications at UniCredit Bank Czech Republic, a.s. Petr graduated at the University of Economics, Prague and holds a licence to perform agricultural activities.

Mr. Hanak will be actively involved in the setting up of the Scheme's investment objective, strategy and policies, in particular in relation to farmland assets. Mr. Hanák is expected to contribute during the meetings of the Investment Committee with respect to individual debt instruments and financial instruments but shall not vote regarding decisions regarding portfolio management of financial instruments.

Mr. Marek Smýkal

Mr. Marek Smýkal will also be actively involved in the setting up of the Scheme's investment objective, strategy and policies, in particular in relation to farmland assets. Mr. Smýkal is expected to contribute during the meetings of the Investment Committee with respect to individual debt instruments and financial instruments but shall not vote regarding decisions regarding portfolio management of financial instruments.

Mr. Martin Burda

Mr. Martin Burda will also be actively involved in the setting up of the Scheme's investment objective, strategy and policies, in particular in relation to financial instruments.

Mr. Martin Burda will be primarily responsible for any investments in financial instruments.

Mr. Ian Zammit

Ian Zammit is an established business leader with over 35 years experience as senior executive in property and financial services sectors. Former CEO of British American Insurance in Malta, Ian has until recently held the positions of the President of Insurance Division and President of Property Division of GlobalCapital plc. His experience extends across a number of markets in Europe with unique insight and network in both financial and property industries.

Ian Zammit is a member of the Investment Committee and is independent from the company management. His primary role is to ensure adoption of best practices, especially in relation to property investments and resolution of potential conflicts of interest.

The Portfolio Manager

The Committee may delegate the daily management of the relevant Sub-Fund(s) to a Portfolio Manager. The Portfolio Manager will have overall responsibility for the daily management of the relevant Sub-Fund and its business whilst the Investment Committee will be responsible for setting the parameters within which the Portfolio Manager is required to act and for oversight of the Portfolio Manager's activities.

The Administrator

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

Valletta Fund Services Limited is a limited liability company registered under the laws of Malta, with company registration number C 39623 and with registered office at TG Complex, Suite 2, Level 3, Brewery Street, Mriehel, BKR 3000 Malta

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

The Administrator will perform certain administrative functions and services in relation to the Company and all of its Sub-Funds, including *inter alia*: calculation of the NAV, transfer agency services, accounting and reporting (including compliance reporting) services, keeping of the Register, co-ordination of payments (including payments from or to

Investors and payments of commissions, fees or retainers due to authorised agents or intermediaries or referees and of remuneration and fees due to Service Providers of the Company).

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

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

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

The Administrator can be contacted at:

TG Complex,
Suite 2, Level 3, Brewery Street,
Mriehel
BKR 3000
Malta
Telephone: +356 21 227 148
Fax: +356 21 234 565
Website: www.vfs.com.mt

Company Secretary

The Company has appointed Valletta Fund Services Limited holder of company registration number C 39623 and with registered address at TG Complex, Suite 2, Level 3, Brewery Street, Mriehel BKR 3000 Malta as the Company Secretary of the Company.

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

Bankers

The Company has appointed UniCredit Bank Czech Republic and Slovakia, a.s as its Bankers.

UniCredit Bank Czech Republic and Slovakia a.s. is a bank licensed in Prague, Czech Republic. with registration number 64948242 has its registered address at Želetavská 1525/1, 140 92 Prague 4 Czech Republic. The Bankers may be contacted as follows:

E-mail: info@unicreditgroup.cz
Telephone: +420 955 911 111

The Bankers will not provide any or perform and assume any other functions than provide banking services in relation to the Company, and any and all administrative tasks related to the safekeeping of such monies. The Bankers have no duty to monitor the investment management of the assets of the Company or the Fund. It does not warrant the contents of the Offering Memorandum or any other relevant fund documentation nor will it be involved in the management, administration or NAV calculation of the Company. It will not provide advisory services, nor will it supervise or control the Company, the Administrator or any other service providers to the Company. The Bankers do not act as promoter of the Company.

The Custodian

The Company may appoint a Custodian for any Sub-Fund as determined in the relevant Fund Particulars Supplement.

The Prime Broker

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

The Investment Researcher

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

The Legal Advisors

The lead legal advisors to the Company are David Griscti & Associates. The law firm can be contacted at the following address:

168, St. Christopher Street,
Valletta VLT 1467
Malta
Telephone: +356 25693000
Fax: +356 21227731
Website: www.dglawfirm.com.mt

The Auditor

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

KPMG
Portico Building
Marina Street
Pieta' PTA 9044
Malta
Telephone: +356 25631000
Fax: +356 25661000
Website: www.kpmg.com

CONFLICTS OF INTEREST

The Directors, the members of the Investment Committee, the Portfolio Managers and the Administrator may be involved in other financial, broking, investment or other professional activities which, in the course of their business, will on occasion give rise to conflicts of interest with the Company. In such circumstances, such persons will have appropriate regard to their respective obligations under the agreements appointing them to act in the best interests of the Company, so far as practicable having regard to their obligations to other clients or schemes. Having regard to these obligations, the Company may buy investments from or sell investments to such persons, provided that such dealings are on an arm's length basis and on terms no less favourable to the Company than could reasonably have been obtained had the dealing been effected with an independent third party. Such persons may also hold Shares in the Company. Should a conflict of interest arise, the Directors will endeavour to ensure that it is resolved fairly and the Company shall not be disadvantaged.

- i. The Directors of the Company have the following interests:
 - Marek Smýkal is a Founder Shareholder of the Company. He is also a member of the Investment Committee.
 - Martin Burda is a Founder Shareholder of the Company and a member of the Investment Committee. Mr Martin Burda is also the founder of Capitalinked, a company set-up in the Czech Republic, offering investment advice to private clients and which may also provide distribution services to the Company.
- ii. The members of the Investment Committee have the following interests:
 - Marek Smýkal is a Founder Shareholder of the Company. He is also a Board Member.
 - Martin Burda is a Founder Shareholder of the Company and also a Board Member. Mr Martin Burda is also the founder of Capitalinked, a company set-up in the Czech Republic, offering investment advice to private clients and which may also provide distribution services to the Company.
 - Petr Hanak is a Founder Shareholder
- iii. Mr Smýkal and Mr Hanák also hold an influential position within the company Farma Polabi s.r.o, established in the Czech Republic. Farma Polabí s.r.o. will enter into a property management company with the SPV which will be holding the assets of the first Sub-Fund, Český Fond Půdy of the Company.

These risks are mitigated by transacting services and remuneration on an arms' length basis. A copy of any contracts involving transactions entered into by the Directors of the Company or members of the Investment Committee with third parties mentioned above are available to investors on request.

FEES, CHARGES AND EXPENSES

Remuneration of Directors	The Directors of the Company shall receive for holding office such remuneration as may be determined by the Company in General Meeting from time to time subject to an aggregate maximum of the equivalent of EUR100,000 per annum, payable in € or CZK. In addition, the Directors may also grant special remuneration to any Director who, being called upon, may be required to sit, at the request of the Company, on any committee appointed from time to time by the Directors. Each Director may also be reimbursed reasonable travelling, accommodation and other reasonable expenses incurred in attending meetings of the Directors and general meetings of the Company and will be reimbursed for any justifiably incurred out-of-pocket expenses.
Remuneration of Investment Committee Members	The members of the Investment Committee, also being members of the Board of Directors, shall not receive any further fees. The members of the Investment Committee who are not members of the Board of Directors will receive an aggregate maximum of the equivalent of EUR10,000 per annum. The Board of Directors retains discretion to introduce fees payable to the members of the Investment Committee for any new sub-funds of the Company, provided prior approval is obtained from the MFSA.
Remuneration of the Administrator	Under the terms of the Administration Agreement, each Sub-Fund is bound to pay a specified annual administration fee as specified in the related Fund Particulars Supplement of each Sub-Fund. Any VAT, or other tax having a similar effect, which may be or may become payable, shall be at the charge of the Company.
Management and Performance Fee	Each Sub-Fund will pay a management fee and a performance fee in the amount and manner set out in the relevant Fund Particulars Supplement, into an account held by the Company.
Corporate Secretarial Fees	The Company Secretary shall receive an annual fee of €5,000 for corporate secretarial services covering a maximum of 30 hours annually. A fee of €100 per hour will apply thereafter. The Company Secretary will also be reimbursed for agreed out-of-pocket expenses.
Custody Fees	Each Sub-Fund may be bound to pay a custody fee as specified in the related Fund Particulars Supplement of each Sub-Fund. The Custodian will be reimbursed for all properly incurred and approved out-of-pocket expenses.
Prime Brokerage Fees	All the fees due to the Prime Broker by the Sub-Funds are specified in the related Fund Particulars Supplement.
Investment Researcher	The fees for the Investment Researcher for services provided to any of the Sub-Funds are as set out in the relevant Fund Particulars Supplements.
Audit and Legal Fees	Audit fees shall be agreed between the Company and the Auditors. Legal fees shall be agreed between the Company and the legal advisors and will be negotiated on a time spent basis. Audit and legal fees will be paid out of the property of the Company. Any VAT or other tax having a similar effect which may be or become payable shall also be at the charge of the Company.
Preliminary expenses	Preliminary Expenses shall be paid out of the proceeds of the initial subscriptions and, solely for the purpose of the calculation of the Sub-Funds' NAV, will be amortised over a period which is at the sole discretion of the Directors but in any case no longer than five (5) years from the last day of the Initial Offering Period of the respective Sub-Fund. With regards to the amortisation of Preliminary Expenses, the Directors reserve the right to both defer the commencement of Preliminary Expenses and to amortise over periods in excess of 12 months but solely for the purpose of each Sub-Fund's NAV calculation. To this extent, the Company's audited accounts will comply with IFRS, which requires that Preliminary Expenses be written-off in the first

financial period, but the NAV calculation will utilise an amortisation method over a longer period of time but in any case no longer than five (5) years. The Directors have determined that to amortise the Preliminary Expenses in the first financial period when calculating the NAV could impose an unfair and inequitable burden upon the initial investors into the Sub-Fund, to their disadvantage and to the advantage of subsequent investors.

Other Expenses

Save to the extent that such expenses may be waived or otherwise discharged by any other person and not recovered from the Company, the Company shall bear the following expenses:

- i. All duties, charges and expenses which may be incurred in connection with the acquisition and disposal of the assets of the Company;
- ii. All duties and charges which may be payable on the assets, income and expenses chargeable to the Company;
- iii. All brokerage, bank and other charges incurred by the Company in relation to its business transactions (including charges in relation to any borrowing by the Company);
- iv. All fees and expenses due to any valuer, dealer, investment researcher, distributor or other supplier of services to the Company;
- v. All expenses incurred in connection with the publication and supply of information to the Investors and, in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing the annual reports, the interim reports, any report to the MFSA or any other regulatory authority, or any other reports, any Offering Memorandum, marketing or promotional materials the costs of publishing quotations of prices and notices in the press and the costs of obtaining a rating for the Shares of the Company by a rating agency and all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates and statements;
- vi. All expenses incurred in the registration of the Company with any government agencies or regulatory authorities in any jurisdiction where registration is available or necessary and in having the Shares of the Company listed or dealt on any stock exchange or any other Regulated Market;
- vii. All expenses arising in respect of legal or administrative proceedings; and
- viii. All expenses incurred in connection with the operation, promotion and management of the Company, including, without limitation to the generality of the foregoing, all Directors' fees and costs, all costs incurred in organising meetings of the Directors' and members and in obtaining proxies in relation to such meetings, costs incurred in keeping the register of Investors, costs of any translations, all insurance premiums and association membership dues and all non-recurring and extraordinary items of expenditure as may arise.
- ix. Where such costs and expenses are attributable to a Sub-Fund, they will be charged to that Sub-Fund. Where costs and expenses relate to matters common to more than one Sub-Fund the Directors are entitled, under the Articles, to apportion these costs and expenses pro rata to the NAV of each relevant Sub-Fund at that time or pay such expenses out of the aggregate of the Management Fee and the Performance Fee receivable from the various Sub-Funds.
- x. All expenses shall be charged either against income or against capital as the Directors shall determine.
- xi. The costs and expenses of a Sub-Fund will be paid out of the assets of the Sub-Fund where these may be directly attributable to the Sub-Fund.

RISK FACTORS

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

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

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

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

General Considerations

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

Economic Conditions

The success of any investment activity is affected by general economic conditions. Unexpected volatility and severe economic downturns could affect the activities of one or more Sub-Funds.

Risk of Substantial Redemptions and Erosion of Capital

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

Exchange Rate fluctuations

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

Risks in Real Estate Investments

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

experience of management and other factors such as the macroeconomic environment. Real estate investments are also associated with on-going operating fees and expenses, which may include management, advisory and administration fees and expenses. These fees and expenses may negatively affect the investment performance of a Sub-Fund's direct and indirect real estate investments.

Interest rate risk

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

Political and / or Regulatory Risks

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

Illiquidity of Investments

Some of the investments to be made by the Sub-Funds will be relatively illiquid. As a result, there can be no assurance that investments can be liquidated in a timely fashion. Disposal of investments may require a protracted period of time during which the strength of the economy or the interest rate environment may change affecting the value of the investment.

Lack of Operating History

The Company and the Sub-Funds are of recent incorporation in Malta and accordingly do not have an operating history upon which Investors may base an evaluation of their likely performance. The results obtained by the Company and the Sub-Funds will depend upon the availability of suitable investment opportunities and the performance of the investments of the Sub-Funds.

Risks of a multi-fund structure

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

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

Availability risk

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

Use of leverage

The Sub-Fund can be leveraged through margin and other debt in order to increase the amount of capital available for investments. Although leverage increases returns to the Shareholders if the Sub-Fund earns a greater return on incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns to the shareholders if the Fund fails to earn as much on such incremental investments as it pays for such funds. In the event the Sub-Fund leverages its portfolio, fluctuations in the market value of the Sub-Fund's portfolio will have a significant effect in relation to the Sub-Fund's capital (the risk of loss and the possibility of gain are magnified). In addition, in the event the Sub-Fund utilises leverage, the level of interest rates generally, and the rates at which the Sub-Fund can borrow in particular, will be an expense of the Sub-Fund and therefore affect the operating results of the Sub-Fund. Leverage increases the risk of substantial losses (including the risk of a total loss of capital), and leverage can significantly magnify the volatility of the Sub-Fund's portfolio.

Risk of redemption

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

Suspension Risk

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

Credit Risk

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

Custody Risk

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

Indemnities

The Company's Directors and Officers, the Administrator and each of its Directors, Officers, employees and agents are entitled to be indemnified against loss, claim, damage, charge, liability or expense (including reasonable attorney's and accountants' fees), judgements and amounts paid in settlement, provided such actions did not involve gross negligence, wilful default, fraud or dishonesty. The Company may also indemnify any custodians or prime brokers that may be appointed by the Company in respect of any sub-funds, in certain circumstances. Any indemnification will be set out in the relevant service agreement between the contracting parties. As a result, there is a risk that the Company's assets (including the assets of the Sub-Funds) will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Company.

Mandatory redemptions

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

Counterparty risk

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

The Company is subject to the risk of failure or default of any counterparty to the Company's transactions and in particular failure or default of a broker with or through whom most if not all transactions will be undertaken. If there is

a failure or default by the counterparty it may not receive 100% of its contractual entitlement unless such transactions are adequately secured or collateralised.

Tax and Legal Risks

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

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

Conflicts of interest in relation to Sub-Funds

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

The Administrator which may be appointed in respect of the Sub-Funds (including their respective principals, Investors, directors, officers, agents or employees) may from time to time act as, Custodian, Registrar, Broker, Administrator, Distributor or Dealer in relation to, or otherwise be involved in, other funds established by parties other than the Company and/or the Sub-Funds, as the case may be, which have similar objectives and which make investments similar to those on behalf of a Sub-Fund of the Company in which the Company invests. Such clients could thus compete for the same trades or investments and whilst available investments or opportunities for each client are generally expected to be allocated in a manner believed to be equitable to each, certain of the allocation procedures may adversely affect the price paid or received for investments or the size of positions obtained or disposed.

Monetary value risk

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

Self-management and dependence on the Directors and Investment Committee

The Directors, through the Investment Committee, will make all decisions with respect to the Sub-Funds' investments. Investors will have no opportunity to evaluate the suitability of any of the investments of the Company. The Directors of the Company will make all decisions regarding the general management of the Sub-Funds. Investors in the Company have no right or power to take part in the management of the Company. Investors must therefore rely entirely on the judgment of the Directors and the Investment Committee in investing the proceeds of the Company.

Subject to the Directors' fiduciary responsibilities to Investors, the Directors shall have no personal liability to the Investors for the return of any capital contributions, it being understood that any such return, if any at all, shall be made solely from the fund's assets.

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

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

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

BUYING AND SELLING

The Investor Shares in each Sub-Fund are ordinary non-voting Shares, freely transferable and unless otherwise stated enjoy equal rights between them participating equally in the profits of the relevant Sub-Fund.

Initial Offering Period or Subscription Period

The Initial Offering Period or the Subscription Period of the Shares will open and close on the dates determined in the relevant Fund Particulars Supplement unless closed earlier by the Company at its sole discretion. The Shares of a Sub-Fund are offered at an Initial Offering Price, stated in the relevant Fund Particulars Supplement, during the Initial Offering Period, and thereafter, on every Dealing Day, at the NAV per Share on the previous Valuation Day.

Charges to Investors

An initial charge may be applicable as provided for in the relevant Fund Particulars Supplement. The initial charge, if any, will be deducted from any payment received by way of an application for Shares in a Sub-Fund. The Directors may waive the initial charge in whole or in part at their sole discretion and / or re-allow and / or pay all or part of the initial charge to authorised intermediaries or such other persons (which may include the Founder Shareholders who are also Investment Committee members) as the Directors may determine and as may be detailed further in the relevant Fund Particulars Supplement.

A Redemption Fee calculated as a percentage of the liquidation amount may be applicable. The amount of the Redemption Fee, if any, applicable for a Sub-Fund is established in the relevant Fund Particulars Supplement. The Directors may waive the Redemption Fee in whole or in part at its sole discretion and/or re-allow and/or pay all or part of the fee charged to authorised intermediaries or such other persons (which may include the Founder Shareholders) as the Directors may determine.

Application Procedure

Minimum Holding

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

Application for Shares

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

Payment

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

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

- i. The consideration for Investor Shares may only consist of assets capable of economic assessment and which do not include future personal services and in general any undertaking to perform work or supply services;
- ii. The full consideration must be transferred within five years from the date of the decision to issue the shares;
- iii. the Company is required to obtain an independent expert's report, in line with the requirements of the MFSA, in order to ensure that the value of the consideration is at least equal to the nominal value (including any share premium) of shares to be issued by the Company

- iv. the Directors shall be satisfied that the terms of any such exchange shall not be such as are likely to result in any material prejudice to the Investors;
- v. the number of Investor Shares to be issued shall not be issued until the Assets shall have been vested in the Company in such a manner to the satisfaction of the Directors;
- vi. the number of shares to be issued shall not exceed the number of Investor Shares which would have been issued for settlement in cash equivalent to the value of Assets to be vested in the Company as herein provided and as determined by the Directors;
- vii. any duties and charges or commission arising in connection with the vesting of such Investments in the Company shall be paid by the person to whom the shares are to be issued.

Anti-Money Laundering Procedures

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

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

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

i. Verification of identity

In the case where the applicant for Shares is an individual he shall be required to produce a copy of a passport or identification card bearing a photograph and signature and reference to nationality, duly certified by the applicant's banker where such is acceptable to the Company or other reputable and appropriate source as may be accepted by the Company. Depending on the circumstances, the Company may also require additional information.

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

- a. A certified true copy of the Certificate of Incorporation / Licence / Authorisation to carry on business (and where applicable any certificate of change of name) or equivalent;
- b. A certified true copy of the Memorandum and Articles of Association (or equivalent documents), information regarding the business of the non-individual applicant and a copy of the latest Annual Report and Audited financial statements (or equivalent documents);
- c. The names and residential and business addresses and certified copies of the passports or identity cards of all directors or similar officers of the non-individual applicant. Depending on circumstances, the Company may also require identification of beneficial owners holding more than 25% of the shares of non-individual applicants; and
- d. A resolution of the Board of Directors (or equivalent governing body) authorising the appointed attorneys as the authorised signatories to apply for Shares in a Fund and to give instructions with respect to such Shares on behalf of the non-individual applicant. An authenticated list of authorised signatories is to be attached. The Company reserves the right to seek any documentation relevant for the identification of such attorneys.

ii. Source of Funds

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

- a. Name of the account / s from which the funds emanated connected with the application;
- b. Account number;
- c. Name of bank with which account/s are held;
- d. Name of correspondent bank wiring the subscription monies, if applicable; and
- e. A copy of the Swift Transfer/s and any other documentation indicating the provenance of funds.

iii. Other Information

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

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

- i. The applicant is itself bound by the Prevention of Money Laundering and Funding of Terrorism Regulations 2008 and related guidelines of the MFSA ; or
- ii. The applicant is introduced by an introducer who is himself bound by the Prevention of Money Laundering and Funding of Terrorism Regulations 2008 and related guidelines of the MFSA and provides the Company with the name of the customer and a written assurance that evidence of identity has been obtained and proper records of the verification of identity of the applicant are being maintained; or
- iii. Subject always to the Prevention of Money Laundering and Funding of Terrorism Regulations 2008, the introducer is a foreign entity that operates in a country that is a member of the FATF or operates under a rigorous and well-regulated anti-money laundering regime to the satisfaction of the Company; or
- iv. Subject always to the Prevention of Money Laundering and Funding of Terrorism Regulations 2008, the applicant operates a financial service business which is properly regulated (i.e. in a country that is a member of the FATF or in a country where the level of regulation is equal to or higher than that exercised in Malta).

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

Issuance of Shares

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

Switching of Investor Shares

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

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

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

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

where:

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

The fee for switches between Sub-Funds and/or between classes of Shares within a particular Sub-Fund of the Company is up to 2%. The Directors may waive this fee at their discretion..

Redemption of Shares

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

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

Subject to approval by the redeeming Investors, the Directors may, at their discretion, satisfy any Redemption of Shares by the transfer to those Investors of a proportion of the assets of the relevant Sub-Fund *in specie*, which proportion is equivalent in value of the shareholding of the Investor entitled to the Redemption, and adjusted as the Directors may determine to reflect the liabilities of the Company. The assets transferred *in specie* shall be allocated to investors by the Directors, who are expected to rely on an independent expert opinion. Redemptions *in specie* shall be carried out in the same manner as that described above for subscriptions *in specie*.

An Investor who wishes to redeem all or any part of his holding must give the Administrator notice of his intention within the timeframe stipulated in the respective Fund Particulars Supplement. If accepted by the Administrator, the redemption request will be dealt with on the next Dealing Day at the NAV per Share of the applicable class, established on the preceding Valuation Day. Redemption Notices received after the respective date will be carried over to the following Dealing Day. Furthermore, the Directors may, in particular circumstances and at their discretion also accept a Redemption Notice received on or by a Dealing Day, and if so accepted such instructions will be dealt with at the NAV per Share of the applicable class determined on such Dealing Day.

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

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

Deferral of Redemptions

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

Mandatory Redemptions

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

- i. In circumstances where the Company, a Sub-Fund or any Investor may suffer a tax, pecuniary, administrative or other disadvantage; or
- ii. Where Shares are held by any person who is, or has acquired such Shares on behalf of or for the benefit of a person who is not an Authorised Investor (further details are given in Appendix 4 of this Offering Memorandum); or
- iii. Where the net asset value of a Sub-Fund falls below an amount established in the Fund Particulars Supplement of a Fund; or
- iv. in other circumstances stipulated in the relevant Fund Particulars Supplement; or

- v. In all other circumstances stipulated in the Articles including without limitation in the case that the Net Asset Value of the Company or of a Sub-Fund falls below a prescribed minimum; or
- vi. Under any other circumstances as determined by the Board of Directors provided that the investors are given prior notice of such redemption of Shares.

Suspension of Dealing

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

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

Purchase of Shares

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

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

Dealing Prices

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

- i. The Initial Offering Price at which the Shares of any class shall be issued and allotted and the Commission payable on the Initial Offering Price during the Initial Offering Period in relation to any Sub-Fund shall be determined by the Directors and stated in the relevant Fund Particulars Supplement.
- ii. The issue price on any Dealing Day after the Initial Offering Period shall always be the Offering Price. The Company shall be entitled to deduct from any payment by an applicant, prior to the issue of Shares, any Commission payable on purchases as provided for herein, in the Articles and in the relevant Fund Particulars Supplement.
- iii. The Directors may require an applicant for Shares to pay to the Company in addition to the price per Share such Duties and Charges in respect of the Shares acquired as the Directors from time to time may determine and set out in the relevant Fund Particulars Supplement.
- iv. Subject to the provisions of any applicable law, the Directors on any Dealing Day may, under such conditions as may be stated by the Company at its sole discretion, issue Shares on terms providing for settlement to be made in whole or in part by the vesting in the Company of any securities, credit instruments (including promissory notes) or any other noncash asset (the "Assets") which may be held by the Company as an Investment and the following provisions and the relevant provisions of the Companies Act shall apply in connection therewith:
 - a. The Directors shall be satisfied that the terms of any such issue shall not be such as are likely to result in any material prejudice to the Investors;
 - b. The number of Shares to be issued shall not be issued until the assets shall have been vested in the Company in such a manner to the satisfaction of the Directors;
 - c. The number of Shares to be issued shall not exceed the number of Shares which would have been issued for settlement in cash equivalent to the value of the Assets to be vested in the Company as herein provided and as determined by the Directors on the relevant Dealing Day;
 - d. Any Duties and Charges or Commission arising in connection with the vesting of such Assets in the Company shall be paid by the person to whom the Investor Shares are to be issued.

- v. No Shares shall be issued on any Dealing Day on which the determination of the NAV of the Company is suspended pursuant to Article 9.4 of the Articles.
- vi. The repurchase price per Share shall be the NAV for such Share obtained on the Dealing Day on which the repurchase request is effective as may be stated in the relevant Supplement and the Directors shall be entitled to make any deductions for such Duties and Charges as the Directors from time to time may determine and any other deduction, charge or Commission as provided for herein, in the Articles and in the relevant Supplement.

Dividend Distribution

The Company, at the general meeting, in terms of the Articles may, declare a dividend which shall not exceed the amount recommended by the Directors. Such dividend will be paid in the currency of the relevant share class of the Sub-Fund in the case of Distributor Shares. In the case of Accumulator Shares, unless otherwise determined by the Directors, this will be paid out by the issuing of new shares in the relevant share class of the Sub-Fund.

Cancellation Rights

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

Contract notes, registrations and share certificates

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

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

Transfer of Shares

An Investor desiring to transfer his Shares must make available to the Company, a written instrument of transfer executed by the proposed transferor setting forth:

- i. The names and addresses of the proposed transferor and transferee,
- ii. The number of Shares to be transferred and the Class to which such Shares refer,
- iii. The consideration to be paid for such Shares and
- iv. 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 to comply with applicable anti-money laundering regimes.

In addition, the proposed transferee must, in the above-mentioned instrument of transfer, agree to take such Shares subject to the same conditions and restrictions pursuant to which the Shares were held by the transferor. The Directors shall not be bound to register more than four (4) persons as joint holders of any Shares and Shares may not be transferred to persons under the age of eighteen (18).

The instrument of transfer shall be signed by or on behalf of the transferor. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the office of the Administrator or such place as the Directors may reasonably require, accompanied by such other evidence as the Directors may reasonably require to prove the right of the transferor to make the transfer. The Directors may decline to register a transfer of Shares on which the Company has any lien. If the Directors decline to register a transfer, they shall send notice to the transferee of such refusal within one month. The registration of transfers may be suspended at such time and for such period as the Directors may determine, in accordance with the Articles.

If within one (1) month of receipt of an acceptable instrument of transfer the Directors do not deny permission for the transfer, the Company shall be deemed to have approved the transfer. However, the Company's Articles provide that the Directors may, in their absolute discretion, decline to give effect to the proposed transfer of any Share and may withhold approval, if the manner, form or evidence of transfer or assignment is unacceptable, if the transfer violates

the minimum investment and / or minimum commitment requirements of the Company and of a Sub-Fund, if the transfer might violate applicable laws, where all required documentation is not submitted, or when such transfer is deemed by the Directors in their absolute discretion to be contrary to the best interests of the Company by virtue of resulting in legal, pecuniary, regulatory, taxation or material administrative disadvantage to the Company.

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

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

An additional fee of €100 may be applied for any transfers and transmissions, to cover additional administrative burdens.

Minimum holding requirements for registration of transfers

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

Pledge of Shares

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

Data Protection

Prospective Investors should note that by completing and submitting the standard subscription/ transfer registration application form relative to Investor Shares in any of the Sub-Funds and accompanying documentation and information and by providing such other forms, documentation and information to the Company (directly, to the Directors, or an authorised intermediary) as may be required in terms of this Offering Memorandum, they are providing personal information, which may constitute personal data within the meaning of the Data Protection Act, Cap. 440 of the laws of Malta. Personal data provided by or on behalf of prospective or existing Investors and personal data collected by or on behalf of the Company will be processed for the following purposes: Investor identification and verification of Investor's eligibility to hold Investor Shares in the relevant Sub-Fund, administration of the Company and the relevant Sub-Fund/s, provision of services by Service Providers, statistical analysis, market research, to comply with any applicable legal or regulatory requirements (including but not limited to, compliance with the relevant Sub-Fund's Licence conditions and prevention of money laundering and funding of terrorism legislation) [and, if the Investor's consent is given, for direct marketing purposes]. Personal data may be processed by the Company and by persons authorised by the Company in that respect, in particular (without limitation) the Administrator, the Investment Committee and other Service Providers, and their or the Company's duly authorised agents and any of their respective group companies and affiliates wherever located (including outside the EU). Personal data may also be disclosed to and processed by third parties, including regulatory bodies and tax authorities (including outside the EU). By signing the standard subscription / transfer registration application form relative to Investor Shares in any of the Company's Sub-Funds, the applicant consents to the processing of personal data for any of the purposes and by any of the persons specified above, it being understood that such processing may take place before, during and after the time that the applicant holds Investor Shares in any of the Sub-Funds and even in the event that the application for subscription or transfer/assignment of Investor Shares is rejected. A natural person in relation to whom personal data are processed by or on behalf of the Company, has the right to request the Company to provide him or her with information about the processing of his or her personal data and to request the rectification (and, where applicable, the erasure) of personal data concerning him or her, in accordance with the provisions of the Data Protection Act.

TAXATION

General

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

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

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

The Company

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

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

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

The Investors

Capital gains realised on transfers or redemptions by persons who are not resident in Malta and are not owned and controlled by, directly or indirectly, nor act on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta are exempt from tax in Malta.

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

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

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

Distribution of dividends to persons who are not resident in Malta and are not owned and controlled directly or indirectly, by individuals who are ordinarily resident and domiciled in Malta, are not subject to tax in Malta.

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

Issues of Shares do not attract any duty on documents and transfers.

Redemption of Shares by the Company and transfers of Shares by investors are exempt from duty on documents and transfers on the basis of the Company holding a duty exemption certificate.

The Company is licensed as a Professional Investor Fund and is not a UCITS so that any capital gains arising from the investment in the company fall outside the scope of the EC Savings Tax Directive.

FATCA

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

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

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

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

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

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

DESCRIPTION OF THE COMPANY

Organisation of the Company

ČESKÝ FOND SICAV p.l.c whose registered office is situated at TG Complex, Suite 2, Level 3, Brewery Street, Mriehel BKR 3000 Malta was registered in Malta on 2nd May 2014 with registration number SV 310 and is licensed by the MFSA in terms of the Investment Services Act as a collective investment scheme.

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

Duration of the Company

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

Capitalisation of the Company

The authorised share capital of the Company is 5,000,000,000 (five billion) shares, without any nominal value assigned to them, which may be issued as shares of any class representing any Sub-Fund.

- Founder Shares will be the only voting ordinary shares and will be subscribed to by Mr Marek Smýkal holder of Czech Passport Number 41519094 and residing at Na Kopečku 567, 250 67 Klecany, Czech Republic, Mr. Martin Burda holder of Czech Passport Number 38326217 and residing at Podlíbska 976, Prague 9, - Klanovice, 19014 Czech Republic and Mr. Petr Hanák holder of Czech Passport Number 41526883 and residing at Podvinný Mlýn 2283/18, 190 00 Prague 9, Czech Republic. The Founder Shares do not constitute a separate Sub-Fund of the Company. The Founder Shares carry a right to a Founders' Return but do not carry a right to participate in the assets of the Company or its Sub-Funds on a winding up (except repayment of paid up capital following settlement of any and all amounts due to the Investor Shares).

Investor Shares

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

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.

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

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

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

Characteristics of the Shares

Classes

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

Investor Shares will be issued fully paid.

Voting Rights and Class Meetings

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

The rights attaching to the Investor Shares may only be altered by the Company with the consent, whether by way of a class meeting or in writing of a majority of the holders of the issued Investor Shares in that class.

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

Alterations to the Company's Share Capital

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

Amendment to the Memorandum and Articles of Association

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

Variation of Class Rights

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

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

Winding Up

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

Annual Reports

The Company will be audited in accordance with International Standards of Auditing. Copies of the audited financial statements of the Company, which will be prepared in the base currency and will be up to 30 April, the first being for the period to 30 April 2015, will be sent to the holders of Founder Shares at their registered address not less than 14 working days before the date fixed for the general meeting of the Company at which they will be presented. Copies of the latest Annual Reports, (if any) are available, on request, at the registered office of the Company and Financial Intermediaries. In addition, Annual Reports will be sent to each Investor at the address shown in the Company's Register.

General

- i. The Company does not have, nor has it had since incorporation, any employees.
- ii. Save as disclosed above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company.
- iii. The Directors are not required to hold any qualification Shares. There is no age limit at which the Directors are required to retire.
- iv. At the date of this Offering Memorandum, the Company has no loan capital (including term loans) outstanding or created but unissued and no outstanding charges or other borrowings or indebtedness in the

nature of borrowings including bank overdrafts and liabilities under acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

- v. The Directors may from time to time, in the interest of the investors and subject to the prior approval of the MFSA, amend this Offering Memorandum.

Appendix 1 - Determination of Net Asset Value

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

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

There shall be established a pool of assets for each Sub-Fund in the following manner:-

- i. the proceeds from the issue of Investor Shares representing a Sub-Fund shall be applied in the books of the Company to that Sub-Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions hereof;
- ii. where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Sub-Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Sub-Fund;
- iii. where the Company incurs an expense or a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, such an expense or a liability shall be allocated to the relevant Sub-Fund;
- iv. where an asset or a liability of the Company cannot be considered as being attributable to a particular Sub-Fund, such asset or liability, subject to the approval of the Administrator, shall be allocated to all the Company pro-rata to the NAV of each Sub-Fund at the time ;

Provided that all liabilities irrespective of the Sub-Fund to which they are attributable, shall (in the event of a winding up of the Company), unless otherwise agreed upon with the creditors, be borne by the Company as a whole and provided further that when issuing a class of Investor Shares in regard to any Sub-Fund, the Company may allocate commission, duties and charges and ongoing expenses on a basis which is different from that which applies in the case of Investor Shares in other Sub-Funds.

If the Directors determine that, notwithstanding the foregoing, in respect of any Sub-Fund, the assets or liabilities shall be attributed to one class of Investor Shares on a basis different to that of another class of Investor Shares as may be set out in the Company's Offering Memorandum from time to time, the number of undivided parts in the net assets of the Sub-Fund to which each such Share shall be entitled shall be adjusted in such manner as the Directors shall determine so as to give effect to the different basis of attribution; provided that in so doing the Directors shall not damage or reduce the participatory rights of existing classes of Investor Shares in the Sub-Fund or the Company as a whole.

The Company may sue and be sued in respect of a particular Sub-Fund and may exercise the same rights of set-off, if any as between its Sub-Funds as apply at law in respect of companies.

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

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

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

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

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

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

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

Appendix 3 - Valuation of Assets

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

Unless otherwise stated or supplemented in this Offering Memorandum or in the Fund Particulars Supplement of any Sub-Fund, the value of the assets comprised in each of the Sub-Funds shall be ascertained on the following basis set out in the Articles:-

- A) the value of any investment quoted, listed or normally dealt in, on, or under the rules of any Regulated Market shall be calculated in the following manner:
- i) by reference to the price appearing to the Directors to be the latest available dealing price or (if bid and offer quotations are made) the latest available middle market quotation on such Regulated Market as the Directors may consider more appropriate; and
 - ii) if an investment is quoted, listed or normally dealt in, on or under the rules of more than one Regulated Market, the Directors may adopt the price or, as the case may be, the middle quotation on the Regulated Market which, in their opinion, provides the principal market for such Investment; and
 - iii) in the case of any Investment which is quoted, listed or normally dealt in, on or under the rules of a Regulated Market but in respect of which, for any reason:
 - a) prices on that Regulated Market may not be available at any relevant time, or
 - b) the value thereof based on the said prices or a quotation as described in paragraphs (i) and (ii) above does not establish, in the opinion of the Directors, the fair value of any investment.
the value thereof shall be determined 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;
 - iv) the Directors shall not be under any liability by reason of the fact that a value reasonably believed by them to be the latest available price or, as the case may be, middle quotation for the time being may be found not to be such; and
 - v) there shall be taken into account interest accrued on interest-bearing investments up to the date at which the valuation is made unless such interest is included in the price or quotation referred to above;
- B) the value of any investment which is not quoted, listed or normally dealt in on or under the rules of a Regulated Market and is not immovable property shall be either:
- i) the initial value thereof or the fair value (i.e. the amount at which an asset could be acquired or sold in a current transaction between willing parties in which the parties each acted knowledgeably, prudently, and without compulsion) as assessed on the latest revaluation, both made in accordance with the provisions hereinafter contained. For this purpose:
 - a) the initial value of such an Investment shall be the amount expended out of the Sub-Fund in the acquisition thereof (including in each case the amount of stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof of the Company for the account of a Sub-Fund. In estimating the fair value of any particular such Investment upon any revaluation, the Directors, or such competent professional person/s as may be appointed for such purpose by the Directors, will take into consideration all indications of fair value that are available (including, but not limited to, financial standing of issuer, similar companies in a quoted market, third party transactions/offers to purchase, changes in economic conditions, and financial statements of issuer) together with results obtained from different valuation techniques as determined by the Directors.; and
 - b) the Directors may at any time cause a revaluation to be made of any such investment by such professional person as may be appointed for such purpose by the Directors. The Directors may also adopt other valuation techniques as may be established from time to time by the Directors to determine the fair value of unquoted securities. Unquoted securities shall be valued at least annually. The value so established will be reviewed by the Directors on a regular basis throughout the year.
- C) Immovable property shall be valued at least once annually at fair value on the basis of a full valuation in accordance with the provisions hereinafter contained by an appropriate, reputable, independent valuer appointed

for this purpose by the Directors and the value so established will be reviewed by the Board of Directors on a regular basis throughout the year, and at minimum on each NAV calculation date.

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

- D) the Directors shall be entitled to value certain financial instruments held, directly or indirectly by the Company, that are:
- i) Quoted non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the positive intention and ability to hold to maturity; and / or
 - ii) Non-derivative unquoted financial assets with fixed and determinable payments;
- at amortised cost using the effective interest method.
- E) the value of each unit or Share in any collective investment scheme which provides for the units or Investor Shares therein to be realised at the option of the Investor out of the assets of that scheme shall be the last published net asset value per unit or Share or (if bid and offer prices are published) at a price midway between the last published bid and offer prices applicable to the scheme as the Directors may consider appropriate;
- F) the value of any futures contract shall be:
- i) in the case of a futures contract for the sale of the subject matter thereof, the positive or negative amount produced by applying the following formula:

$$a - (b + c)$$
 - ii) in the case of a futures contract for the purchase of the subject matter thereof, the positive or negative amount produced by applying the following formula:

$$b - (a + c)$$
- where:
- a = the contract value of the relevant futures contract (the "relevant contract");
 - b = the amount determined by the Directors to be the contract value of such futures contract as would be required to be entered into by the Company in order to close the relevant contract, such determinate to be based on the latest available price or (if bid and offered quotations are made) middle quotation on the Regulated Market in which the relevant contract was entered into by the Company; and
 - c = the amount expended out of the Company in entering into the relevant contract, including the amount of all stamp duties, commissions and other expenses but excluding any deposit or margin provided in connection therewith;
- G) cash, deposits and similar property shall be valued at their face value (together with accrued interest) unless, in the opinion of the Directors, any adjustment should be made;
- H) property other than investments and futures contracts shall be valued in such manner and at such time or times as the Directors shall from time to time determine;
- I) notwithstanding any of the foregoing sub-paragraphs, the Directors may adjust the value of any investment or other property or permit some other method of valuation to be used if it considers that in the circumstances (including without limitation a material volume of subscription or redemptions of Investor Shares in any Sub-Fund; or the market ability of the investments or other property; or such other circumstances as the 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;

- J) every Share allotted by the Company shall be deemed to be in issue and the relevant Sub-Fund shall be deemed to include the net amount of any cash or other property to be received in respect of each such Share;
- K) where, in consequence of any notice or redemption request duly given, a reduction of any Sub-Fund by the cancellation of Investor Shares has been or is to be effected but payment in respect of such reduction has not been completed, the Investor Shares in question shall be deemed not to be in issue and any amount payable in cash or investments out of the Sub-Fund in pursuance of such reduction shall be deducted;
- L) where any investment or other property has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such investment or other property shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration excluded or included as the case may require as if such acquisition or disposal had been duly completed;
- M) there shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Directors may have determined to amortise less the amount thereof which has previously been or is then to be written off;
- N) where an amount in one currency is required to be converted into another currency the Directors may affect such conversion using the latest available rates of exchange as the Directors shall determine at the relevant time except where otherwise specifically provided therein;
- O) where the current price of an investment is quoted, or calculated ex dividend or interest, there shall be added to the assets a sum representing the amount of such dividend or interest receivable by the Company but not yet received;
- P) there shall be added to the assets the amount (if any) available for allocation in respect of the last preceding accounting period of the Company but in respect of which no allocation has been made;

Any amount of dividend which has been declared by the Company but not paid will continue to be treated as an Investment until it is actually paid.

- Q) there shall be deducted from the assets such sum in respect of tax (if any) as in the estimate of the Directors will become payable in respect of the current accounting period;
- R) there shall be deducted from the value of any investment in respect of which a call option has been written the value of such option calculated by reference to the latest available dealing price on a Regulated Market or (if bid and offered quotations are made) middle quotation on such Regulated Market or if no such price is available the value thereof shall be determined by such professional person as may be appointed for such purpose by the Directors;
- S) there shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including outstanding borrowings and accrued interest on borrowings (if any) but excluding liabilities taken into account in sub-paragraph (R) above.

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

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

- that the incumbent is independent from the Scheme, its officials, or any service providers to the Scheme
- that the incumbent is of good standing with recognised and relevant qualifications and an authorised member of a Recognised Professional Body in the jurisdiction of the assets in questions; and
- that they shall be appointed by the Directors (ideally in consultation with, and with the approval of, the Auditors),

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

In order to issue the NAV of the Fund, the Administrator may rely, without further enquiry, on the valuations provided by the Directors and/or any reputable external valuer. For the avoidance of doubt, the Administrator is under no obligation to value the underlying assets in calculating the Net Asset Value. The duties of the Administrator shall be limited to the calculation of the NAV by applying the rules relating to the determination of

the Net Asset Value as set out herein. Accordingly the Administrator shall not be responsible for any liability to investors and/or third parties in respect of losses or damages arising from the incorrect or inaccurate valuation of the underlying assets, provided it had sourced the valuations from the directors and/or any external valuer appointed by the Company. Furthermore the Administrator shall not be responsible for the selection, oversight or monitoring of any external valuer appointed by the Company and shall not be liable for any losses or damages incurred by any investor and/or third parties due to any act or omission of such external valuer.

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

Appendix 4 - Authorised Investors

The Articles provide that:-

1. Investor Shares shall not be allotted or issued to or transferred to or be beneficially owned by a person who does not fall within the definition of an "Authorised Investor" as defined on page 5 of this Offering Memorandum and who has not provided the Company with a written declaration (the relevant Investor Declaration Form as provided for in the Fund Particulars Supplement of the respective Sub-Funds).
2. The minimum investment which a professional investor fund may accept is as provided for in the Fund Particulars Supplement of the respective Sub-Funds. Once the minimum investment has been made any additional amount may be invested subject to specific restrictions in the Fund Particulars Supplement of the respective Sub-Funds. Furthermore, the total amount invested must not at any time be less than the minimum investment as specified in the Fund Particulars Supplement of the respective Sub-Funds (save where this relates to a decline in the net asset value).
3. No Investor Shares shall be allotted or issued to or transferred to or be beneficially owned by any U.S. Person except with the consent of the Directors. Each Subscriber for Investor Shares shall be required to certify whether he is acquiring such Investor Shares on behalf of, or for the benefit of, a U.S. Person and that such Subscriber will not sell or offer to sell or transfer, pledge or otherwise assign such Investor Shares in the United States or to, or for the benefit of, a U.S. Person without the consent of the Directors. No transfer of Investor Shares shall be recorded on the Register (except with the consent of the Directors) unless:-
 - i) the seller shall certify to the Company that such sale is not being made directly or indirectly to a U.S. Person; and
 - ii) the purchaser shall certify to the Company that it is not, nor is it acquiring such Investor Shares on behalf of or for the benefit of, a U.S. Person.
4. The Directors shall have power (but shall not be under any duty) to impose such restrictions (other than a restriction on transfer which is not expressly referred to in the Articles) as they may think necessary for the purpose of ensuring that no Investor Shares are acquired or held by any person as described in paragraph 3 above or paragraph 7 below.
5. The Directors may upon an application for Investor Shares or on a transfer or transmission of Investor Shares or at any other time and from time to time require such evidence or declarations to be furnished to them in connection with the matters stated in paragraphs 1 and 6 as they shall in their discretion deem sufficient.
6. If a person becomes aware that he is holding or owning Investor Shares in contravention of the Articles he shall forthwith in writing request the Company to repurchase such Investor Shares in accordance with the Articles or shall transfer such Investor Shares to a person duly qualified to hold the same unless he has already received a notice under paragraph 7 below.
7. If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Investor Shares are owned directly or beneficially by:-
 - i) any person in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Investor Shares; or
 - ii) any person who is, or has acquired such Investor Shares on behalf of or for the benefit of, a U.S. Person without the consent of the Directors; or
 - iii) any person who is, or has acquired such Investor Shares on behalf of or for the benefit of a person who is not an Authorised Investor; or
 - iv) any person or persons in circumstances which, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons whether connected or not, or any other circumstances appearing to the Directors to be relevant) in the opinion of the Directors might result in the Company or any Investor incurring any liability to taxation or suffering pecuniary or administrative disadvantages which the Company or such Investor might not otherwise have incurred or suffered; or
 - v) any person who does not supply any of the information or declarations required hereunder within seven days of a request to do so being sent by the Directors;

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

8. If any person upon whom such a notice is served as aforesaid does not within 20 days of the date of such notice transfer such Shares or request in writing the Company to repurchase the Shares he shall be deemed forthwith upon the expiration of 20 days to have so requested the repurchase of all of his Shares which are the subject of such notice whereupon he shall be bound to deliver the Share certificate or confirmation of ownership in respect of the Shares to the Company forthwith and the Directors shall be entitled to appoint any person to execute such documents as may be required for the purposes of the repurchase. The deemed request to repurchase the Investor Shares may not be withdrawn, notwithstanding that the determination of the NAV for such Investor Shares may have been suspended.
9. Subject to any requisite official consents first having been obtained, settlement shall be effected by depositing the repurchase monies or proceeds of sale in a bank for payment to the person entitled upon such consents being obtained and, if relevant, against production of such evidence of ownership as the Directors may require representing the Investor Shares previously held by such person, together with the repurchase request duly signed. Upon deposit of such repurchase monies as aforesaid such person shall have no further interest in such Investor Shares or any of them or any claim in respect thereof except the right to claim without recourse to the Company the repurchase monies so deposited (without interest) upon such consents being obtained and against the production of the said evidence of ownership with the repurchase request duly signed.
10. The Directors may resolve that the provisions of the foregoing paragraphs shall be applied, in whole or in part, for a defined period or otherwise.

Directory

Directors of the Company

Mr Marek Smýkal
Mr Martin Burda
Mr Mark Guillaumier

Registered Office

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Administrator

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Pieta' PTA 9044
Malta

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Company Secretary

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