

DATED 14 JUNE 2018

ACCELERATED VENTURE CAPITAL FUND

(FUND)

An Exempted Company incorporated with limited liability under the Companies Law of the Cayman Islands

FIRST DEGREE GLOBAL ASSET MANAGEMENT PTE. LTD.

(MANAGER)

PLACING MEMORANDUM

***NO COPY OF THIS PLACING MEMORANDUM HAS BEEN REGISTERED IN ANY JURISDICTION
IN CONNECTION WITH THE PLACING OF PARTICIPATING SHARES IN THE FUND***

GENERAL

The Directors, whose names appear in the section entitled "Directory for the Fund" in this Placing Memorandum (the "**Memorandum**"), accept responsibility for the information contained in this Memorandum. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly. Unless otherwise indicated herein, the opinions expressed in this Memorandum are those of the Directors.

This Memorandum is distributed on a confidential basis in connection with a private offering of the Participating Shares (as defined below), none of which will be issued to any person other than a person to whom the Manager sends this Memorandum.

This Memorandum has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Fund, and is to be used by the prospective investor to whom it is furnished solely in connection with the consideration of the purchase of or subscription for Class A Participating Shares. The information contained herein may not be reproduced or used in whole or in part for any other purpose, nor may it be disclosed to any person without the prior written consent of the Fund. Each prospective investor accepting this Memorandum hereby agrees to return it promptly upon request.

Prospective investors should read this Memorandum carefully before deciding whether to purchase or subscribe for Participating Shares and should pay particular attention to the information set forth under the sections entitled *Risk Factors* comprising Part IV of this Memorandum and *Conflicts of Interest* in Part VI of this Memorandum. An investment in the Fund is speculative and involves significant risk. Investors should understand such risks and have the financial ability and willingness to accept such risks for an extended period of time. The Fund is not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

The distribution of this Memorandum and the offering of Participating Shares may be restricted in certain jurisdictions. The below information is for general guidance only, and it is the responsibility of any person or persons in possession of this Memorandum and wishing to subscribe for Participating Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective investors for Participating Shares should inform themselves as to applicable legal requirements, any applicable exchange control regulations and any applicable taxes in the countries of their respective citizenship, residence or domicile. No persons receiving a copy of this Memorandum or the Subscription Agreement (as defined herein) in any jurisdiction may treat this Memorandum or the Subscription Agreement as constituting an invitation to them to subscribe for Participating Shares, nor should they in any event use such Subscription Agreement, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Subscription Agreement could lawfully be used without compliance with any registration or other legal requirements.

Accordingly, this Memorandum does not constitute an offer or solicitation to sell or issue or a solicitation of an offer to buy or subscribe for, nor may there be any offer, solicitation, sale, issue or subscription of the Participating Shares in any jurisdiction in which such offer, solicitation, sale, issue or subscription is not authorised or would be unlawful or to any person to whom it is unlawful to make any such offer, solicitation, sale, issue or subscription. This Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement, and the offering contemplated in this Memorandum is not, and under no circumstances is it to be construed, a public offering of Participating Shares.

By accepting receipt of this Memorandum, the investor is deemed to have agreed not to duplicate or provide copies of this Memorandum to persons other than such investor's professional advisers solely for the purposes of assisting the investor in making an investment decision in respect of the Participating Shares and agrees to return this Memorandum and all related information promptly upon request of the Manager or at such time as the investor is no longer considering an investment in the Participating Shares.

Reliance on Memorandum

Only Class A Participating Shares are offered pursuant to this Memorandum. The Class A Participating Shares are offered solely on the basis of the information and representations contained in this Memorandum and on the basis of the Constitution (as defined below). No person has been authorised to give any information or to make any representations, other than those contained in this Memorandum, in connection with the Placing (as defined herein) of Participating Shares and, if given or made, such information or representations must not be relied upon.

Neither the delivery of this Memorandum nor the allotment or issue of Participating Shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund, or in any of the other matters referred to in this Memorandum, or in any documents referred to in this Memorandum since the date indicated on the front cover of the applicable document or as specifically indicated in the applicable document. This Memorandum may be supplemented, updated, revised and amended from time to time. Prospective investors should ask the Directors if any supplements or revisions to this Memorandum, or any later placing memorandum in respect of the Fund, have been issued.

Cayman Islands

No offer or invitation to the public in the Cayman Islands to subscribe for any Participating Shares is permitted to be made and this Memorandum does not constitute such an offer or invitation.

Singapore

This Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore, and the Fund is not authorised or recognised by the Monetary Authority of Singapore. Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Participating Shares may not be circulated or distributed, nor may Participating Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore unless permitted under any applicable exemption. Moreover, this Memorandum is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

United States

Participating Shares, have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any of the States of the United States. Accordingly, the Participating Shares are not offered to, nor are they available for subscription to, US Persons.

European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a "**Relevant Member State**"), an offer of Participating Shares to the public has not and may not be made in that Relevant Member State.

Generally

The Participating Shares are not insured or guaranteed by any governmental agency of any country. The Participating Shares are not deposits or other obligations of any bank or other financial institution, and are not guaranteed by any bank or other financial institution. The Participating Shares are subject to investment risks, including the possible loss of the entire amount invested. The Participating Shares are suitable only for investors who do not require immediate liquidity for their investments, for whom an investment in the Fund does not constitute a complete investment program, and who fully understand and are willing to assume the risks involved in the Fund's investment program.

No offer to purchase or subscribe for Participating Shares (as defined herein) in the Fund will arise until a validly executed Subscription Agreement (as defined herein) has actually been received by an authorised representative of the Manager at its principal place of business in Singapore and cleared funds for the full subscription amount have been received in the Fund's account designated by the Manager or its authorised representative.

You should not construe the contents of this Memorandum as investment, tax, or legal advice. You and your professional advisors should review this Memorandum carefully. In making an investment decision, you must rely on your own and your advisors' examination of the Fund and the terms of the offering, including the merits and risks involved.

The Participating Shares have not been recommended by any regulatory authority in any jurisdiction. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the information contained in this Memorandum. Any representation to the contrary is illegal.

You should rely only on the information contained in this Memorandum when making a decision whether to invest in the Participating Shares. The Directors have not authorised any other Person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

This Memorandum is not an offer to sell or issue, and does not solicit offers to buy or subscribe for, Participating Shares in any state or jurisdiction where the offer, sale, issue or subscription is not permitted. The distribution of this Memorandum and the offering of Participating Shares in certain jurisdictions may be restricted by law. You are required to inform yourself about, and observe, any such restrictions. You should assume that the information appearing in this Memorandum or any documents incorporated by reference in this Memorandum is accurate only as of the date on the front cover of the Memorandum or any applicable document or as specifically indicated in such documents.

This Memorandum constitutes an offer of the Participating Shares only if the Manager authorises delivery to a prospective investor. By accepting receipt of this Memorandum, the offeree agrees not to duplicate or provide copies of this Memorandum to persons other than such offeree's professional advisors solely for the purposes of assisting the offeree in making an investment decision in respect of the Participating Shares and agrees to return this Memorandum and all related information promptly upon request of the Manager or at such time as the offeree is no longer considering an investment in the Participating Shares. No offering literature or advertising in any form whatsoever may be employed in the offering of the Participating Shares other than this Memorandum. No Person has been authorised to make any representations or provide any information with respect to the Fund or the Participating Shares except the information contained in this Memorandum. No representations or warranties of any kind are intended or should be inferred with respect to the economic return (on a pre-tax or post-tax basis) from an investment in the Participating Shares, the magnitude of risk exposure related to an investment in the Participating Shares or the Manager's ability to monitor, manage or hedge such risk exposure.

An investment in Participating Shares is subject to investment risk, including the possible loss of the entire principal amount that you invest. Your investment in Participating Shares represents an indirect investment in the securities and instruments owned by the Fund from time to time. The value of these securities and instruments, like other market investments, may move up or down, sometimes rapidly and unpredictably. The value of the securities and instruments in which the Fund invests will affect the value of the Participating Shares. Your Participating Shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions (if any).

This Memorandum contains a fair summary of the material terms of the information purported to be summarised herein. However, this is a summary only and does not purport to be complete. Accordingly, to the extent that statements made in this Memorandum summarise provisions of any agreement or document, such statements are qualified in their entirety by reference to the provisions of such agreements and documents.

Potential investors should carefully review this Memorandum in its entirety together with the Constitution (as defined below) and the Subscription Agreement. In the event of any inconsistency between this Memorandum and the Constitution, the Constitution shall prevail.

If you are in doubt as to the contents of this Memorandum, you should consult your stock broker, bank manager, solicitor, accountant or other financial adviser for independent professional advice.

Prospective investors' attention is drawn to the section entitled *Risk Factors* in Part IV of this Memorandum.

FORWARD-LOOKING STATEMENTS

Certain statements in this Memorandum constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual fees, costs, expenses, results, performance or achievements of the Fund or the Manager, or industry results, to be materially different from any future fees, costs, expenses, results, performance, or achievements expressed or implied by such forward-looking statements. These forward-looking statements are typically identified by terminology such as, "may", "will", "should", "expects", "anticipates", "plans", "intends", "believes", "estimates", "projects", "predicts", "seeks", "potential", "continue" or other similar terminology. Similar forward-looking statements may be contained in other documents that may accompany, or be delivered before, this Memorandum upon a prospective investor's request. These forward-looking statements are not guarantees of future performance and are based on numerous current assumptions—that are subject to significant uncertainties and contingencies, many of which are outside our control—regarding the Manager's present and future business strategies and the environment in which the Fund or the Manager will operate in the future. Because these statements reflect the Manager's current views concerning future events, these statements necessarily involve risks, uncertainties and assumptions. The section entitled "Risk Factors" in this Memorandum discusses some of the important risk factors that may affect the Fund's returns. You should carefully consider those risks and other information in this Memorandum before deciding whether to invest in the Fund. Actual future performance could differ materially from these forward-looking statements and financial information.

Among the important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements are the condition of, and changes in, the domestic, regional or global economy that result in deterioration of the markets in which the Manager seeks to invest, changes in political relations, government laws and regulations affecting the Fund, interest rates, relations with service providers, relations with lenders, the allocation of the Fund's assets and the timing relative to that which was assumed, and other matters not yet known to us or not currently considered material by the Manager. These forward-looking statements speak only as of the date of this Memorandum. The Manager does not intend to update the forward-looking statements contained in this Memorandum to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, subject to compliance with all applicable laws and regulations and/or any regulatory or supervisory body or agency.

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FUND DIRECTORY

FUND

Accelerated Venture Capital Fund

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DIRECTORS OF THE FUND

Scott Robert Baker
Peter John Fisher

MANAGER

First Degree Global Asset Management Pte. Ltd.

71 Ayer Rajah Crescent #01-17
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INVESTMENT ORIGINATOR

The Unity Group of Companies Pte. Ltd.

168 Robinson Road
Capital Tower #12-01
Singapore 068912

DEFINITIONS

In this Memorandum unless the context otherwise requires, the following expressions shall bear the meanings set out:

"Auditor"	The auditor of the Fund appointed from time to time
"Business Day"	A day (other than a Saturday, Sunday or gazetted public holiday) on which banks in Singapore are open for normal banking business or such other day as the Directors may designate from time to time either generally or in any particular case as a Business Day
"CIMA"	The Cayman Islands Monetary Authority
"Class"	A class of Participating Shares in the capital of the Fund
"Class A Participating Share"	A Participating Share designated as a Class A Participating Share and having the rights provided for in this Memorandum and the Constitution
"Closing Date"	The date determined by the Directors as be the closing date for the receipt of applications for the subscription of Class A Participating Shares in the Initial Placing, provided that such date shall not be earlier than the date at which the Manager has received valid applications for subscription for Class A Participating Shares totalling USD 1 million in aggregate
"Companies Law"	The Companies Law of the Cayman Islands, as amended from time to time
"Constitution"	The memorandum of association and articles of association of the Fund for the time being, as may be amended modified and varied from time to time
"Dealing Day"	A Dealing Day for Subscriptions or a Dealing Day for Redemptions, as the case may be
"Dealing Day for Redemptions"	1 January, 1 April, 1 July and 1 October in each year or, if such day is not a Business Day, the immediately succeeding Business Day, or such other day(s) as the Directors may designate from time to time, either generally or in any particular case as a Dealing Day for Redemptions
"Dealing Day for Subscriptions"	1 January, 1 April, 1 July and 1 October in each year or, if such day is not a Business Day, the immediately succeeding Business Day, or such other day(s) as the Directors may designate from time to time, either generally or in any particular case as a Dealing Day for Subscriptions
"Dealing Deadline for Redemptions"	In respect of any particular Dealing Day for Redemptions, means 5PM Singapore time on the 15 th day of the month immediately preceding the Dealing Day for Redemptions, or if such day is not a Business Day, the immediately preceding Business Day, or such other Business Day and/or time as the Directors may designate from time to time in their absolute discretion either generally or in any particular case as the Dealing Deadline for Redemptions
"Dealing Deadline for Subscriptions"	In respect of any particular Dealing Day for Subscriptions, means 5PM Singapore time on the 15 th day of the month immediately preceding the Dealing Day for Redemptions, or if such day is not a Business Day, the immediately preceding Business Day, or such other Business Day and/or time as the Directors may designate from time to time in their absolute discretion either generally or in any particular case as the Dealing Deadline for Redemptions
"Directors"	The directors of the Fund for the time being
"Eligible Investor"	An investor who satisfies the criteria for holding Participating Shares as set out in the section entitled <i>Eligible Investors</i> in Part II of this Memorandum

"Fund"	Accelerated Venture Capital Fund, an exempted company incorporated with limited liability in the Cayman Islands
"High Water Mark"	The high water mark in relation to the payment of the Performance Fee, being the greater of: <ul style="list-style-type: none"> (a) the Subscription Price per Participating Share of the relevant Class at the time of issue of that Participating Share; or (b) the highest Net Asset Value per Participating Share of the relevant Class (after deduction of Performance Fees, if any) in respect of which a Performance Fee has been paid at the end of any previous Performance Period (if any) during which such Participating Share was in issue
"IFRS"	International Financial Reporting Standards
"Initial Offer Period"	The period commencing on the date of this Memorandum and ending at 5PM (Singapore time) on the Closing Date
"Initial Placing"	The initial placing of the Class A Participating Shares as described in this Memorandum
"Investment Originator"	The Unity Group of Companies Pte. Ltd., a company incorporated in Singapore, or such other investment originator appointed by the Manager from time to time
"Investment Originator Agreement"	The investment originator agreement between the Manager and the Investment Originator in relation to the Fund as amended modified varied and novated from time to time
"Manager"	First Degree Global Asset Management Pte. Ltd., a company incorporated in Singapore, or such other manager appointed by the Fund from time to time
"Management Fee"	The management fee payable by the Fund to the Manager, as described in the section entitled <i>Management Fee</i> in Part III of this Memorandum
"Management Agreement"	The management agreement between the Fund and the Manager as amended modified varied and novated from time to time
"Management Shares"	Voting non-redeemable non-participating shares in the capital of the Fund with a nominal or par value of USD 1.00 issued subject to and in accordance with the Companies Law and the Constitution and having the rights and subject to the restrictions as provided under the Constitution with respect to such shares
"MAS"	The Monetary Authority of Singapore
"Memorandum"	This Placing Memorandum issued in connection with the Placing
"Mutual Funds Law"	The Mutual Funds Law of the Cayman Islands, as amended from time to time
"Net Asset Value" or "NAV"	The value of the net assets of the Fund or the relevant Class of Participating Shares (as the case may be) as calculated in the manner set out in the section entitled <i>Net Asset Valuation</i> in Part VI of this Memorandum
"Net Asset Value per Participating Share"	The Net Asset Value per Participating Share of the relevant Class calculated as in the section entitled <i>Net Asset Valuation</i> in Part VI of this Memorandum
"OFAC"	The Office of Foreign Assets Control of the U.S. Department of the Treasury
"Participating Share"	A participating redeemable share with limited voting rights in the capital of the Fund with a nominal or par value of USD 0.001 with the rights and subject to the restrictions as provided for under the Constitution with respect to such share
"Performance Fee"	The performance fee payable by the Fund to the Manager as described in the section entitled <i>Performance Fee</i> in Part III of this Memorandum

"Performance Period"	The Period described as such in the section entitled <i>Performance Fee</i> in Part III of this Memorandum
"Placing"	The placing of Class A Participating Shares described in this Memorandum
"Redemption Fee"	A charge of five per cent (5%) of the Redemption Price of a Class A Participating Share that is redeemed within one year from the date of issue the share and which is payable to the Manager from the proceeds of redemption of the share and may be waived or lowered by the Directors in their sole discretion from time to time either generally or in any particular case
"Redemption Price"	The redemption price per Participating Share calculated as set out in the section entitled <i>Subscription and Redemption Prices of Participating Shares</i> in Part VI of this Memorandum, subject to provisions for adjustments described in the section entitled <i>Performance Fee</i> in Part III of this Memorandum
"Redeeming Shareholder"	A Shareholder who has requested the redemption of part or all of his Participating Shares in accordance with the Constitution
"SGD"	The lawful currency of the Republic of Singapore
"SFA"	The Securities and Futures Act (Cap. 289) of Singapore and Regulations thereunder
"Shareholder"	A person who is registered on the register of members of the Fund as the holder of Participating Shares
"Subscription Agreement"	The prescribed form issued by the Fund pursuant to which prospective investors may make application for Participating Shares
"Subscription Charge"	A charge payable to the Manager upon the issue of a Participating Share of such amount as shall from time to time be determined by the Manager either generally or in relation to any specific transaction, not exceeding five per cent (5%) of the subscription amount invested by an investor (excluding the amount of such Subscription Charge) and which may be waived or lowered by the Manager in its sole discretion either generally or in any particular case
"Subscription Price"	The subscription price per Class A Participating Share, being USD 1,000.00 during the Initial Offer Period, and thereafter for a particular Dealing Day for Subscriptions, the price calculated as set out in the section entitled <i>Subscription and Redemption Prices of Participating Shares</i> in Part VI of this Memorandum
"USD"	The lawful currency of the United States of America
"US Person"	A U.S. Person as defined for the purposes of U.S. federal securities, commodities and tax laws, including Regulation S under the US Securities Act of 1933, as amended, as the context requires
"Valuation Point"	The close of business of the last market relevant to the Fund on the Business Day immediately preceding each Dealing Day or such other day and/or time as the Directors may designate from time to time either generally or in any particular case as a "Valuation Point"
"Verification Documents"	The documents to be provided by an investor for verifying its identity, source of payment of subscription monies and compliance with any law or regulation of any jurisdiction, as the Directors or the Manager (including each such' persons agents, delegates or authorised persons from time to time) may require at the time of subscription or at any time subsequent to that date

Capitalised terms not otherwise defined in this Memorandum shall have the meanings set out in the Constitution.

SUMMARY

The following is a summary description of the Fund and the offering of Class A Participating Shares pursuant to this Memorandum. This summary does not purport to be complete and is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Memorandum and the Constitution, which is available to prospective investors upon request to the Manager.

Prior to making an investment in the Fund, potential investors should carefully review this Memorandum in its entirety together with the Constitution and the Subscription Agreement. In the event of any inconsistency between this Memorandum and the Constitution, the Constitution will prevail. For a discussion of certain risk factors to be considered in connection with an investment in the Fund, see Part IV of this Memorandum

The Fund

Accelerated Venture Capital Fund, an exempted company incorporated with limited liability under the Companies Law on 15 May 2018.

The Participating Shares offered pursuant to this Memorandum are available as Class A Participating Shares, the rights and privileges of which are set out in this Memorandum and the Constitution.

Class A Participating Shares are subject to a one year lock-up, and therefore an investment in Class A Participating Shares should only be considered by investors that are comfortable with such a lock-up period.

The Directors may establish new classes of Participating Shares without the consent of existing Shareholders. Each such class may have different investment parameters, fee structures, redemption periods and/or other features as the Directors may determine in their sole discretion.

Regulatory Status of the Fund

The Fund meets the requirements for exemption from registration under section 4(4) of the Mutual Funds Law and has not been registered under that law in the Cayman Islands.

Applicants for Class A Participating Shares are advised that the Fund and its operations are not therefore subject to the requirements of the Mutual Funds Law.

The Directors reserve the right to seek registration of the Fund under the Mutual Funds Law at any time in the future.

Investment Objective

The investment objective of the Fund is to provide an attractive return to the holders of Participating Shares by taking advantage of the benefits of agglomeration, which is a unique type of collaboration where a group of small or medium-sized enterprises (each an "SME") join forces and list publicly on a global exchange ("**Agglomeration**"). The Agglomeration process may lead to attractive returns for investors by accessing the valuation uplift that can be achieved by bringing commercially attractive private assets into public ownership.

Investment Strategy

The Manager aims to achieve the investment objective of the Fund by, firstly, acquiring well-priced, commercially-attractive ownership stakes in private assets and, secondly, by bringing those ownership stakes into public ownership.

The Manager has appointed the Investment Originator to source opportunities for the Fund to acquire ownership stakes in private companies that conduct financially successful operating businesses in a range of locations around the world (each a small or medium-sized enterprise, or "**SME**"). For such time as the Investment Originator holds office, the Manager shall only acquire investments for the Fund that are sourced by the Investment Originator, unless otherwise agreed in writing between the Manager and the Investment Originator, either generally or in relation to a specific investment.

The Investment Originator is a specialist-SME advisory organisation and is owned and staffed by professionals with significant experience in the acquisition, management and sale of SME's, including as owners of, and investors in, those SME's. The Investment Originator and its related parties invest as principals in SME's and, in accordance with the terms of the Investment Originator Agreement, the Investment Originator may put forward, for the consideration and determination by the Manager, opportunities for the Fund to invest in SME's in which the Investment Originator and/or its related parties are investors. The Investment Advisor has advised the Manager that it expects that in respect of most, if not all, of the opportunities put forward by it, the Investment Originator and/or a related party will have an ownership stake in the relevant SME.

The Manager believes that these arrangements are likely to assist in ensuring that an adequate pipeline of investment opportunities is available for consideration by it on behalf of the Fund and, that as a matter of investment principle, the Investment Originator (either directly or through its related parties) having its own capital at risk as a co-investor in an SME in which the Fund invests is likely to assist in ensuring the quality of the investment opportunities put forward by the Investment Originator.

The Manager aims to acquire SME ownership stakes on behalf of the Fund through private transactions at attractively low valuation multiples of reported earnings of the SME.

The Manager will then pursue opportunities to convert these privately-traded ownership stakes into direct or indirect publicly-traded ownership stakes.

These opportunities are expected include opportunities to swap the Fund's direct ownership stake in an SME for shares in a publicly-traded company that acquires the SME for its own portfolio, in part through that share swap with the Fund. Where the publicly-traded shares received by the Fund for its SME shares trade, and can later be sold, at higher earnings multiples than the multiple at which the Fund acquired its privately-traded shares in the relevant SME, the Fund will benefit from the valuation uplift provided by the effective conversion of its ownership stake from privately traded to publicly traded.

The Manager on behalf of the Fund may also invest in other investment opportunities consistent with the Fund's investment objective, including acquiring shares in listed entities that engage in activities consistent with the Agglomeration process.

Finally, to provide comfort to investors in the Fund and to address the potential for a conflict of interest between the Investment Originator's role as the originator of investment opportunities for consideration by the Manager on behalf of the Fund and, potentially, as a principal to, or co-investor in, those opportunities, the Manager has instituted specific control procedures to address any conflict that may arise in these circumstances. Details of these procedures are set out in the section entitled *The Management of Potential Conflicts of Interest Involving the Investment Originator* in Part II of this Memorandum.

Directors of the Fund

The names of the Directors of the Fund are set out in the *Fund Directory* section of this Memorandum and their biographies are set out in the section entitled *Directors* in Part II of this Memorandum.

Manager of the Fund

The Fund has appointed First Degree Global Asset Management Pte. Ltd. as the manager of the Fund to manage the investments of the Fund and to perform other duties in accordance with the terms of the Management Agreement.

Details of the Manager are set out in the section entitled *Manager* in Part II of this Memorandum.

Investment Originator to the Manager

The Manager has appointed The Unity Group of Companies Pte. Ltd. as investment originator to it in respect of the Fund, in accordance with the terms of the Investment Originator Agreement.

Details of the Investment Originator are set out in the section entitled *Investment Originator to the Manager* in Part II of this Memorandum.

The Initial Placing

The minimum subscription amount for Class A Participating Shares during the Initial Placing is USD 100,000 (exclusive of any Subscription Charge and bank and handling charges).

In the Initial Placing, Class A Participating Shares will be issued and placed at a Subscription Price of USD 1,000 per share.

The Directors shall determine the Closing Date for the receipt of applications for Class A Participating Shares in the Initial Placing, provided that such date shall not be earlier than the date upon which the Manager has received valid applications for subscription for Class A Participating Shares totalling USD 500,000 in aggregate.

Jeremy Jon Harbour, a Director of the Investment Originator, has advised the Manager that he, or interests associated with him, intends to subscribe for approximately one thousand, five hundred (1,500) Class A Participating Shares in the Initial Placing, representing an aggregate Subscription Price for such shares of approximately USD 1,500,000, with that aggregate Subscription Price to be satisfied in full by the subscriber transferring ordinary shares in MBH Corporation PLC having an equivalent value to the Fund.

In accordance with the Memorandum and Articles of Association of the Fund, the Directors may accept non-cash assets in satisfaction (in whole or in part) of the Subscription Price payable by a subscriber for Shares.

MBH Corporation is a United Kingdom-incorporated entity whose ordinary shares are listed on the Dusseldorf Stock Exchange and which, the Manager understands, intends to commence activities consistent with Agglomeration. At the date of this Memorandum, MBH Corporation had yet to commence, or to substantively commence, those activities and trading in its ordinary shares on the Dusseldorf Stock Exchange had yet to commence. Following the transfer of MBH Corporation shares to the Fund by Mr Harbour, the value of those shares will be dependent upon the price at which those shares trade of the Dusseldorf Stock Exchange.

Subscription for Class Participating Shares after the Closing Date

Investors may subscribe for Class A Participating Shares on each Dealing Day for Subscriptions following the Closing Date, by completing a Subscription Agreement and remitting the relevant subscription monies, both of which must be received by the Dealing Deadline for Subscriptions in relation to such Dealing Day for Subscriptions.

The minimum subscription amount for Class A Participating Shares after the Closing Date is USD 100,000 (exclusive of any Subscription Charge and bank and handling charges) for new Shareholders and, for existing holders of Class A Participating Shares, is USD 50,000.

Redemption of Participating Shares

Class A Participating Shares are subject to a one year lock-up, meaning that a holder of those shares may not require the Fund to redeem the shares within one year of the date of issue.

The Directors may, either generally or in a particular case but shall not be required to, waive the lock-up period and allow a holder of Class A Participating Shares to redeem its shares within one year of the date of issue, in which case the holder will be liable to pay the Redemption Fee from the proceeds of redemption. The Redemption Fee is calculated in the manner set out in the section entitled *Redemptions* in Part II of this Memorandum and may be waived or lowered by the Directors in their sole discretion from time to time either generally or in any particular case.

Otherwise, a Shareholder may require the Fund to redeem all or part of its holding of Class A Participating Shares as of any Dealing Day for Redemptions, provided that written notice of a redemption request is received by the Manager by the relevant Dealing Deadline for Redemptions.

Redemptions of Class A Participating Shares will be dealt with on any particular Dealing Day for Redemptions at a Redemption Price which will be, subject to the provisions for adjustments as described in the section entitled *Subscription and Redemption Prices of Participating Shares* in Part VI of this Memorandum, the Net Asset Value of the Class A Participating Shares, calculated as at the Valuation Point in relation to such Dealing Day for Redemptions and in the manner set out in the section entitled *Redemptions* in Part II of this Memorandum.

Partial redemptions are permitted in relation to holdings of Class A Participating Shares in multiples of USD 50,000, or such other amounts as determined by the Directors from time to time either generally or in any particular case, provided that a redemption would not result in the Shareholder holding Class A Participating Shares the value of which is less than USD 100,000 (or such other amounts as may be prescribed by the Directors from time to time either generally or in any particular case as the minimum value of Class A Participating Shares that may be held).

If any redemption request received would reduce the aggregate value of the remaining Class A Participating Shares held by the redeeming Shareholder to an amount below USD 100,000, the request will, at the discretion of the Directors, be treated as a request to redeem the holder's entire Class A Participating Shareholding.

Payment of Redemption Proceeds

The payment of redemption proceeds in cash (whether in respect of a voluntary or involuntary redemption) will require the Manager to draw on the cash reserves of the Fund or to realise investments of the Fund, or both. Where the Manager determines that either or both of these actions (as is necessary) can be done without prejudicing its ability to implement the investment strategy of the Fund or to maintain the Fund in good standing and is, or are, not likely to cause material detriment to non-redeeming Participating Shareholders, the Manager will endeavour to pay redemption proceeds in cash.

Where the Manager believes that the circumstances of the Fund do not allow it to make the determination set out in the preceding paragraph, the Directors may exercise their power to determine to pay redemption proceeds by way of the delivery assets *in specie*, including the assets of the Fund, or as a combination of cash and such assets.

The manner of delivery of such assets is set out in the section entitled *Redemptions – Generally* in Part II of this Memorandum.

Limitations on Redemptions

The Directors have the right to postpone or limit redemptions of Class A Participating Shares if:

- requests are received in respect of any one Dealing Day for Redemptions aggregating more than ten per cent (10%) (or such other percentage as the Directors may determine) of the Net Asset Value of the relevant Class of Participating Shares in issue, or of all the Participating Shares in issue, in which case, the Directors may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the Net Asset Value of the relevant Class of Participating Shares issued or of all the Participating Shares in issue (as applicable);
- requests are received in respect of any one Dealing Day for redemptions and the composition of the assets of the Fund at that time makes it unfeasible, or practically impossible, to give effect to the requests. In this regard, the implementation by the Manager of the investment strategy of the Fund in the manner set out in the section entitled *Investment Strategy* in Part I of this Memorandum will result in the Fund acquiring private assets, in the form of SME ownership stakes. In accordance with the Investment Strategy, such assets are likely to represent a very significant proportion of the Fund's assets from time to time. No ready market for the sale of such assets exists and the Manager is otherwise highly unlikely to be able to realise such assets within the time period between the receipt of a redemption request and the payment of redemption proceeds in the ordinary course. In addition, the constituent documents of the relevant SME, other agreements entered into by the Fund or the Manager in respect of such investment or relevant laws or regulations may restrict or prohibit the ability of the Fund to deliver such investment *in specie*, either in whole or in part, as redemption proceeds, in whole or in part. In such case, the Directors may reduce all but not some of such requests (including by reducing all such requests to nil) so that they cover no more than the amount that it is feasible to give effect to; or
- the Directors need to realise part or all of the assets of the Fund in order to satisfy one or more redemptions pursuant to the Directors' right of compulsory redemption in circumstances as stated in this Memorandum and in the Constitution, in which case, the Directors may reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the relevant Class of Participating Shares issued or of all the Participating Shares in issue (as applicable).

Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Directors will be treated as if the request had been made in respect of the next Dealing Day for Redemptions and all following Dealing Days for Redemptions (in relation to which the Directors have the same power) until the original request has been satisfied in full. Any unsatisfied portion of any redemption request will continue to be at risk in the Fund's business.

Suspension of Redemptions

The Directors may declare a suspension of (a) the determination of Net Asset Value and/or (b) the subscription for Participating Shares and/or (c) the redemption of Participating Shares at the option of the Shareholder (either in whole or in part) and/or (d) the purchase of Participating Shares and/or (e) the payment of any amount to a Redeeming Shareholder in connection with the redemption of Participating Shares, in each case for the whole or any part of any period and in such circumstances as the Directors may determine as set out in the section entitled *Suspension of the Issue and Redemption of Participating Shares* in Part II of this Memorandum.

The Fund's Right to Redeem Participating Shares

The Directors may in their sole discretion redeem some or all of the Participating Shares held by a Shareholder with or without cause, at any time upon at least three (3) days' prior written notice to such Shareholder, whether or not such redemption has been requested by the Shareholder. Such redemption shall be effective on the date specified by notice to the Shareholder. Payment will be made in accordance with the procedure applicable to Participating Shares that are redeemed at the request of the Shareholder, subject always to the Directors' discretion to vary such procedure.

In particular, but without limiting the generality of the foregoing, the Directors may redeem a Shareholder's Participating Shares if they, in their sole discretion, determine that the continued participation of such Shareholder in the Fund may result in the Fund incurring any legal, tax, regulatory, material administrative or pecuniary disadvantage.

The Directors also have the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager as set out in the section entitled *Performance Fee* in Part II of this Memorandum.

The Directors also have the right to compulsorily redeem the Participating Shares held by "Non-Qualifying Investors", as set out in the section entitled *Compulsory Redemption of a Shareholder's Participating Shares* in Part V of this Memorandum.

Transfer of Participating Shares

Transfers of Participating Shares are subject to prior approval by the Directors. The Directors will not cause to register the transfer of Participating Shares to a transferee not approved by the Directors. The Directors may in their sole discretion decline to cause to register any transfer of Participating Shares in whole or in part for no reason or for any reason whatsoever including circumstances where the transfer to, or holding of Participating Shares by a transferee would, in the conclusive determination of the Directors, cause or be likely to cause a pecuniary, tax, legal, regulatory or material administrative disadvantage to the Fund or Shareholders as a whole in any jurisdiction.

During such time only as the Fund meets the requirements for exemption from registration under section 4(4) of the Mutual Funds Law and has not been registered as a mutual fund under section 4(3) of the Mutual Funds Law, the maximum number of holders of Participating Shares shall be fifteen (15) and the Directors shall refuse to register any transfer or transmission of Participating Shares that would result in the number of holders of Participating Shares exceeding fifteen (15).

Valuations

The Manager shall calculate the Net Asset Value and Net Asset Value per Class A Participating Share as at each Valuation Point for the purposes of issuing and redeeming Participating Shares and the calculation of the various fees as described in this Memorandum. Valuations will be made in accordance with the valuation rules as set out in this Memorandum, the relevant provisions of which are described in the section entitled *Net Asset Valuation* in Part II of this Memorandum.

The Manager will under all valuations in USD.

Distribution Policy

It is the present intention of the Directors not to declare or pay any dividends on Participating Shares. Income earned will be reinvested and reflected in the value of the Participating Shares. However, this does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate. If a dividend is declared, it will be paid in accordance with the Constitution and any applicable laws of the Cayman Islands.

Management Fee

In respect of Class A Participating Shares, the Fund will pay to the Manager a quarterly Management Fee in arrears equal to the one-quarter of two percent (2.0%) of the Net Asset Value of the Class A Participating Shares of the Fund (prior to the accrual of Performance Fees and Management Fees of that quarter), accrued quarterly and calculated as at each quarterly Valuation Point, subject to a minimum quarterly Management Fee in respect of all Participating Shares then on issue of the greater of USD 20,000 and 0.25% of the NAV of the Fund (adjusted annually for inflation) that shall be payable by Fund to the Manager.

The Management Fee shall be payable by the Fund to the Manager within 14 days after the relevant Valuation Point.

Performance Fee

In addition to the Management Fee, the Fund will pay the Manager a Performance Fee in respect of the performance of the Fund for each Performance Period. The Performance Fee for each Class of Participating Shares in respect of each Performance Period will be calculated by reference to the Net Asset Value of the relevant Class of Participating Shares before deduction for any accrued Performance Fee.

For each Performance Period, the Performance Fee in respect of each Class A Participating Share will be equal to twenty (20) per cent of the positive difference between the Net Asset Value per Class A Participating Share as at the last Valuation Point during that Performance Period, and the High Water Mark applicable to that share.

The Performance Fee will be deemed to accrue on a quarterly basis as at each quarterly Valuation Point, or otherwise at each Valuation Point where such Valuation Point occurs on a more or less frequent basis than quarterly.

The Manager may pay some or all of the Performance Fee received by it to the Investment Originator in consideration for the services to be provided by the Investment Originator to it in respect of the Fund.

Further details of the Performance Fee are contained in the section entitled *Performance Fee* in Part II of this Memorandum.

Liquidation of the Fund

The Directors may determine to liquidate the Fund if at any time the NAV falls below USD 1,000,000, or at such other time as they may determine.

Tax Considerations

Prospective investors should carefully review the tax matters discussed in the section entitled *Taxation* in Part V of this Memorandum and are advised to consult their tax advisors as to the tax consequences of an investment in the Fund.

Other Costs and Expenses

The Fund will bear all the costs of its establishment (including legal, regulatory, accounting and other professional fees, including any establishment fee of the Manager, and expenses) of or incidental to the Placing, including the preparation and printing of this Memorandum (and all updates as may be necessary from time to time), the costs and expenses of any structure or intermediary arrangement or instrument implemented to source, directly or indirectly, subscriptions for Participating Shares and all relevant agreements as may be referred to herein. These costs and expenses will be amortised over a period of 36 months commencing on the close of the Initial Offer Period, or such other period as the Directors may determine.

The Fund will bear all its operating and administrative expenses, including all fees payable by the Fund to the Manager and all fees payable to third parties and other expenses (other than those to be borne by the Manager) incurred in its operations, including but not limited to, fees, taxes, expenses for legal, auditing and consulting services, valuation expenses, promotional expenses, registration fees, renewal fees and other expenses due to supervisory authorities in various jurisdictions, insurance premiums in respect of directors' and officers' liability insurance, fees of Directors pursuant to their performance of duties for the Fund, the costs of publishing the Net Asset Value, the costs of printing and distributing the annual and any periodic reports and statements and any costs or expenses of any structure or intermediary arrangement or instrument implemented to source, directly or indirectly, subscriptions for Participating Shares.

Reporting to Shareholders

An annual report and accounts of the Fund will be sent to Shareholders within six months from the end of the period to which such report and accounts relate.

The financial statements will be prepared in accordance with IFRS, or such accounting standards or principles as the Directors shall determine, and, where appointed, will be audited by the Auditor.

The Manager will provide each Shareholder with a statement setting out details of its shareholding and the Net Asset Value of the Class A Participating Shares, as soon as reasonably practicable after each Valuation Point.

PART I - FUND INVESTMENT INFORMATION

Investment Objective

The investment objective of the Fund is to provide an attractive return to the holders of Participating Shares by taking advantage of the benefits of Agglomeration. The Agglomeration process may lead to attractive returns for investors by accessing the valuation uplift that can be achieved by bringing commercially attractive private assets into public ownership.

Investment Strategy

The Manager aims to achieve the investment objective of the Fund by, firstly, acquiring well-priced, commercially-attractive ownership stakes in private assets and, secondly, by bringing those ownership stakes into public ownership.

The Manager has appointed the Investment Originator to source opportunities for the Fund to acquire ownership stakes in SME's that conduct financially successful operating businesses in a range of locations around the world. For such time as the Investment Originator holds office, the Manager shall only acquire investments for the Fund that are sourced by the Investment Originator, unless otherwise agreed in writing between the Manager and the Investment Originator, either generally or in relation to a specific investment.

The Investment Originator is a specialist-SME advisory organisation and is owned and staffed by professionals with significant experience in the acquisition, management and sale of SME's, including as owners of, and investors in, those SME's. The Investment Originator and its related parties invest as principals in SME's and, in accordance with the terms of the Investment Originator Agreement, the Investment Originator may put forward, for the consideration and determination by the Manager, opportunities for the Fund to invest in SME's in which the Investment Originator and/or its related parties are investors. The Investment Advisor has advised the Manager that it expects that in respect of most, if not all, of the opportunities put forward by it, the Investment Originator and/or a related party will have an ownership stake in the relevant SME.

The Manager believes that these arrangements are likely to assist in ensuring that an adequate pipeline of investment opportunities is available for consideration by it on behalf of the Fund and, that as a matter of investment principle, the Investment Originator (either directly or through its related parties) having its own capital at risk as a co-investor in an SME in which the Fund invests is likely to assist in ensuring the quality of the investment opportunities put forward by the Investment Originator.

The Manager aims to acquire SME ownership stakes on behalf of the Fund through private transactions at attractively low valuation multiples of reported earnings of the SME.

The Manager will then pursue opportunities to convert these privately-traded ownership stakes into direct or indirect publicly-traded ownership stakes.

These opportunities are expected include opportunities to swap the Fund's direct ownership stake in an SME for shares in a publicly-traded company that acquires the SME for its own portfolio, in part through that share swap with the Fund. Where the publicly-traded shares received by the Fund for its SME shares trade, and can later be sold, at higher earnings multiples than the multiple at which the Fund acquired its privately-traded shares in the relevant SME, the Fund will benefit from the valuation uplift provided by the effective conversion of its ownership stake from privately traded to publicly traded.

The Manager on behalf of the Fund may also invest in other investment opportunities consistent with the Fund's investment objective, including acquiring shares in listed entities that engage in activities consistent with the Agglomeration process.

Finally, to provide comfort to investors in the Fund and to address the potential for a conflict of interest between the Investment Originator's role as the originator of investment opportunities for consideration by the Manager on behalf of the Fund and, potentially, as a principal to, or co-investor in, those opportunities, the Manager has instituted specific control procedures to address any conflict that may arise in these circumstances. Details of these procedures are set out in the section entitled *The Management of Potential Conflicts of Interest Involving the Investment Originator* in Part II of this Memorandum.

Borrowing

The Fund has the power to borrow monies for investment or settlement purposes, to meet redemptions and for general corporate purposes from time to time.

As at the date of this Memorandum, neither the Directors nor the Manager planned to borrow on behalf of the Fund in the near future.

Special Investments

In the event that any investment of the Fund is considered by the Directors or the Manager to be illiquid or restricted or which may lack a readily assessable market value or which the Board determines in its discretion, should be held until the resolution of a special event or circumstance, the Directors, in consultation with the Manager, may designate such investment as a "Special Investment". The Directors may issue a new class of Participating Shares ("**Special Investment Shares**") representing the Fund's investment in Special Investments if the Directors determine that such Participating Shares are necessary in order to not expose a significant liquidity burden on the Fund.

Whenever a Special Investment is designated, a portion of the Participating Shares held by each Shareholder at such time will be converted (by way of compulsory redemption and subscription) into a new Class of Special Investment Shares representing a *pro rata* interest in the Special Investment, based on such Shareholder's relative ownership of the relevant Class of Participating Shares. Performance Fees will be payable in connection with a conversion of Participating Shares to Special Investment Shares (if any).

The Special Investment Shares are not redeemable at the option of the Shareholder and a Shareholder will continue to participate in such Special Investments until the investment is sold or liquidated, even if such investor no longer holds the applicable Class of Participating Shares (which was originally converted).

Special Investment Shares are allocated only to those Shareholders holding the relevant Class of Participating Shares at the time such Special Investment is designated.

The Manager may hold a portion of the redemption proceeds arising from the redemption of Participating Shares and before applying them towards a subscription for Special Investment Shares, in reserve, and use the reserved amount to pay the ongoing fees, allocations and expenses (if any) with respect to the Shareholder's interest in the relevant Special Investment. In the event that any reserved amounts remain at the time of the occurrence of a realisation event or a determination by the Directors, in consultation with the Manager, that such Special Investment shall no longer be maintained as a Special Investment, relating to the Special Investment Shares of the relevant Class held by such Shareholders, the Fund shall pay the remaining unused reserved amounts (without interest) to the Shareholders.

The fees, allocations and expenses incurred by or in connection with the Special Investments may be paid by such other methods as the Manager may reasonably determine.

The management fee in respect of each Class of Special Investment Shares is equal to the percentage of Management Fee applicable to the Class of Participating Shares for which Special Investment Shares were exchanged, accrued and calculated as at each Valuation Point, or otherwise as may be determined by the Directors in their discretion, and is generally payable in arrears within 14 days of the relevant Valuation Point, or such fees may be accrued and deferred until the occurrence of a realisation event or such other time as the Manager may in its discretion determine.

The performance fee payable on each Special Investment Share will be an amount equivalent to the relevant percentage applicable to the Class of Participating Shares for which such Special Investment Share was exchanged, as calculated upon the occurrence of a realisation event or a determination by the Board that an investment no longer constitutes a Special Investment, or otherwise as may be determined by the Directors in their discretion.

Upon a realisation of a particular Special Investment or a determination by the Directors, in consultation with the Manager, that such Special Investment shall no longer be maintained as a Special Investment, all (or a relevant portion in the event of a partial realisation) of a Shareholder's Special Investment Shares attributable to such Special Investment will be compulsorily redeemed by the Directors and in the case of a Shareholder who still holds the applicable Class of Participating Shares (which was originally converted), the proceeds (after deduction of accrued and unpaid management fee, performance fees and all other fees and expenses in relation to such Special Investments) will be applied to subscribe for the account of such Shareholder Participating Shares of the applicable Class (which was originally converted). An investor who no longer holds Participating Shares of the applicable Class (which was originally converted) shall either receive shares of the applicable Class of Participating Shares which was originally converted (after deduction of accrued and unpaid management fee, performance fees and all other fees and expenses attributable to such Special Investments) or will be paid the proceeds of the sale of the Special Investments in cash (after deduction of accrued and unpaid management fee, performance fees and all other expenses attributable to such Special Investments), in each case at the discretion of the Directors. At the sole discretion of the Directors, special dealing dates may be introduced to facilitate conversion between Special Investment Shares and Participating Shares.

Special Investments generally will be valued at the estimated fair value as determined by the Directors in their discretion for the purposes of determining the net asset value of Special Investment Shares issued in connection with the Special Investments.

The Constitution has been drafted in broad and flexible terms to allow the Directors to determine a number of issues in relation to Special Investment Shares, including how and when management fees and performance fees will be charged, the manner of conversion of Participating Shares to Special Investment Shares and *vice versa*, the treatment of expenses and valuations of Special Investments.

PART II – INFORMATION ON THE FUND AND THE PLACING

Structure of the Fund

The Fund was incorporated as an exempted company with limited liability under the Companies Law on 15 May 2018.

The Fund meets the requirements for exemption from registration under section 4(4) of the Mutual Funds Law and has not been registered under that law in the Cayman Islands.

Applicants for Participating Shares are advised that the Fund and its operations are not therefore subject to the requirements of the Mutual Funds Law.

The Fund's objects, as set out in the Constitution, are unrestricted and the Fund has full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.

Participating Shares are currently available as Class A Participating Shares. The rights and privileges of that Class of Participating Shares are as set out in this Memorandum and the Constitution.

Class A Participating Shares are subject to a one year lock-up, and therefore an investment in those shares should only be considered by investors that are comfortable with such a lock-up period.

The Directors may establish new Classes of Participating Shares without the consent of existing Shareholders. Each such Class may have different investment parameters, fee structures, redemption periods and/or such other features as the Directors may determine in their sole discretion. The offering of such new Classes of Participating Shares for subscription may be accompanied by a separate offering document or by a supplement to this Memorandum.

Side Letters

The Fund may from time to time enter into letter agreements or other similar agreements (collectively, "**Side Letters**") with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, management fees and incentive or performance fees and minimum investment amounts, and liquidity terms) than such Shareholders have pursuant to this Memorandum. As a result of such Side Letters, new Classes of Participating Shares may be established by the Directors without the approval of existing Shareholders and certain Shareholders may receive additional benefits (including, but not limited to, reduced fee obligations, the ability to redeem Participating Shares on shorter notice and/or expanded informational rights) which other Shareholders will not receive. For example, a Side Letter may permit a Shareholder to redeem Participating Shares on less notice and/or at different times than other Shareholders. As a result, should the Fund experience a decline in performance over a period of time, a Shareholder who is party to a Side Letter that permits less notice and/or different redemption times may be able to redeem Participating Shares prior to other Shareholders. The Directors will not be required to notify any or all of the other Shareholders of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Directors be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders. The Directors may enter into such Side Letters with any party as the Directors may determine in their sole and absolute discretion at any time. The other Shareholders will have no recourse against the Fund, the Manager and/or any of their affiliates in the event that certain Shareholders receive additional and/or different rights and/or terms as a result of such Side Letters.

Eligible Investors

Only persons who satisfy the requirements of this Memorandum (referred to herein as "**Eligible Investors**") may subscribe for or hold Participating Shares. The Directors have the right to compulsorily redeem all Participating Shares held by a Shareholder who is not or who ceases to be an Eligible Investor in the manner set out in the section entitled *Redemptions – Compulsory Redemption* in this Part of this Memorandum.

For these purposes an Eligible Investor is a person to whom the issue or transfer of, or where the holding of Participating Shares by, (i) would not be in breach of the laws or requirements of any jurisdiction or governmental authority; (ii) would not give rise to circumstances (whether directly or indirectly affecting such person and whether taken alone or in conjunction with any other person, connected or not, or any other circumstances) which, in the opinion of the Directors, might not result in the Fund and/or its Shareholders as a whole incurring any liability to taxation or suffering any other pecuniary, legal, regulatory or administrative disadvantage that the Fund and/or its Shareholders might not otherwise have incurred or suffered; (iii) would not give rise to circumstances which may cause the Fund to breach the terms of any license, registration or approval procured by it in relation to its investments; (iv) would satisfy the requirements set out in this section entitled Eligible Investors; and (v) would satisfy any other requirements determined by the Directors in their discretion.

Participating Shares will not be issued to US Persons.

Financial Knowledge and Experience

Each investor represents and warrants in its Subscription Agreement that, among other things, it has reviewed this Memorandum and understands the risks of an investment in the Fund, has the financial knowledge and experience to evaluate such investment, is able to bear the substantial risks of an investment in the Fund and can afford to lose its entire investment.

Singapore Investors

Investors subscribing for Participating Shares pursuant to an offer made in Singapore should note that the offering of the Participating Shares is subject to the terms of this Memorandum and the SFA.

Eligible Investors must satisfy the requirements to be an "**accredited investor**" under the definition in the SFA. Included within that definition, under present regulations, are investors who fall within any of the following categories

- (a) an individual –
 - (A) whose net personal assets exceed in value SGD 2 million (or its equivalent in a foreign currency); or
 - (B) whose income in the preceding 12 months is not less than SGD 300,000 (or its equivalent in a foreign currency),
- (b) a corporation with net assets exceeding SGD 10 million in value (or its equivalent in a foreign currency), as determined by:
 - (A) the most recent audited balance sheet of the corporation; or
 - (B) where the corporation is not required to prepare audited accounts regularly, a balance-sheet of the corporation certified by the corporation as giving a true and fair view of the state of affairs of the corporation as of the date of the balance-sheet, which date shall be within the preceding 12 months;
- (c) the trustee of a trust of which all property and rights of any kind whatsoever held on trust for the beneficiaries of the trust exceed S\$10 million in value (or its equivalent in a foreign currency), when acting in that capacity;
- (d) an entity (other than a corporation) with net assets exceeding S\$10 million in value (or its equivalent in a foreign currency).

For the purpose of this category, an "entity" includes a corporation (as defined in Section 4(1) of the Singapore Companies Act, Cap 50), an unincorporated association, a partnership and the government of any state, but does not include a trust;
- (e) a partnership (other than a limited liability partnership within the meaning of the Limited Liability Partnerships Act 2005 (Act 5 of 2005)) in which each partner is an accredited investor; and
- (f) a corporation, the sole business of which is to hold investments and the entire share capital of which is owned by one or more persons, each of whom is an accredited investor.

The foregoing requirements are regulatory minima only. Persons with questions as to whether they qualify as an Eligible Investor are urged to refer such questions to their own legal advisors.

A potential investor must consult its own legal, tax and financial advisors with respect to its individual circumstances and the suitability of an investment in the Fund.

The purchase of Participating Shares offered under this Memorandum involves a high degree of risk and should only be made by those persons who can afford to bear the risk of a total loss of their investment. The Directors and/or the Manager reserve the right to reject any subscription agreement in whole or in part and will exercise the right to prevent any investor for which the Directors and/or the Manager have reason to believe the Fund may not be an appropriate investment from investing in the Fund.

If an investor has any reason to believe that it is not a suitable investor, such investor may not subscribe for Participating Shares in the Fund and should return this Memorandum and all other related documents to the Manager.

Qualification as an Eligible Investor is no assurance that an investment in the Fund would be suitable for a particular investor.

Subscriptions

The Initial Placing

The minimum subscription amount for Class A Participating Shares in the Initial Placing is USD 100,000 (exclusive of any Subscription Charge and bank and handling charges).

Participating Shares will be issued in registered form.

To subscribe for Class A Participating Shares in the Initial Placing, investors should send a duly completed Subscription Agreement to the Manager at the address and contact details set out in the Subscription Agreement and subscription monies in USD must be received in cleared funds in the Fund's account by the Manager by no later than 5PM Singapore time on the Closing Date. For cleared funds to be so received in the Fund's account, payment must be made for value at least one Business Day prior to the Closing Date. If Subscription Agreements and/or cleared subscription monies are received after that time, those subscriptions will be carried forward to the next Dealing Day without interest. All applications must contain the necessary information requested by the Directors and/or the Manager and prescribed in the Subscription Agreement, together with such due diligence or any other supporting documents which the Directors or the Manager may request or require. The Fund reserves the right to reject any Subscription Agreement that is incomplete. Further, the Directors and/or the Manager reserve the right to refuse any application to subscribe for Participating Shares on a discretionary basis. Please refer to the Subscription Agreement for further details. Subject as otherwise provided below, Participating Shares will be issued on the Business Day following the Closing Date (or such other date as the Directors may in their discretion determine).

Class A Participating Shares will be issued pursuant to the Initial Placing at a Subscription Price of USD 1,000 per share, payable in full on subscription. Subscription monies are payable by telegraphic transfer or by such other means as the Manager or the Directors may allow, to the Fund's account (the details of which are contained in the Subscription Agreement). Investors should note that all subscription monies must originate from an account in the name of the investor. No third party payments will be accepted.

The Directors may at their discretion not proceed with the Initial Placing if:

- (i) valid subscriptions for Class A Participating Shares having an aggregate value of at least USD 500,000 are not received within six months of the date of this Memorandum; or
- (ii) there is, in the opinion of the Directors and/or the Manager, at any time prior to the Closing Date any change or any development in national or international monetary financial markets (including stock markets), political or economic conditions as would be likely to prejudice materially the success of the offering and distribution of the Participating Shares or for any other reason that the Directors and/or the Manager may in their discretion believe appropriate.

In the event that the Initial Placing does not proceed, subscription monies received during the Initial Offer Period will be returned (without interest) in USD by telegraphic transfer at the risk and expense of the investor.

Further Share Issues

Investors may subscribe for Class A Participating Shares on each Dealing Day for Subscriptions following the Closing Date, by completing a Subscription Agreement for such shares, which must to be received by the Dealing Deadline for Subscriptions in relation to such Dealing Day for Subscriptions.

The minimum subscription amount for Class A Participating Shares after the Closing Date is USD 100,000 (exclusive of any Subscription Charge and bank and handling charges) for new Shareholders and, for the holders of Class A Participating Shares, is USD 50,000.

For the avoidance of doubt, for the purposes of determining the minimum initial subscription, persons jointly applying for Participating Shares shall, if accepted, be considered as one investor.

The price at which Participating Shares will be issued on any particular Dealing Day for Subscriptions will be the Subscription Price per Participating Share of the relevant Class, calculated in the manner described in the section entitled *Subscription and Redemption Prices of Participating Shares* in Part VI of this Memorandum subject to the provisions for adjustments as described in the section entitled *Performance Fee* in Part III of this Memorandum. Participating Shares in the Fund may be issued in fractions of up to 1/100th of a Participating Share and be rounded down. The benefits derived from any fractional amounts remaining will be retained by the Fund.

Subscription Agreements and Verification Documents (if applicable) for the subscription of Participating Shares to be issued on a particular Dealing Day for Subscriptions must be sent to the Manager at the address and contact details set out in the Subscription Agreement so as to arrive no later than the Dealing Deadline for Subscriptions in relation to such Dealing Day for Subscriptions. Payment in full in cleared funds must also be received in USD by telegraphic transfer to the relevant account of the Fund (details of which are contained in the Subscription Agreement) prior to the relevant Dealing Deadline for Subscriptions. Investors are reminded that for cleared funds to be received by the relevant account of the Fund (details of which are contained in the Subscription Agreement) prior to the Dealing Deadline for Subscriptions, payment must be made for value at least one Business Day prior to the relevant Dealing Deadline for Subscriptions. Unless otherwise agreed by the Directors and/or the Manager, any Subscription Agreement and/or payment received after the Dealing Deadline for Subscriptions mentioned above will be held over to the next Dealing Day for Subscriptions without interest and Participating Shares will be issued at the Subscription Price applicable to that next Dealing Day for Subscriptions. The Directors and/or the Manager have the discretion to accept Subscription Agreements and subscription monies received after the Dealing Deadline for Subscriptions but before the Valuation Point applicable to that Dealing Day for Subscriptions either generally or in any particular case. No Participating Shares will be issued until and unless the subscriber has provided Verification Documents to the satisfaction of the Directors and the Manager.

All applications must contain the necessary information requested by the Directors, the Manager and prescribed in the Subscription Agreement, together with such due diligence or any other supporting documents which the Directors or the Manager may request or require. The Fund reserves the right to reject any Subscription Agreement that is incomplete. Further, the Directors and/or the Manager reserve the right to refuse any application to subscribe for Participating Shares on a discretionary basis. Please refer to the Subscription Agreement for further details.

Participating Shares may not be issued during the period of any suspension of the issue of Participating Shares or of the determination of the Net Asset Value.

Subscriptions Generally

Subscription Agreements may be sent by facsimile to the facsimile number or the electronic mail address stated in the Subscription Agreement, provided the original of the Subscription Agreement is forwarded to the Manager promptly. Neither the Fund nor the Manager accepts any responsibility for any loss arising from the illegibility of the Subscription Agreement or non-receipt of any Subscription Agreement sent by facsimile or electronic mail, or for any loss caused in respect of any action taken as a consequence of any Subscription Agreement sent by facsimile or electronic mail believed in good faith to have originated from properly authorised persons. The aforementioned non-acceptance of responsibility for any loss arising from the non-receipt of any Subscription Agreement sent by facsimile or electronic mail is notwithstanding the fact that a transmission report produced by the originator of such transmission discloses that the transmission was sent.

No Subscription Agreement can be withdrawn by an investor once such Subscription Agreement has been received by the Manager on behalf of the Fund. No Participating Shares shall be issued (i) if the Manager has not received the original of the Subscription Agreement relating thereto, unless otherwise agreed or waived by the Directors, or (ii) Participating Shares may not be issued during the period of any suspension of the issue of Participating Shares or of the determination of the Net Asset Value. This prohibition shall not apply in relation to applications for Participating Shares that have been received and accepted by the Fund prior to the commencement of the period of suspension.

Investors should also note that all subscription monies must originate from an account in the name of the investor. No third party payments will be accepted.

The Directors and the Manager reserve the right to request such information as is necessary to verify the identity of an investor and the source of the payment of subscription monies and/or to comply with any law or regulation of any jurisdiction. In the event of delay or failure by an investor to produce any information required for verification purposes, the Directors and/or the Manager may refuse to accept the Subscription Agreement and, if so, any subscription monies received will be returned without interest to the account from which monies were originally debited by telegraphic transfer at the risk and expense of the investor. The Directors and the Manager shall not be liable to any investor for any loss suffered by the investor as a result of the delay in acceptance or the rejection of such Subscription Agreement.

Participating Shares will be in registered form. A confirmation notice will be issued by the Manager as soon as practicable to successful investors on acceptance of their Subscription Agreement and receipt in cleared funds of their subscription monies.

The Directors and the Manager reserve the right to reject any Subscription Agreement for Participating Shares in whole or in part. If any Subscription Agreement is not accepted in whole or in part, the subscription monies or (where a Subscription Agreement is accepted in part only) the balance thereof will be returned (without interest) to the account from which the monies were originally debited by telegraphic transfer at the risk and expense of the investor.

All taxes or duties applicable, if any, shall be borne by the investor. Although Participating Shares will not be issued until the applicable Dealing Day for Subscriptions, subscription monies are immediately deposited into the Fund and kept in custodial status without interest and will remain at risk in the Fund. Where a subscription for Participating Shares is accepted, the Participating Shares will be treated as having been issued with effect from the relevant Dealing Day for Subscriptions notwithstanding that the subscriber for those Participating Shares may not be entered in the Fund's register of members until after the relevant Dealing Day for Subscriptions. The subscription monies paid by a subscriber for Participating Shares will accordingly be subject to investment risk in the Fund from the relevant Dealing Day for Subscriptions.

Redemptions

Generally

Generally, a Shareholder may require the Fund to redeem all or part of its Class A Participating Shares as of any Dealing Day for Redemptions, provided that written notice of a redemption request is received by the Manager before the relevant Dealing Deadline for Redemptions.

Class A Participating Shares are subject to a one year lock-up, meaning that the holder may not require the Fund to redeem those shares within one year of the date of issue.

The Directors may, either generally or in a particular case but shall not be required to, waive the lock-up period and allow a holder of Class A Participating Shares to redeem its shares within one year of the date of issue, in which case the holder will be liable to pay the Redemption Fee from the proceeds of redemption. The Redemption Fee is calculated in the manner set out in the section entitled *Redemptions* in Part II of this Memorandum and may be waived or lowered by the Directors in their sole discretion from time to time either generally or in any particular case.

Subject to the foregoing paragraph, redemptions of Class A Participating Shares on any particular Dealing Day for Redemptions shall be at the relevant Redemption Price, calculated for the relevant Dealing Day for Redemptions in the manner described in the section entitled *Subscription and Redemption Prices of Participating Shares* below and subject to certain adjustments as described below.

In order to be dealt with on a particular Dealing Day for Redemptions, a request for the redemption of Class A Participating Shares must be received by the Manager by the relevant Dealing Deadline for Redemptions. If a redemption request is received after the relevant Dealing Deadline for Redemptions, it will be held over to the next following Dealing Day for Redemptions and the Participating Shares will be redeemed based on the Redemption Price applicable on that next Dealing Day for Redemptions. The Directors have the discretion to accept redemption requests received after the relevant Dealing Deadline for Redemptions but before the Valuation Point applicable to that Dealing Day for Redemptions (either generally or in any particular case) provided that they advise the Manager of the same before the Valuation Point.

Until otherwise notified, redemption requests shall be made by facsimile or electronic mail (in each case, with the original to follow promptly by mail) to the Manager at the address or facsimile number set out below:

To: First Degree Global Asset Management Pte. Ltd.
71 Ayer Rajah Crescent #01-17 Singapore, 139951
Facsimile: +65 6871 8971
Email: tony.morgan@firstdegree.asia

Neither the Fund or the Manager accepts any responsibility for any loss arising from the illegibility of the redemption request or non-receipt by the Manager of any redemption request sent by facsimile or electronic mail, or for any loss caused in respect of any action taken as a consequence of any redemption requests sent by facsimile or electronic mail believed in good faith to have originated from properly authorised persons. The non-acceptance of responsibility for any loss arising from the non-receipt of any redemption request sent by facsimile or electronic mail is notwithstanding the fact that a transmission report produced by the originator of such transmission discloses that the transmission was sent.

Where a redemption request is sent by facsimile or electronic mail, the Fund will not pay the redemption proceeds to the Redeeming Shareholder until such time as the original written redemption request is received by the Manager. Redemption requests should state the number or amount of Class A Participating Shares to be redeemed, the name in which such Participating Shares are registered and the Shareholder number (if any) and give payment instructions for the redemption proceeds. Investors should note that the redemption proceeds will not be paid to any party other than the Redeeming Shareholder. A Shareholder which is a corporation must provide the Manager with a certified copy of a list of authorised signatures at the time that it first subscribes for Participating Shares and must promptly provide to the Manager full details of any amendments that are made to such authorised signatory list from time to time.

A Redeeming Shareholder will, except as referred to below and subject to the provisions for adjustments as described in the section entitled *Equalisation Adjustments* in Part III of this Memorandum, be paid an amount equal to the Redemption Price per Participating Share calculated in the manner described under the section entitled *Subscription and Redemption Prices of Participating Shares* in Part VI of this Memorandum.

Where an investor has acquired Class A Participating Shares different times and the investor subsequently redeems part of its holding, the investor shall be deemed to have redeemed such Participating Shares on a "first acquired, first redeemed" basis.

Any handling, administration or processing fees charged by the Manager or by any other professional party in relation to a redemption shall be deducted from the gross redemption proceeds in determining the net redemption proceeds payable to the Shareholder.

Subject as provided below, redemption proceeds will be paid in USD (unless the Directors determine to pay the redemption proceeds (or any amount thereof) by way of delivery of assets *in specie*) and will be paid by telegraphic transfer at the risk and expense of the Redeeming Shareholder to the pre-designated bank account of the Redeeming Shareholder (or in the case of joint Shareholders, the account designated in relation to the Shareholder who is named first in the register of Shareholders). The signature on the relevant payment instruction will require verification to the satisfaction of the Manager before payment will be made. In the event of failure or delay by a Shareholder to produce any information required for verification purposes, the Manager may delay payment of redemption proceeds. The Fund and the Manager shall not be liable to any Shareholder for any loss suffered by the Shareholder as a result of the delay of payment of redemption proceeds. Payment of the net redemption proceeds payable to a Shareholder will, subject to any declaration by the Fund of a suspension or limitation on redemptions or any adjustment to the Net Asset Value of the Participating Shares redeemed by such Shareholder on the relevant Dealing Day for Redemptions prior to the payment of such net redemption proceeds, generally be made (although it may not always be the case) within 30 days from either the relevant Dealing Day for Redemptions, or after receipt of the original redemption documentation completed to the satisfaction of the Manager's requirement, whichever is the later. All costs of effecting any telegraphic transfer will be borne by the Redeeming Shareholder and may be deducted from the gross redemption proceeds in determining the net redemption proceeds payable to the relevant Shareholder.

The payment of redemption proceeds in cash (whether in respect of a voluntary or involuntary redemption) will require the Manager to draw on the cash reserves of the Fund or to realise investments of the Fund, or both. Where the Manager determines that either or both of these actions (as is necessary) can be done without prejudicing its ability to implement the investment strategy of the Fund or to maintain the Fund in good standing and is, or are, not likely to cause material detriment to non-redeeming Participating Shareholders, the Manager will endeavour to pay redemption proceeds in cash.

Where the Manager believes that the circumstances of the Fund do not allow it to make the determination set out in the preceding paragraph, the Directors may exercise their power to determine to pay redemption proceeds by way of the delivery assets *in specie*, including the assets of the Fund, or as a combination of cash and such assets, as set out in the following paragraphs.

The Directors have the power to determine to pay the redemption proceeds (or any amount thereof) by way of delivery of assets *in specie* which may be comprised of, among other things, interests in special purpose vehicles holding the actual investment or participations in the actual investment which will remain held by the Fund. The Directors have the power to divide in specie the whole or any part of the assets of the Fund and appropriate such assets in satisfaction or part satisfaction of the redemption proceeds to one or more Redeeming Shareholders on such terms as they may determine.

Without prejudice to the foregoing paragraph, if the Directors determine to distribute the assets in kind (instead of paying all or a part of the Redemption Price in cash), such assets (or participation interests in such assets) may, in the discretion of the Directors, be transferred directly to the redeeming Shareholder or may be transferred:

- (i) to a liquidating trust or account and sold or otherwise realised by the trustee or the Fund, as the case may be, for the benefit of the redeeming Shareholder, in which case payment of that proportion of the Redemption Price attributable to such assets may be delayed until such assets are sold or otherwise realised. The amount of the Redemption Price (or the balance thereof if part of the Redemption Price has earlier been paid in cash) payable in respect of such assets will be adjusted upward or downward to reflect the value of such assets through to the date on which they are sold or otherwise realised less any fees and expenses payable in respect thereof. The costs and expenses of operating the liquidating trust or account and selling or otherwise realising the assets will be allocated to the redeeming Shareholder pro-rata to its interest in such assets and be deducted from the proceeds to be paid to the redeeming Shareholder;
- (ii) to a liquidating entity and equity interests in that liquidating entity transferred to, or promissory notes issued by the liquidating entity issued to, the redeeming Shareholder. Those assets will be sold or otherwise disposed of by the liquidating entity for the benefit of the redeeming Shareholder and when such assets are sold or otherwise disposed of, the equity interests will be redeemed by the liquidating entity and the proceeds paid to the holders of such equity interests or the promissory notes paid, as the case may be. The amount of the Redemption Price payable (or the balance thereof if part of the Redemption Price had earlier been paid in cash) will be adjusted upward or downward to reflect the value of such assets through to the date on which they are sold or otherwise disposed of. The cost and expenses of operating the liquidating entity and selling or otherwise realising the assets will be allocated to the redeeming Shareholder pro-rata to its interest in such assets and be deducted from the proceeds to be paid to the redeeming Shareholder; or
- (iii) to such other person(s) or entities, in such manner and subject to such terms and conditions as the Directors may determine, in their discretion, from time to time.

Investors should note that the risk of delay and the risk of a decline in the value of such assets in the period from the relevant Dealing Day for Redemptions to the date upon which such assets or the participation interest in such assets are sold or otherwise realized for the benefit of the relevant redeeming Shareholder shall be borne by the relevant redeeming Shareholder solely.

For the purpose of determining the value to be ascribed to any assets of the Fund used for payment of redemption proceeds by way of a delivery of assets *in specie*, the value ascribed to such assets shall be the value of such assets on the relevant Dealing Day for Redemptions. The risk of a decline in the value of such assets in the period from the relevant Dealing Day for Redemptions to the date upon which such assets are distributed to the Redeeming Shareholder and the risk of any loss or delay in liquidating such assets, will be borne by the Redeeming Shareholder.

Partial redemptions are permitted in relation to Class A Participating Shares in multiples of USD 50,000 or such other amounts as determined by the Directors from time to time either generally or in any particular case, provided that the redemption does not result in the Shareholder holding Participating Shares the value of which is less than USD 100,000 (or such other amounts as may be prescribed by the Directors from time to time either generally or in any particular case as the minimum value of Participating Shares that may be held).

If any redemption request would reduce the aggregate value of the remaining Class A Participating Shares held by the relevant redeeming Shareholder to an amount below the minimum amount specified above, the request may, at the discretion of the Directors, be treated as a request to redeem the entire shareholding.

Further, the Directors reserve the right to suspend the redemption rights of a Shareholder and/or delay or refuse to make any redemption payment to a Shareholder if the Directors or the Manager suspects or is advised that the payment of any redemption proceeds to such Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Manager with any such laws or regulations in any relevant jurisdiction. The Directors and the Manager shall not be liable to the Redeeming Shareholder for any loss suffered by such Shareholder as a result of the delay in or the rejection of making such redemption payment.

In accordance with the anti-money laundering ("**AML**") obligations applicable to the Fund, requests for transfer or payment of redemption proceeds will not be effected until receipt of all outstanding identification documents and information pertaining to AML obligations as stated in the Subscription Agreement. None of the Fund, the Manager or their agents or affiliates accepts any responsibility for any loss caused as a result of any such delay or refusal to process transfer requests or effect payment of redemption proceeds (as the case may be) and claims for payment of interest due to such delays will not be accepted.

In the case of the Directors deciding to recommend the winding up of the Fund, the Fund will exercise its rights of compulsory redemption under the Constitution and will commence liquidation of its holdings in order to partially or fully redeem all outstanding Participating Shares prior to the formal commencement of winding up proceedings. All redemptions shall be made in accordance with the Constitution and the applicable provisions of the laws of the Cayman Islands.

The right of any Shareholder to require the redemption of Participating Shares will be suspended during any period when the calculation of the Net Asset Value is suspended by the Fund.

Save as described below, redemption requests shall be irrevocable by the Shareholder except with the prior consent in writing of the Directors.

If a determination is made to effect a suspension of the voluntary redemption of Participating Shares pursuant to the Constitution, a Redeeming Shareholder who has submitted a Redemption Notice (as defined in the Constitution) may withdraw his Redemption Notice during the period of suspension. Any withdrawal of a Redemption Notice under the Constitution shall be made in writing and shall only be effective if actually received by the Manager before termination of the period of suspension, by facsimile or electronic mail (in each case, with the original to follow promptly by mail) at the address or facsimile number set out in this section. If the Redemption Notice is not so withdrawn the redemption of the Participating Shares shall be made at such time and in such order of priority as the Directors may determine.

In the event that a Redeeming Shareholder redeems any or all of his, her or its Participating Shares on any one Dealing Day for Redemptions, and there is a subsequent adjustment to the Net Asset Value of the Participating Shares redeemed by such Redeeming Shareholder on such Dealing Day for Redemptions, the Directors may either determine to pay an additional amount to such Redeeming Shareholder, retain such amount for the benefit of the Fund or take such action as is necessary to recover the overpaid amount from such Redeeming Shareholder, as the case may be. In the event of a partial redemption of a Redeeming Shareholder's Participating Shares, the Directors shall, in addition to the foregoing, have the discretion to adjust the number of Participating Shares held by such Redeeming Shareholder (by way of redemption or further issuance) to take account of any subsequent adjustments to the Net Asset Value of the Participating Shares redeemed by such Redeeming Shareholder as at the relevant Dealing Day for Redemptions.

Limitations on Redemptions

The Directors reserve the right to postpone redemptions if:

- (i) requests are received in respect of any one Dealing Day for Redemptions aggregating more than 10 per cent (10%) (or such other percentage as the Directors may determine) of the Net Asset Value of the relevant Class of Participating Shares in issue or of all the Participating Shares in issue, in which case, the Directors may reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the Net Asset Value of the relevant Class of Participating Shares issued or of all the Participating Shares in issue (as applicable);

- (ii) requests are received in respect of any one Dealing Day for redemptions and the composition of the assets of the Fund at that time makes it unfeasible, or impossible, to give effect to the request. In this regard, the implementation by the Manager of the investment strategy of the Fund in the manner set out in the section entitled *Investment Strategy* in Part I of this Memorandum will result in the Fund acquiring private assets, in the form of SME ownership stakes. In accordance with the Investment Strategy, such assets are likely to represent a very significant proportion of the Fund's assets from time to time. No ready market for the sale of such assets exists and the Manager is otherwise highly unlikely to be able to realise such assets within the time period between the receipt of a redemption request and the payment of redemption proceeds in the ordinary course. In addition, the constituent documents of the SME, or other agreements entered into by the Fund or the Manager in respect of such investment, may restrict or prohibit the ability of the Fund to deliver such investment *in specie*, either in whole or in part, as redemption proceeds, in whole or in part. In such case, the Directors may reduce all but not some of such requests (including by reducing all such requests to nil) so that they cover no more than the amount that it is feasible to give effect to; or
- (iii) the Directors need to realise part or all of the assets of the Fund in order to satisfy one or more redemptions pursuant to the Directors' right of compulsory redemption in circumstances as stated in this Memorandum and in the Constitution, in which case, the Directors may reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the relevant Class of Participating Shares issued or of all the Participating Shares in issue (as applicable).

Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Directors will be treated as if the request had been made in respect of the next Dealing Day for Redemptions and all following Dealing Days for Redemptions (in relation to which the Directors have the same power) until the original request has been satisfied in full. Any unsatisfied portion of any redemption request will continue to be at risk in the Fund's business.

Suspension of the Issue and Redemption of Participating Shares

The Directors may at any time determine to postpone or suspend (i) the calculation of the Net Asset Value of Participating Shares of any one or more Classes (and the applicable Valuation Point); (ii) the issue of Participating Shares of any one or more Classes (and the applicable Dealing Day for Subscriptions); (iii) the redemption (in whole or in part) of Participating Shares of any one or more Classes (and the applicable Dealing Day for Redemptions); and/or (iv) the payment of any redemption proceeds (even if Valuation Points and Dealing Days for Redemptions are not postponed), in each case for the whole or any part of any such period and in such circumstances as the Directors may determine which may include during (i) any period when any stock exchange, commodities exchange, futures exchange or over-the-counter market on which a substantial part of the Fund's investments is quoted, listed or dealt in is closed otherwise than for ordinary holidays; (ii) any period when dealings on any exchange or market are restricted or suspended; (iii) the existence of any circumstances as a result of which disposal of some or all of the Fund's investments cannot, in the absolute discretion of the Manager, be effected normally or without prejudicing the interests of Shareholders; (iv) the breakdown in any of the means normally employed in determining the Net Asset Value or the Subscription Price or Redemption Price per Participating Share of any Class or when for any other reason the value of any of the Fund's investments cannot be reasonably or accurately ascertained; (v) any period when realisation of the Fund's investments or the transfer of funds involved in such realisation cannot, in the opinion of the Manager, be effected at normal prices or normal rates of exchange; (vi) any period when the business operations of the Manager in relation to the operations of the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; (vii) any period where, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of any asset of the Fund cannot be effected at the normal rates of exchange, as determined by the Manager; (viii) where the holders of the Management Shares have resolved to commence winding up or other insolvency proceedings; or (ix) where such suspension is required by law or any applicable legal process.

Any suspension declared shall take effect at such time as the Directors shall declare and shall remain in effect until the Directors shall declare the suspension to be at an end.

The Directors may with respect to any Shareholder suspend the redemption rights of such Shareholder, including the right to receive the Redemption Price, if the Directors deem it necessary to do so to comply with anti-money laundering laws and regulations or any other legal requirement applicable to the Fund, the Manager, any other service provider to the Fund or any affiliate of any of them.

Each declaration of a suspension by the Directors shall be consistent with such official rules and regulations (if any) relating to the subject matter thereof as shall have been promulgated by any authority having jurisdiction over the Fund as shall be in effect at the time. To the extent not inconsistent with such official rules and regulations, the determination of the Directors shall be conclusive.

The Manager will promptly notify Shareholders in writing of any suspension mentioned above and the subsequent lifting of the suspension. In the event of any such suspension of subscriptions and/or redemptions being imposed, the Directors shall instruct the Manager to cease accepting any Subscription Agreements or redemption requests, as applicable, and may, at their discretion, cancel any Subscription Agreements or redemption requests received prior to such suspension being imposed, and any investors or Shareholders, as the case may be, may be required to re-submit their Subscription Agreements or redemption requests upon the lifting of the suspension. A Shareholder who has submitted a redemption request after a determination to effect a suspension may withdraw his redemption request during the period of the suspension. The Directors may nominate any other day as a Valuation Point, or to issue or redeem Participating Shares in substitution for a Dealing Day in respect of which determination of the Net Asset Value has been suspended.

Compulsory Redemption

The Directors may in their sole discretion redeem some or all of a Shareholder's Participating Shares with or without cause, at any time upon at least three (3) days' prior written notice to such Shareholder. Payment will be made in accordance with the procedure applicable to Participating Shares that are redeemed at the request of the Shareholder, whether or not such redemption has been requested by such Shareholder. Such redemption shall be effective on the date specified in such notice to the Shareholder.

In particular, but without limiting the generality of the foregoing, the Directors may redeem a Shareholder's Participating Shares they, in their sole discretion, determine that the continued participation of such Shareholder in the Fund may result in the Fund incurring any legal, tax, regulatory, material administrative or pecuniary disadvantage.

The Directors also have the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager. Please refer to the section entitled *Performance Fee* in Part III of this Memorandum for further information.

The Directors have the right to compulsorily redeem the Participating Shares held by "*Non-Qualifying Investors*", as described in Part V of this Memorandum.

The Directors may compulsorily redeem the Participating Shares held by a Shareholder who fails or refuses to furnish all Verification Documents on a timely basis.

Soft Wind Down

The Directors have the power, in the circumstances described below under the heading *Suspension of the Issue, and Redemption of Participating Shares, Payment of Redemption Proceeds and Valuations* in this Part of the Memorandum, to determine that a suspension be imposed (including suspension of the calculation of the Net Asset Value, redemptions of Participating Shares and the payment of redemption proceeds). It is anticipated that any suspension would ordinarily be temporary. However, there may be situations in which the circumstances giving rise to the suspension continue to be present for a considerable period of time with the result that the Directors, in consultation with the Manager, consider it appropriate to keep the suspension in place indefinitely. In certain circumstances, even where a suspension has not been declared, the Directors may, in consultation with the Manager, make a determination that the investment strategy should no longer be continued. During any such period of suspension or having made such determination that the investment strategy should no longer be continued, the Manager may recommend to the Directors that the Fund be managed with the objective of returning the Fund's assets to Shareholders in an orderly manner (an "**Orderly Realisation**"). The Directors may, in such circumstances, resolve to effect an Orderly Realisation should they determine that doing so is in the best interests of the Fund's stakeholders. Such Orderly Realisation shall not constitute a dissolution or winding up of the Fund for any purposes, but rather only the continued management of the Fund's portfolio so as to reduce such portfolio to cash (to the extent reasonably practicable, as advised by the Manager) and return such cash as well as all other assets of the Fund to the Shareholders. The Directors shall promptly communicate to Shareholders any resolution to proceed with an Orderly Realisation of the Fund. During an Orderly Realisation, the Manager may, in consultation with the Directors, take such steps as are considered appropriate in the best interests of the Fund's stakeholders to effect the Orderly Realisation.

The Directors, in consultation with the Manager shall establish what they consider to be a reasonable time by which the Orderly Realisation should be effected (the "**Realisation Period**"). Any resolution to undertake an Orderly Realisation and the process thereof shall be deemed to be integral to the business of the Fund and may be carried out without recourse to a formal process of liquidation under the Companies Law (2010 Revision) or any other applicable bankruptcy or insolvency regime. The Directors, in consultation with the Manager, may resolve to cease the Orderly Realisation within the Realisation Period and recommence active trading if the circumstances permit a lifting of any applicable suspension or, where no suspension is in effect, if the circumstances are such that the investment strategy can then be continued. Management fees and performance fees shall be payable during an Orderly Realisation on the same basis as described in Part III of this Memorandum. Subscribers agree that they shall not file a winding up petition on the just and equitable ground against the Fund in the Grand Court of the Cayman Islands or make any other equivalent application before the courts of any other jurisdiction in connection with the Fund's suspension of any of the calculation of the Net Asset Value, a Shareholder's redemption rights or a Shareholder's right to receive redemption proceeds.

Information on the Fund

Directors

The Directors have overall authority over, and responsibility for, the operations and management of the Fund. The Fund has, however, delegated the management of the Fund's investments to the Manager on the terms of the Management Agreement.

The current Directors of the Fund are Scott Robert Baker and Peter John Fisher.

The Directors' qualifications and experience are set out below.

Scott Robert Baker

Mr Baker has had extensive professional experience in capital raising, mergers and acquisitions and asset management and in the management and governance of public and private investment funds.

Mr Baker has been a Principal of Velox Capital LLC since 2011. Velox Capital provides advice to institutional investors on mergers and acquisitions in Central Europe.

Since 2004, Mr Baker has been a Board Member of numerous public and institutional funds managed by Altima Partners LLP, a specialist asset manager focussing on private equity and special situations investments, and from 2011 to 2017, Mr Baker was the Chairman of the First Degree Long Horizon Absolute Return Fund, an investment fund managed by the Manager.

From 2008 to 2011, Mr Baker was a Partner in Capital Elements (UK) LLP, a clean energy affiliate of Altima Partners, with responsibility for legal affairs, tax and governance. Prior to this role, from 2002 to 2007 Mr Baker was Vice Chairman of Ceske Radiokomunikace as, the leading broadcast tower operator in the Czech Republic and, from 1999 to 2002, was a Board Member of Balkanpharma AD, one of Bulgaria's leading pharmaceutical groups.

Mr Baker has a Bachelor of Economics and a Bachelor of Laws from the University of Sydney.

Mr Baker was appointed as a Director of the Fund on 15 May 2018 and is based in Prague, The Czech Republic.

Peter John Fisher

Mr Fisher has extensive experience in corporate and commercial matters, having practised law in Australia for the past five decades. He currently acts as a Consultant to his firm and has a wide general practice, including the management of trust funds.

Mr Fisher holds a Bachelor of Laws from the University of Sydney and is a New South Wales Law Society Accredited Specialist in property law, with major credentials in mortgages and securities.

Mr Fisher was formerly a Director of the First Degree Long Horizon Absolute Return Fund.

Mr Fisher was appointed as a Director of the Fund on 14 June 2018, is related to a Director of the Manager and is based in Sydney, Australia.

Manager

The Manager of the Fund is First Degree Global Asset Management Pte. Ltd., a private limited company incorporated in Singapore on 4 May 2011. The Manager has been appointed by the Fund to manage, supervise, select and evaluate investments of the Fund and to provide operational and administrative services, subject to compliance with applicable laws, the Constitution and in accordance with the terms of the Management Agreement.

The Manager holds a Capital Markets Services Licence for Fund Management issued by MAS.

The Manager may delegate any of its powers under the Management Agreement to any other person or persons as the Manager considers appropriate, to manage and invest the assets of the Fund, including investment advisor(s) to provide strategic investment advice and limited investment management services with respect to the Fund's portfolio.

The Manager, and/or its directors, employees, related entities and connected persons and their respective directors and employees, may subscribe, directly or indirectly, for Participating Shares.

Pursuant to the Management Agreement, the Manager is entitled to be indemnified by the Fund in respect of any loss or liability incurred by it in connection with the performance of its duties as Manager except that caused by fraud, negligence or wilful default on the part of the Manager or its agents.

Either the Fund or the Manager may terminate the Management Agreement with immediate effect where the other party has gone into liquidation (except voluntary liquidation for the purposes of reconstruction or amalgamation or merger upon terms previously approved in writing by the other party) or if a receiver or administrator (or equivalent) is appointed over all or any substantial part of the other party's assets or if the other party has failed to remedy a material breach of the Management Agreement.

Either party to the Management Agreement may terminate the Management Agreement by not less than six (6) months' written notice to the other party, provided that the Fund may not terminate the Management Agreement within a period of two years from the date of the Management Agreement.

The Directors and key personnel of the Manager are Stephen Fisher, Samuel Luft and Anthony Morgan, respectively. The experience and qualifications of these individuals are set out below.

Stephen Fisher, Principal, Chairman and Chief Investment Officer

Stephen Fisher was appointed as Chairman of the Board of Directors and Chief Investment Officer of the Manager upon its formation in 2011.

Stephen has 30 years' experience as an investment professional with leading investment management groups in the United States, Asia and Australia. Formerly, the Head of Global Fixed Income Product – Asia Pacific at JPMorgan Asset Management, Stephen has also held the positions of Australian Head of Capital Markets Research and Asia Pacific Regional Head of Capital Markets Research at J.P. Morgan Investment Management, Inc.

Stephen's particular areas of expertise has been in quantitative analysis and in Central Bank reserves management. His research on reserves management issues has been widely published in academic and industry journals.

Stephen holds a Master of Science (Finance) and a PhD (Finance) from the WE Simon Graduate School of Business Administration, University of Rochester, New York and a Bachelor of Economics (First Class Honours) from the University of Sydney.

Samuel Luft, Principal and, Chief Executive, Global Wealth Management

Samuel Luft was appointed as a Director and Chief Executive, Global Wealth Management, of the Manager upon its formation in 2011.

Samuel has 30 years' experience managing portfolios for private clients and institutional investors in North America, Europe and Asia. Formerly the Head of Investment Management for Credit Suisse Agricole (The Bahamas), Samuel has also held the positions of Chief Global Markets Strategist at Folio Asset Management (Canada/USA) and Chief Executive of Banque Safdie (USA).

Samuel's specialist area of expertise is in global asset allocation strategy and he is a regular panellist at asset management industry events.

Samuel holds a Master of Science (Finance) and a Master of Business Administration from McGill University.

Anthony Morgan, Chief Executive Officer

Tony Morgan was appointed as a Director and Chief Executive Officer of the Manager upon its formation in 2011.

Tony has 25 years' experience in the management, operating and control functions of investment management businesses across the Asia Pacific Region, having held management roles with the JPMorgan Asset Management Group in Australia, Hong Kong and Singapore. These roles included Chief Operating Officer and Head of Risk Management, South Asia, with management and operating responsibility for the Group's businesses in Australia, India, Pakistan, Singapore and Thailand, and Head of Sovereign and Institutional Clients, South Asia.

Tony has a Bachelor of Legal Studies from Macquarie University, a Master of Laws and a Master of Taxation from the University of Sydney and a Master of Business Administration from the University of London. He has been admitted as a Solicitor of the High Court of Australia and the Supreme Court of New South Wales.

Investment Originator

The Manager has appointed The Unity Group of Companies Pte. Ltd., a private limited company incorporated in Singapore on 1 December 2015, as Investment Originator to it in respect of the Fund, upon the terms of the Investment Originator Agreement.

The Investment Originator is a mergers and acquisitions firm, that specializes in attracting investment and creating opportunities for SME's to scale. The Investment Originator provides its SME clients with a full suite of commercial services, including private equity expertise, transaction experience and corporate services in order to drive change in the investment of SME's and assisting them to scale.

The Investment Originator, and/or its directors, employees, related entities and connected persons and their respective directors and employees, may subscribe, directly or indirectly, for Participating Shares.

Either the Manager or the Investment Originator may terminate the Investment Originator Agreement with immediate effect where the other party has gone into liquidation (except voluntary liquidation for the purposes of reconstruction or amalgamation or merger upon terms previously approved in writing by the other party) or if a receiver or administrator (or equivalent) is appointed over all or any substantial part of the other party's assets or if the other party has failed to remedy a material breach of the Investment Originator Agreement.

The Investment Originator Agreement terminates automatically upon termination of the Management Agreement.

The fees of the Investment Originator are met by the Manager.

Jeremy Jon Harbour is the sole Director and key personnel of the Investment Originator. Mr Harbour's experience and qualifications are listed below:

Jeremy Jon Harbour

Mr Harbour is the Founder and Chief Executive Officer of The Unity Group of Companies Pte. Ltd. ("**Unity Group**"), which group includes the Investment Originator. Unity Group is a private equity group that specialises in helping entrepreneurs grow their SME's and to realise value for their stakes.

Mr Harbour is an expert in mergers and acquisitions for SME's, having bought and sold over 50 firms, as well as advised on more than 200 deals.

Through Unity Group, Mr Harbour is pioneering a new business model called Agglomeration, whereby a group of SME's come together under a publicly listed holding company. The owners of each SME swap their privately traded shares for publicly-traded shares in the holding company, but continue to retain a high degree of operational autonomy in relation to their SME. The model enables an entrepreneur to continue running its business, and at the same time benefit from share liquidity and the scale of being part of a larger group.

Mr Harbour lectures globally on mergers and acquisitions for SME's with a focus on distressed and motivated acquisitions. He has coached leaders across a variety of multinational organisations on strategies for acquiring SME's and his contribution to the SME sector has been regularly recognised by industry awards, including three times being Coutts Entrepreneur of the Year runner up. Mr Harbour has also served on the fund raising committee of the Prince's Trust, has advised both Buckingham Palace and the United Kingdom Parliament on matters of business and enterprise and is the author of leading texts on the SME sector.

Mr Harbour is the shareholder and Advisory Director of the Mint National Bank, was the Co-Founder and former Chairman of The Marketing Group and is a DBS Business Class Advisor, a leading Singapore-based platform which allows SME's to access strategic and tactical advice from industry experts.

Mr Harbour is also a Director of the Investment Originator.

The Management of Potential Conflicts of Interest Involving the Investment Originator

As set out in the section entitled Investment Strategy in Part I of this Memorandum, the Investment Originator may, in accordance with the terms of the Investment Originator Agreement, put forward for consideration and determination of the Manager opportunities for the Fund to invest in SME's in which the Investment Originator or its related party has an ownership interest, provided that such interest is disclosed to the Manager at the time that the opportunity is put forward. The Investment Originator has advised the Manager that it expects that in respect of most, if not all, of the opportunities put forward by it, the Investment Originator (or its related party) will have an ownership interest.

The Investment Originator has also notified the Manager that Directors and/or Officers of it and its related parties serve, or may in the future serve, as Directors or Officers and/or may be shareholders of other entities engaged in the Agglomeration process, including entities that may seek to transact with the Fund.

To address the potential for a conflict of interest to arise in relation to the role of the Investment Originator as investment originator to the Manager in respect of the Fund, the Manager has put in place the following procedures to manage any conflict that may so arise:

- (a) First and foremost, and in accordance with the terms of the Management Agreement, the Manager, subject only to compliance with the Management Agreement, the Investment Policy (as defined in the Management Agreement) and relevant law, has the authority to manage the investments of the Fund on a fully discretionary basis and no third party (including the Investment Originator) is empowered to abrogate that discretion;
- (b) The Manager will independently of any party, including the Investment Originator, conduct an assessment and make its own determination on the investment merits of potential investments of the Fund;
- (c) In respect of any opportunity for the Fund to invest in an SME (which terms for the purposes of this section includes any holding company or related company of the relevant SME) put forward by the Investment Originator for consideration and determination by the Manager as a potential investment for the Fund, in which the Investment Originator, any of its Directors, Officers or Shareholders, any related party of the Investment Originator, or any of the Directors, Officers or Shareholders of that related party (each a "**Connected Party**"), acts as a Director or Officer, or owns an interest, directly or indirectly, in the SME, the Investment Originator shall, at the time that the opportunity is put forward to the Manager, notify the Manager in writing of the nature and extent of the relevant Connected Party's connection with the SME;

- (d) In respect of any such SME in which the Manager determines that the Fund shall invest, the Manager shall, in relation to such investment:
- (i) Prior to the Fund making its investment, commission and obtain an independent assessment of the merits of the proposed investment (the “**Independent Assessment**”); and
 - (ii) Only proceed with the Fund’s investment if the Independent Assessment supports the merits of the proposed investment.

The costs and expenses of the Independent Assessment will be met by the Fund.

Management Shares

The Management Shares of par value USD 1.00 each are held by:

Number Held	Holder
1	Valerie Linda Harbour
29	Jeremy Jon Harbour

The rights associated with the Management Shares are described in the section entitled *Rights of the Management Shares in the Fund* in Part VI of this Memorandum. The holders of the Management Shares have full voting rights, but neither the right to receive dividends nor any rights to participate and receive surplus funds upon liquidation of the Fund, other than a return of the nominal paid-up capital per Management Share of USD 1.00 per Management Share.

Financial Period

Unless otherwise determined by the Directors, the Fund’s financial year ends on 31 March, with the first financial year of the Fund ending on 31 March 2019, unless the Directors determine otherwise.

Dividends

It is the present intention of the Directors not to declare or pay any dividend or distribution to the holders of Participating Shares. Income earned will be reinvested and reflected in the value of the Participating Shares. However, this does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate. If a dividend is declared, it will be paid in accordance with the Constitution and any applicable laws of the Cayman Islands. Holders of Management Shares will not be entitled to dividends.

Reports, Accounts and Statements

An annual report and the audited accounts of the Fund will be sent to the Shareholders within six months from the end of the period to which such report and accounts relate.

The financial statements will be prepared in accordance with IFRS, or such accounting principles as the Directors shall determine, and will be audited by the Auditor.

The Manager will provide each Shareholder with a statement setting out details of the shareholding of the Shareholder and the Net Asset Value of the Class A Participating Shares, as soon as reasonably practicable after each Valuation Point.

PART III – FEES AND EXPENSES

Establishment Expenses

The Fund will pay all expenses of its establishment (including legal, accounting and other professional fees, including any establishment fee of the Manager, and expenses) of or incidental to the Placing, including the preparation and printing of this Memorandum (and all updates as may be necessary), the costs and expenses of any structure or intermediary arrangement or instrument implemented to source, directly or indirectly, subscriptions for Participating Shares and all relevant agreements referred to in this Memorandum. These expenses will be amortised over a period of 36 months commencing on the close of the Initial Offer Period, or such other period as the Directors may determine. Investors should note that under IFRS, establishment costs should be expensed as incurred. The Directors have considered the potential impact of such non-compliance and do not, as at the date of this Memorandum, expect this issue to materially affect the Fund's performance or the Net Asset Value of the Fund. However, such divergence from the IFRS may, in certain circumstances, result in a qualification of the annual audited financial statements, where those financial statements are subject to audit.

Operating and Administrative Expenses

The Manager is responsible for providing and paying for all office personnel, office space and office facilities required for the performance of its respective services to the Fund.

The Fund will bear all its operating and administrative expenses, including all fees payable by the Fund to the Manager, and all fees payable to third parties and other expenses (other than those to be borne by the Manager) incurred in its operations, including but not limited to, fees, taxes, expenses for legal, auditing and consulting services, promotional expenses, registration fees, renewal fees and other expenses due to supervisory authorities in various jurisdictions, insurance premiums in respect of directors' and officers' liability insurance, legal fees of Directors pursuant to their performance of duties for the Fund, the costs of publishing the Net Asset Value, the costs of printing and distributing the annual and any periodic reports and statements and any costs or expenses of any structure or intermediary arrangement or instrument implemented to source, directly or indirectly, subscriptions for Participating Shares.

Management Fee

In respect of Class A Participating Shares, the Fund will pay to the Manager a quarterly Management Fee in arrears equal to the one-quarter of two percent (2.0%) of the Net Asset Value of the Class A Participating Shares of the Fund (prior to the accrual of Performance Fees and Management Fees of that quarter), accrued quarterly and calculated as at each quarterly Valuation Point, subject to a minimum quarterly Management Fee in respect of all Participating Shares then on issue of the greater of USD 20,000 and 0.25% of the NAV of the Fund (adjusted annually for inflation) that shall be payable by Fund to the Manager.

The Management Fee shall be payable by the Fund to the Manager within 14 days after the relevant Valuation Point.

Performance Fee

The Manager will also be entitled to receive a Performance Fee from the Fund calculated on a share-by-share basis so that each Participating Share is charged a Performance Fee that equates precisely with that Participating Share's performance. This method of calculation ensures that (i) any Performance Fee paid to the Manager is charged only to those Participating Shares which have appreciated in value above the High Water Mark, (ii) all holders of Participating Shares have the same amount of capital per Participating Share at risk in the Fund, and (iii) all Participating Shares have the same Net Asset Value per Participating Share of the relevant Class.

A "**Performance Period**" for each Participating Share is a period commencing on the initial date the Participating Share is issued and ending at the close of business on the first to occur of (1) or (2) below, and thereafter, is each period commencing as of the day following the last day of the preceding Performance Period for such Participating Share and ending as of the close of business on the next to occur of (1) each 31 March, or (2) the date the Participating Share is redeemed. The Performance Fee will be deemed to accrue on a quarterly basis as at each quarterly Valuation Point, or otherwise at each Valuation Point where such Valuation Point occurs on a more or less frequent basis than quarterly.

The Performance Fee of each Class of Participating Shares in respect of each Performance Period will be calculated by reference to the Net Asset Value of the relevant Class of Participating Shares before deduction for any accrued Performance Fee.

For each Performance Period, the Performance Fee in respect of each Class A Participating Share will be equal to twenty (20) per cent of the positive difference between the Net Asset Value per Class A Participating Share as at the last Valuation Point during that Performance Period, and the High Water Mark applicable to that share.

If the Management Agreement is terminated before 31 March in any year, the Performance Fee in respect of the then Performance Period will be calculated and paid as though the date of termination were the end of the relevant Performance Period.

The Directors have the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager.

The Manager may from time to time or in any particular case and at its sole discretion and out of its own resources decide to waive or rebate to some or all Shareholders or their agents or to intermediaries, part or all of the Management Fee and/or Performance Fee. Any such rebates may be applied in paying up additional Participating Shares of any Class to be issued to the Shareholder.

The Manager may elect to defer payment of all or any part of the Performance Fee. If the Manager elects to defer such payment, then any such deferred amounts payable to the Manager will be treated—and the amounts eventually payable at the end of such deferral periods will be determined—as if such deferred amounts had been invested in the Fund, without any charge for the Management Fee otherwise allocable to such deferred amounts, or Performance Fee, on the first day of the Performance Period following the Performance Period the deferred fee was earned and redeemed as of the last day of the deferral period. The deferred fees and any appreciation or depreciation thereon will be paid promptly after the end of the deferral period. If deferred amounts payable to the Manager are treated as if such deferred amounts had been invested in any fund or investment other than the Fund, however, the Manager will notify Shareholders within seven Business Days of such change.

Title to and beneficial ownership of the deferred amounts referred to above will at all times remain with the Fund, and the Manager will not have any property interest whatsoever in any specified assets of the Fund until such deferred amounts are paid to the Manager. Any deferred amounts referred to above will continue for all purposes to be part of the Fund and no person other than the Fund will by virtue of the provisions of the Management Agreement have any interest in such funds. To the extent that the Manager acquires a right to receive payments from the Fund under the Management Agreement, any such right will be no greater than the right of any unsecured creditor of the Fund.

The Manager may pay any or all of the Performance Fee to the Investment Originator in respect of services provided by the Investment Originator to the Manager in respect of the Fund.

Equalisation Adjustments

If an investor subscribes for Participating Shares of any Class at a time when the Net Asset Value per Participating Share of such Class is other than the High Water Mark, certain adjustments will be made to reduce any unfairness that could otherwise result to such Shareholder or to the Manager.

- (i) If Participating Shares of any Class are subscribed where the Net Asset Value per Participating Share of such Class is less than the High Water Mark, the Shareholder will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Participating Shares of such Class. With respect to any appreciation in the value of those Participating Shares of such Class from the Net Asset Value per Participating Share of such Class at the date of subscription up to the High Water Mark, the Performance Fee will be charged at the end of each Performance Period by redeeming such number of the Shareholder's Participating Shares of such Class as having an aggregate Net Asset Value (after accrual for any Performance Fee) equal to the Relevant Percentage of any such appreciation (a "**Performance Fee Redemption**"). The aggregate Net Asset Value of the Participating Shares of such Class so redeemed will be paid to the Manager as a Performance Fee. Performance Fee Redemptions ensure that the Fund maintains a uniform Net Asset Value per Participating Share in the same Class. As regards the Shareholder's remaining Participating Shares of such Class, any appreciation in the Net Asset Value per Participating Share of such Class above the High Water Mark will be charged a Performance Fee in the normal manner. In the event that a Shareholder redeems Participating Shares of such Class midway through a Performance Period and an adjustment is required to such Participating Shares, such adjustment shall be deducted from the redemption proceeds and shall be paid to the Manager.

- (ii) If Participating Shares of any Class are subscribed where the Net Asset Value per Participating Share of such Class is greater than the High Water Mark, the Shareholder will be required to pay an amount in excess of the current Net Asset Value per Participating Share of such Class which is equal to the Relevant Percentage of the difference between the Net Asset Value per Participating Share of such Class (before accrual for the Performance Fee) and the High Water Mark (an "**Equalisation Credit**"). As at the date of subscription, the Equalisation Credit will equal the Performance Fee per Participating Share of such Class accrued with respect to the other Participating Shares in the same Class (the "**Maximum Equalisation Credit**"). The Equalisation Credit accounts for the fact that the Net Asset Value per Participating Share of such Class has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders and serves as a form of credit against a Performance Fee that might otherwise be payable by the Fund but that should not, in fairness, be charged against the holder of Participating Shares of such Class making the subscription (because, in relation to the new Participating Shares of such Class, no favourable performance has yet occurred). The Equalisation Credit mechanism seeks to ensure that all holders of Participating Shares in the same Class have the same amount of capital at risk per Participating Share of such Class.

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

At the end of each Performance Period, if the Net Asset Value per Participating Share of any Class (before accrual for the Performance Fee) exceeds the High Water Mark that portion of the Equalisation Credit equal to the Relevant Percentage of such excess amount, multiplied by the number of Participating Shares of the same Class subscribed for by the Shareholder, will be applied to subscribe for additional Participating Shares of the same Class for such Shareholder. Additional Participating Shares of such Class will continue to be so subscribed for at the end of each Performance Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Participating Shares of such Class was made, has been fully applied. If the holder of such Class of Participating Shares redeems its Participating Shares of such Class before the Equalisation Credit has been fully applied, the holder of such Class of Participating Shares will receive additional redemption proceeds being equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Participating Shares of such Class being redeemed and the denominator of which is the number of Participating Shares of such Class held by the holder of such Class of Participating Shares immediately prior to the redemption (in respect of which an Equalisation Credit was paid on subscription).

The Performance Fee will generally be paid in arrears within 14 days after the end of the relevant Performance Period. However, in the case of Participating Shares redeemed during a Performance Period, the accrued Performance Fee in respect of those Participating Shares is payable within 14 days after the date of redemption.

Brokerage Commissions and Other Related Expenses

The Fund will pay brokerage commissions, interest expense, exchange, clearing and other related transaction fees and charges. In respect of investments of the Fund that comprise instruments listed or traded on a recognised exchange, it is intended that the Manager will use its reasonable endeavours to transact with brokers and dealers (including its affiliates) on the basis of best execution and in consideration of such broker's or dealer's ability to effect the transactions, the facilities, reliability and financial responsibility of such broker or dealer, special execution capabilities and the provision or payment (or rebate to the Fund for payment) by such broker or dealer of the costs of research and brokerage services which are of benefit to the Fund, the Manager and related investment vehicles and accounts.

Directors

The Directors are entitled to be paid directors' fees and reimbursed for their out-of-pocket expenses properly incurred by them in attending and returning from meetings of the Directors or any committee thereof, meetings of Shareholders or otherwise in connection with the business of the Fund.

PART IV – RISK FACTORS

There is a high degree of risk associated with an investment in the Fund and an investment in the Fund should be made only after consultation with independent qualified sources of investment and tax advice. An investment in Class A Participating Shares is suitable only for persons that can assume the risk of losing their entire investment. Prospective investors should consider, among others, the following risk factors before subscribing for Class A Participating Shares:

Investment Concentration

As the Fund's investment strategies do not mandate diversification, the Fund may have all or a high percentage of its assets invested in only a few investments. Such lack of diversification could result in either large gains or losses depending on the performance of one or a few companies in which the Fund may be invested. Accordingly, the investment portfolio of the Fund may be subject to more rapid change in value than would be the case if the Fund were required to maintain a wide diversification among companies, securities or types of securities.

Derivatives

Subject to applicable laws, the Fund's investments may include derivatives such as swaps, warrants, options and futures. The risk of investing in swaps, warrants, options and futures depends on the terms attached to them and on the volatility of the financial markets on which they are traded. Because over-the-counter derivatives - such as swaps, forwards and options - are customised transactions, they often assemble risks in complex ways. This can make the measurement and control of these risks more difficult and create the possibility of unexpected loss. As the viability of exercising warrants and/or options depends on the market prices of the securities to which they relate, it may be the case that the Manager from time to time considers it not viable to exercise certain warrants and/or options held by the Fund within the prescribed period, in which case any costs incurred in obtaining the warrants will not be recoverable. The prices of futures and other derivatives contracts are volatile and may be influenced, among other things, by changes in the underlying security or securities index or in interest rates and currency exchange rates, which are in turn affected by fiscal and monetary policies and national and international political and economic events. Due to the relatively low margin deposits required, futures trading involves an extremely high degree of leverage. As a result, a relatively small price movement in a futures or derivatives contract may result in an immediate and substantial loss, or gain, to the Fund.

The primary risk with derivative investments is that their use may amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative instrument. Derivatives involve special risks, including: (1) the risk that interest rates, securities prices, commodities markets, futures markets and currency markets will not move in the direction that the Manager anticipates; (2) imperfect correlation between the price of derivative instruments and movements in the prices of the securities, commodities, interest rates or currencies being hedged; (3) the fact that skills needed to use these strategies are different than those needed to select portfolio securities; (4) the possible absence of a liquid secondary market for any particular instrument and possible exchange imposed price fluctuation limits, either of which may make it difficult or impossible to close out a position when desired; (5) the risk that adverse price movements in an instrument can result in a loss substantially greater than the Fund's initial investment in that instrument (in some cases, the potential loss is unlimited); (6) particularly in the case of privately negotiated instruments, the risk that the counterparty will not perform its obligations, which could leave the Fund worse off than if it had not entered into the position; and (7) the inability to close out certain hedged positions to avoid adverse tax consequences.

Operational Risk / Derivatives: Operational risk is the risk of losses occurring because of inadequate systems and control, human error, or management failure. These risks also exist in securities and credit businesses. The complexity of derivatives, however, requires special emphasis on maintaining adequate human and systems controls to validate and monitor the transactions and positions of dealers. The main types of internal controls, depending upon the level of derivatives and the sophistication of the institution, may include the following:

- Oversight of informed and involved senior management.
- Documentation of policies and procedures, listing approved activities and establishing limits and exceptions, credit controls, and management reports.

- Independent risk management function (analogous to credit review and asset/liability committees) that provides senior management validation of results and utilizations of limits.
- Independent internal audits that verify adherence to the firm's policies and procedures.
- A back office with the technology and systems for handling confirmations, documentation, payments and accounting.
- A system of independent checks and balances throughout the transaction process, from front-office initiation of a trade to final payment settlement.

Forward Contracts: A forward contract obligates one party to buy, and the other party to sell, a specific underlying contract at a specific price, amount, and date in the future. Forward contracts create credit exposure. Since the value of the contract is conveyed only at maturity, the parties are exposed to the risk of default during the life of the contract. The credit risk is two-sided. Only the party for whom the contract has a positive mark-to-market value can suffer a loss; but, since either party can ultimately end up in this situation, each party must evaluate the creditworthiness of its counterparty. Investors in the Fund are exposed to the risk of any credit default, resulting from either failure on the part of the Fund or that of the counterparty to any forward contract with the Fund.

Swaps and Other Hedging Positions. The Fund may use swaps, which are types of derivatives, and other hedging positions to increase total return. A swap is a contract under which two parties agree to make periodic payments to each other based on specified interest rates, an index or the value of some other instruments, applied to a stated, or "notional", amount. Swaps can be classified generally as interest rate swaps, currency swaps, commodity swaps or equity swaps, depending on the type of index or instrument used to calculate the payments. In addition to swaps, the Fund may become a party to various other customised derivative instruments entitling the counterparty to certain payments on the gain or loss on the value of an underlying or referenced instrument. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk.

Moreover, to the extent that options, swaps, swaptions and other derivative instruments are used by the Fund, it should be noted that they inherently contain much greater leverage than does a non-margined purchase of the underlying security, or instrument in as much as only a very small portion of the value of the underlying security, commodity, or instrument is required to be paid to effect such investments.

Debt Securities

The Fund may invest in fixed income securities that may be unrated by a credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Fund may invest in debt securities that are not protected by financial covenants or limitations on additional indebtedness. The Fund will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk from debt securities involves uncertainty because credit-rating agencies throughout the world have different standards, making comparisons across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Potential Loss of Investment

No guarantee or representation is made that the Fund's investment program will be successful. Prospective investors should be aware that the value of the Class A Participating Shares and the return derived from them can fluctuate. As is true of any investment, there is a risk that an investment in the Fund will be lost entirely or in part. The Fund is not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

Leverage

The Fund may utilise leverage. This results in the Fund controlling substantially more assets than the Fund has equity. Leverage increases the Fund's returns if the Fund earns a greater return on investments purchased with borrowed funds than the Fund's cost of borrowing such funds.

However, the use of leverage exposes the Fund to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had the Fund not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Fund's cost of leverage related to such investments. In the event of a sudden, precipitous drop in value of the Fund's assets, the Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by the Fund.

Investment Strategy

Successful implementation of the Manager's strategy requires accurate assessments of general economic conditions, the prospects of individual companies or industries, and the future behaviour of other financial market participants. Even with the most careful analysis, the direction of the financial markets is often driven by unforeseeable economic, political and other events and the reaction of market participants to these events. There can be no assurance that the Manager's strategy will be successful and an unsuccessful strategy may result in significant losses to the Fund.

Investments in Publicly Traded Securities

Some of the markets in which the Fund may invest are emerging markets, and consequently tend to be substantially smaller, less liquid, less regulated and more volatile than major securities markets, such as those in more developed economies. The limited liquidity of securities in some emerging countries could also affect the Fund's ability to acquire or dispose of securities at the price and at the time it wishes to do so.

Investments in Unlisted Companies

Investments in unlisted companies represent a higher risk as compared to investments in listed companies. Unlisted companies may not have previous track records or business models, are subject to less regulation by authorities and may not have strong corporate governance procedures. There is also less transparency in their activities as well as a general lack of availability and access to more detailed financial information. There is also no assurance that the Manager will be able to secure a liquidity event such as the initial public offering of the unlisted company's shares or a trade sale to third parties. In such event, the Fund may not be able to realise its initial investment in the unlisted company.

Risks Relating to Mortgaged-backed and other Asset Backed Securities

Mortgaged related and other asset backed securities often involve risks that are different from risks associated with other types of debt instruments. Investors should note that, rising interest rates may have the result of extending the duration of fixed rate mortgaged-related securities, making such instruments more sensitive to changes in the interest rate environment. As a result, in a period of rising interest rates, if the Fund holds mortgage-related securities, such holding may tend to add to the volatility in the Fund. In addition, adjustable and fixed rate mortgaged-related securities are subject to prepayment risks – in low interest rate environments, borrowers may tend to effect settlement of their mortgages sooner than expected. This can reduce the returns of the Fund because the Fund may have to reinvest the funds at the lower prevailing interest rate.

Convertible Securities Risk

Convertible securities are fixed income securities, preferred stocks or other securities that are convertible into for common stocks of the issuer (or cash or securities of equivalent value) at either a state price or a stated rate. The market value of such convertible securities may decline as interest rates increase and conversely, increase as interest rates decline. A convertible security's market value however, tends to reflect the market price of the common stock of the issuing company when that stock price approaches or is greater than the convertible security's conversion price (being the predetermined price at which the convertible security could be exchanged for the associated stock in the issuer). As the market price of the underlying common stock declines, the price of the convertible security tends to be influenced more by the yield of the convertible security. Thus, it may not decline in price to the same extent as the underlying common stock.

Short Selling

The extent to which the Fund engages in short sales will depend upon the Manager's investment strategy and opportunities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Fund of buying those securities to cover the short position.

There can be no assurance that the Fund will be able to maintain the ability to borrow securities sold short. In such cases, the Fund can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Foreign Currency Markets

The Fund will have exposure to fluctuations in currency exchange rates where it holds currencies other than USD or invests directly or indirectly in securities denominated in currencies other than USD. A change in value of any such currency against the USD will cause a corresponding change in the value of the Fund's securities that are denominated in such currency. Those changes may also affect the Fund's income and profitability. Certain countries maintain their currencies at artificial levels relative to the USD. This type of system can lead to sudden and large adjustments in such currency, which can result in losses to investors.

The Fund may, in part, seek to offset the risks associated with such exposure through foreign exchange transactions. The markets in which foreign exchange transactions are effected are highly volatile, highly specialised and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

Currency Exchange Exposure and Currency Hedging

To the extent the Fund seeks to hedge its currency exposure, it may not always be practicable to do so. Moreover, hedging may not alleviate all currency risks. Furthermore, the Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer will normally offer to sell currency to the Fund at one rate, while offering a lesser rate of exchange should the Fund desire immediately to resell that currency to the dealer. The Fund conducts its currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into a number of different types of hedging transactions including, without limitation, forward, futures or commodity options contracts to purchase or sell currencies, and entering into foreign currency borrowings.

To the extent the Fund enters into currency forward contracts (agreements to exchange one currency for another at a future date), these contracts involve a risk of loss if the Fund fails to predict accurately the direction of currency exchange rates. In addition, forward contracts are not guaranteed by an exchange or clearing house. Therefore, a default by the forward contract counterparty may result in a loss to the Fund for the value of unrealised profits on the contract or for the difference between the value of its commitments, if any, for purchase or sale at the current currency exchange rate and the value of those commitments at the forward contract exchange rate.

Techniques used to hedge currency exposure may reduce but will not eliminate the risk of loss due to unfavourable currency fluctuations and they tend to limit any potential gain that might result from favourable currency fluctuations. Some countries restrict conversion of their currency into other currencies, including the USD and, for some currencies, there is no significant foreign exchange market.

There can be no guarantee that instruments suitable for hedging currency or market shifts will be available at the time the Fund wishes to use them, or will be able to be liquidated when the Fund wishes to do so. In addition, the Fund may choose not to enter into hedging transactions with respect to some or all of its positions.

Emerging Markets

The Fund will invest in assets in an emerging market. Investing in an emerging market involve additional risks and special considerations not typically associated with investing in other more established economies or securities markets.

Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for USD (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of Shareholders.

Volatile Markets

The prices of financial instruments in which the Manager may invest can be volatile. Price movements of forward and other derivative contracts in which the Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Fund is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses.

Impacts of Recent Geopolitical Events

Uncertainties arising from war, the continued threat of terrorism, the ongoing military and other actions and heightened security measures in response to these threats, international tensions between the United States and other nations, and the outbreak of infectious diseases throughout the world may cause disruptions to commerce, reduced economic activity, and continued volatility in markets throughout the world. Some of the assets in the Fund's portfolio may be adversely affected by declines in the securities markets and economic activity because of these factors. The Manager cannot predict at this time the extent and timing of any decreased commercial and economic activity resulting from the above factors, or how any such decrease might affect the value of securities and other assets held by the Fund. The aforementioned factors could also result in incidents or circumstances that would disrupt the normal operations of the Manager, or any of the broker-dealers or other counterparties to the Fund, which could also have negative effects on the investment performance of the Fund.

Political & Economic Risks

The Net Asset Value of the Fund may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, imposition of confiscatory taxation and or withholding taxes on interest payments, changes in interest rates and other political and economic developments in law or regulations and, in particular, the risk of, and change in, legislation relating to the level of foreign ownership, including nationalisation and expropriation of assets.

Repatriation of Capital, Dividends, Interest and Other Income Risks

It may not be possible for the Fund to repatriate capital, dividends, interest and other income from certain countries, or it may require government or other regulatory consents to do so. The Fund could be adversely affected by the introduction of the requirement for any such consent, or delays in or the failure to grant any such consent, for the repatriation of funds or by any official intervention affecting the process of settlement of transactions that may in turn affect the repatriation of funds. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

Settlement, Clearing and Registration Risks

Some of the countries in which the Fund may invest are undergoing rapid expansion. There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in some of these markets. Where organised securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities where these are acquired other than as direct investments. Furthermore, due to the local postal and banking systems in many less developed markets, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by the Fund, including those related to dividends, can be realised. Some markets currently dictate that a local prime broker receives monies for settlement by a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement.

Market Risk

Financial markets are volatile. Wide swings in market prices are common in financial markets. In many instances, market prices defy rational analysis or expectation for prolonged periods and are influenced by movements of large funds as a result of short-term factors, counter-speculative measures or other reasons. Market volatility of large enough magnitude can sometimes weaken what is deemed a sound fundamental basis for investing in a particular market. Investment expectations may therefore fail to be realised in such instances.

The Fund's investment strategy is subject to some dimension of market risk: directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, "flights to quality", "credit squeezes", etc. Furthermore, due in part to the degree of leverage embedded in the derivative instruments in which the Fund may invest, the Fund may from time to time incur sudden and dramatic losses. The particular or general types of market conditions in which the Fund may incur losses or experience unexpected performance volatility cannot be predicted, and the Fund may materially under-perform other investment funds with substantially similar investment objectives and approaches.

Inflation

Some of the countries in which the Fund intends to invest have experienced extremely high rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain emerging countries. Therefore, the performance of the Fund could be affected by rates of inflation in countries in which the Fund invests.

Counterparty Risk

The Fund will transact some or all of its investments through financial institutions including but not limited to brokers, dealers and banks. All transactions will carry counterparty risks until the transactions have settled. All financing transactions such as borrowing or lending of funds or securities will carry counterparty risks until such borrowing or lending has terminated and the relevant collateral is returned. All deposits of securities or cash with a custodian, bank or financial institution will carry counterparty risk. Upon default by a counterparty the Fund may be forced to unwind certain transactions and the Fund may encounter delays and difficulties with respect to court procedures in seeking recovery of the Fund's assets.

Broker-Dealer Insolvency

The Fund's assets may be held in one or more accounts maintained for the Fund by its broker-dealers. There is a risk that any such broker-dealers (including any of their affiliates) may become insolvent. There is a possibility that the insolvency of a prime broker or broker-dealer may significantly impair the operational capabilities of the Fund and the Fund's assets. Although it is the intention of the Manager to regularly monitor the financial condition of the broker-dealers, if any of the broker-dealers (or their respective affiliates) were to become insolvent under applicable laws, there is a risk that the recovery of the Fund's securities and other assets from such broker-dealers may become protracted and/or be of a value less than the value of the securities or assets originally entrusted to such broker-dealers.

Default of Broker or Custodian

Certain brokerages and banks may have custody of the Fund's assets. Bankruptcy or fraud at any of these institutions may impair the operational capabilities or the capital position of the Fund. A party holding custody of an asset of the Fund may not be required to segregate the Fund's assets deposited with it, in which case the Fund's asset may be subject to the claims of the party's general creditors if the party becomes insolvent.

Amortisation of Establishment Expenses

The Fund will amortise the establishment expenses over its first 36 months commencing from the close of the Initial Offer Period. The policy of amortisation is not in accordance with IFRS and may result in difference between the Net Asset Value derived by the Fund and the reported Net Asset Value in the financial statements of the Fund (if those financial statements are prepared in accordance with IFRS).

Reliance on Manager

Shareholders have no right to participate in the management of the Fund or to make any decisions with respect to the investments to be made by the Fund. Consequently, they must rely on the Manager with respect to the management and investment decisions of the Fund. In the event that the Manager cannot continue as Manager, which might occur, for example, upon bankruptcy or dissolution, the Fund may have to be dissolved. Further, in the event that the key investment officers of the Manager cease to provide their investment expertise to the Manager, the quality of the investment management services provided to the Fund may be adversely affected. In such cases, it might not be possible to realise the full value of the Fund's investments.

Shareholders Will Not Participate in Management

A Shareholder has no right to participate in the management of the Fund or in the conduct of its business. There exists broad discretion to expand, revise, or contract the Fund's business without the consent of the Shareholders. Any decision to engage in a new activity could result in the exposure of the Fund's capital to additional risks that may be substantial.

Lack of Operating History

As of the date of this Memorandum, the Fund has not commenced operations. The Fund therefore has no operating history. The Fund's investment programs should be evaluated on the basis that there can be no assurance that the Manager's assessment of the short-term or long-term prospects of investments will prove accurate or that the Fund will achieve its investment objective.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

Conflicts of Interest

Investors' attention is drawn to the section entitled *The Management of Potential Conflicts of Interest Involving the Investment Originator* in Part II of this Memorandum, in relation to potential conflicts of interest specifically involving the Investment Originator and its related parties.

The Directors and the Manager may from time to time act as directors, managers or administrators in relation to or otherwise be involved in other companies established by parties other than the Manager that have similar objectives to those of the Fund. In such event should a conflict of interest arise, the Directors will endeavour to ensure that it is resolved fairly.

The Manager may have a conflict of interest when allocating and/or recommending investment opportunities between the Fund and other clients. However, when making investments where a conflict of interest may arise, the Manager will endeavour to act in a fair and equitable manner as between the Fund and other clients.

Performance Fee

The payment to the Manager of the Performance Fee described in the section entitled *Performance Fee* in Part III of this Memorandum may create an incentive for the Manager to cause the Fund to make investments that are riskier or more speculative than would be the case if the Performance Fee were based solely on a flat percentage of assets under management.

Liquidity and Realisation of Investment

An investment in the Fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investments. There is no secondary market for Class A Participating Shares and an investment in the Fund is a relatively illiquid investment. As the redemption of Class A Participating Shares is subject to the restrictions and conditions set out in the section entitled *Redemptions* in Part III of this Memorandum, an investor in the Fund may not be able to dispose of or realise its investment in the Fund at the time of their choosing.

The Fund is not required to maintain sufficient cash holdings at all times to meet redemption requests from time to time. In the event that the Fund does not have sufficient cash to meet all redemption requests at a particular time or the size of redemptions is substantial enough to have a significant impact on the Net Asset Value, the Fund may have to liquidate assets at an inopportune time to fund redemptions and the Fund may not be able to realise the full value of such investments pursuant to such liquidation.

Where the Fund maintains cash holdings to meet redemption requests, the Fund will not be fully invested in the markets. Investors in the Fund may therefore not be able to realise the full potential of their investments as the returns of the Fund will not correlate to the expected gains had the Fund been fully invested at the relevant time.

Suspension of Redemptions

The Directors may suspend the redemption of Participating Shares by Shareholders at any time in the event that certain circumstances, such as the restriction or suspension of dealings on any exchange, arise. For further details, please see the section entitled *Suspension of the Issue and Redemption of Participating Shares* in Part II of this Memorandum.

In such event, the Directors shall instruct the Manager to cease accepting any redemption requests and may, at their discretion, cancel any redemption requests received prior to such suspension being imposed, and Shareholders may be required to re-submit their redemption requests upon the lifting of the suspension.

Compulsory Redemption of a Shareholder's Participating Shares

The Directors may in their sole discretion, redeem some or all of the Participating Shares held by a Shareholder with or without cause, at any time upon prior written notice. Payment will be made in accordance with the procedure applicable to Participating Shares that are redeemed at the request of the Shareholder.

The Directors have the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager. Please refer to the section entitled *Performance Fee* in Part III of this Memorandum for further information.

The Directors have the right to compulsorily redeem the Participating Shares held by "Non-Qualifying Investors", as described in Part V of this Memorandum.

Such redemptions may occur at Net Asset Value(s) that are not optimal for an investor, relative to the Net Asset Value(s) at which an investor subscribes into the Fund.

Regulatory Change

The regulation of securities markets and of investment funds such as the Fund has undergone substantial change in recent years, and such change is expected to continue for the foreseeable future. The effect of regulatory change on the Fund, while impossible to predict, could be substantial and adverse.

Possible Indemnification Obligations

The Fund is generally obliged to indemnify the Manager and possibly other parties under the various agreements entered into with such persons against any liability they or their respective affiliates may incur in connection with their relationship with the Fund.

Possible Adverse Tax Consequences

No assurance is given that the manner in which the Fund will be managed and operated, or the composition of its direct and indirect portfolio investments, will be tax efficient for any particular Shareholder or group of Shareholders. The Fund does not intend to provide its Shareholders with information regarding the percentage ownership of its Participating Shares held by residents of any country. The Fund's books and records might be audited by the tax authorities of countries where the Fund's portfolio is managed, or where a portion of its direct and indirect portfolio investments are made, or where a particular Shareholder or group of Shareholders reside. Any such audits could subject the Fund to tax, interest and penalties, as well as incremental accounting and legal expenses. Should the Fund be required to incur additional taxes or expenses as a result of the subscriptions made by any Shareholder, or become subject to any record keeping or reporting obligations as a result of permitting any person to remain or be admitted as a Shareholder of the Fund, the Fund will seek reimbursement of the costs of such taxes, expenses or obligations from such person.

Suitability Standards

Because of the risks involved, investment in the Fund is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of the money they invest in the Fund, who understand the degree of risk involved, who believe that the investment is suitable based upon their investment objectives and financial needs and have no need for liquidity of investment. Investors are therefore advised to seek independent professional advice on the implications of investing in the Fund. In addition, as the Fund's investment programme develops and changes over time, an investment in the Fund may be subject to additional and different risk factors.

No Independent Representation

The legal advisors to the Fund do not represent investors in the Fund, and no independent counsel has been retained to represent investors in the Fund.

Side Letters

The Fund may from time to time enter into letter agreements or other similar agreements (collectively, "Side Letters") with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, management fees and incentive or performance fees and minimum investment amounts, and liquidity terms) than such Shareholders have pursuant to this Memorandum. As a result of such Side Letters, the Directors may establish new Classes of Participating Shares without the approval of the existing Shareholders and certain Shareholders may receive additional benefits (including, but not limited to, reduced fee obligations, the ability to redeem Participating Shares on shorter notice and/or expanded informational rights) that other Shareholders will not receive. As a result, should the Fund experience a decline in performance over a period of time, a Shareholder who is a party to a Side Letter that permits less notice and/or different redemption times may be able to redeem Participating Shares prior to other Shareholders.

The Directors will not be required to notify any or all of the other Shareholders of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Directors be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders. The Directors may enter into such Side Letters with any party as the Directors may determine in their sole and absolute discretion at any time. The other Shareholders will have no recourse against the Fund, the Manager and/or any of their affiliates in the event that certain Shareholders receive additional and/or different rights and/or terms as a result of such Side Letters.

Preferential Redemption Terms

Certain Shareholders and Classes may have better liquidity terms than other Shareholders and Classes of Participating Shares, including flexibility with respect to the timing of redemptions and shorter redemption notice periods. Under certain circumstances, such preferential redemption rights could materially adversely affect Shareholders that hold Participating Shares with less favourable liquidity terms.

Cross Class Liabilities

Although the Constitution requires the establishment of separate investment accounts for each Class of Participating Shares and the attribution of assets and liabilities to the relevant investment account, if the liabilities of a Class of Participating Shares exceed its assets, creditors of the Fund may have recourse to the assets attributable to the other Classes of Participating Shares. As at the date of this Memorandum, the Directors are not aware of any such existing or contingent liability.

Some of the foregoing risk factors relate generally to the markets in which the Fund may operate in and the instruments that the Fund may invest in. Other risk considerations relate principally to general economic, political and regulatory conditions. The list of risk factors set out in this Memorandum does not purport to be an accurate reflection of the actual risks that the Fund will face or a complete enumeration or explanation of the risks involved in an investment in the Fund. Prospective investors are urged to consult their advisers before deciding to invest in the Fund.

United States Foreign Account Tax Compliance Act (“FATCA”)

Pursuant to FATCA, the Fund will be required to comply with extensive reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Fund to U.S. withholding taxes on certain U.S.-sourced income and (effective 1 January 2019) gross proceeds. Pursuant to the intergovernmental agreement between the United States and the Cayman Islands, the Fund may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. taxpayer information to the Cayman Islands tax authorities.

The holders of Participating Shares may be requested to provide additional information to the Fund to enable the Fund to satisfy these obligations. Failure to provide the requested information or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory withdrawal, transfer or compulsory redemption of the Shareholder’s Participating Shares.

Organisation for Economic Co-operation and Development (“OECD”) Common Reporting Standard.

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“CRS”) to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges began in 2017. The Cayman Islands has committed to implement the CRS. As a result, the Fund will be required to comply with the CRS due diligence and reporting requirements, as adopted by the Cayman Islands. The holders of Participating Shares may be required to provide additional information to the Fund to enable the Fund to satisfy its obligations under CRS. Failure to provide requested information may subject a Shareholder to liability for any resulting penalties or other charges and/or compulsory redemption of the Shareholder’s Participating Shares.

Transactions Involving the Conversion of SME Ownership Stakes into Public Company Shares

Where the Fund effectively swaps shares held in an SME (or in its holding company, as the case may be), for shares in a public company, the performance of those public company shares is likely to be affected, positively or negatively, by the performance of the entire business of the public company, including all of the businesses or entities owned by it, and not just by the SME. Where such public company holds a relatively small number of such businesses or entities, the performance of each entity or business may have a material impact on the performance of the public company and its shares. As a consequence, the performance of the public company and/or its shares may be volatile over the short or medium term.

The ability of the Fund to liquidate any public company shares so received will be dependent upon sufficient liquidity on reasonable terms being available in the market and, due to market or company specific conditions, there may be short or medium term periods when that liquidity is not available, or is not available on commercially attractive terms.

PART V – TAXATION

The following principal Cayman Islands and Singapore income tax summaries are based upon the proposed conduct of the activities to be carried out by the Fund and the Manager as described in this Memorandum. The following summary does not constitute tax or legal advice. The comments herein are based upon the current Cayman Islands and Singapore income tax laws and the related practice and interpretation of such laws, which are subject to change at any time, possibly on a retroactive basis. Any such changes could adversely affect the comments herein. In addition, the comments herein are not binding on the tax authorities in any jurisdiction and there can be no assurance that these authorities will not take a position contrary to any of the comments herein. It is emphasised that neither the Fund, the Manager nor any other persons involved in this Memorandum accepts responsibility for any tax effects or liabilities resulting from the purchase, ownership or disposition of Participating Shares.

Prospective investors should consult their professional advisers on the potential tax consequences of subscribing for, purchasing, holding, selling or redeeming Participating Shares under the laws of their country of citizenship, domicile or residence.

It is the responsibility of all persons interested in purchasing Participating Shares to inform themselves as to any tax consequences from their investing in the Fund and the Fund's operations or management, as well as any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Participating Shares. Investors should therefore seek their own separate tax advice in relation to their holding of Participating Shares and accordingly neither the Fund nor the Manager accepts any responsibility for the taxation consequences of any investment into the Fund by an investor.

Certain Cayman Islands Tax Considerations

The Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund or the Shareholders. The Cayman Islands is not party to a double tax treaty with any country that is applicable to any payments made to or by the Fund.

Taxation in Singapore

Income Tax

Singapore income tax is imposed on income accruing in or derived from Singapore and on foreign-sourced income received or deemed to have been received in Singapore, subject to certain exceptions.

Gains on disposal of investments

Singapore does not impose tax on capital gains. However, gains from the disposal of investments may be construed to be of an income nature and subject to Singapore income tax. Generally, gains on disposal of investments are considered income in nature if they arise from or are otherwise connected with the activities of a trade or business carried on in Singapore.

As the investments and divestment of assets of the Fund are managed by the Manager, the Fund may be construed to be carrying on activities of a trade or business in Singapore. Accordingly, the income derived by the Fund may be considered income accruing in or derived from Singapore and subject to Singapore income tax, unless the income is exempted from tax pursuant to Section 13CA of the Income Tax Act and the regulations made thereunder (hereinafter referred to as the "**Tax Exemption Scheme**").

Tax Exemption Scheme

Under the Tax Exemption Scheme, "specified income" derived by qualifying funds in respect of certain "designated investments" is exempted from tax in Singapore, if the qualifying fund is managed by a fund manager in Singapore and certain prescribed conditions are met.

The Fund will be a "qualifying fund" for the purpose of the Tax Exemption Scheme if:

- (a) the Fund is not a tax resident of Singapore for tax purposes;
- (b) the value of issued securities of the Fund is not wholly beneficially owned, directly or indirectly, by investors in Singapore (including investors who are Singapore citizens, residents and permanent establishments in Singapore) but not including "undesigned issues" as defined below;
- (c) the Fund:
 - (i) does not have a permanent establishment in Singapore (other than a fund manager); and
 - (ii) does not carry on a business in Singapore; and
- (d) its income is not derived from investments which have been transferred (other than by way of a sale on market terms and conditions) from a person carrying on a business in Singapore where the income derived from that person from investments was not, or would not have been if not for their transfer, exempt from tax.

"Specified income" means any income or gains derived from "designated investments", other than the following:

- (a) interest and other payments that fall within the ambit of section 12(6) of the Income Tax Act other than the following:
 - (i) interest derived from deposits held in Singapore with, and certificates of deposit issued by, any approved bank as defined in section 13(6) of the Income Tax Act, and from Asian Dollar Bonds approved under section 13(1)(v) of the Income Tax Act;
 - (ii) interest from qualifying debt securities;
 - (iii) discounts from qualifying debts securities issued after 17 February 2006;
 - (iv) prepayment fees, redemption premiums and break costs from qualifying debt securities issued on or after 15 February 2007;
 - (v) amounts payable from any Islamic debt securities issued after 22 January 2009 which are qualifying debt securities;
 - (vi) fees and compensatory payments derived from securities lending or repurchase arrangements with:
 - (A) a person who is neither a resident or nor a permanent establishment in Singapore;
 - (B) MAS;
 - (C) a bank licensed under the Banking Act (Cap. 19);
 - (D) a merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap.186);
 - (E) a finance company licensed under the Finance Companies Act (Cap. 180);
 - (F) a holder of a capital markets services licence who is licensed to carry on business in the following regulated activities under the SFA or a company exempted under that Act from holding such a licence:
 - (I) dealing in securities (other than any person licensed under the Financial Advisers Act (Cap. 110));
 - (II) fund management;
 - (III) securities financing;
 - (IV) providing custodial services for securities;
 - (G) a collective investment scheme or closed-end fund as defined in the SFA that is constituted as a corporation;
 - (H) the Central Depository (Pte) Limited;
 - (I) an insurer registered or regulated under the Insurance Act (Cap. 142) or exempted under the Act from being registered or regulated; or
 - (J) a trust company registered under the Trust Companies Act (Cap. 336);
- (b) any distribution made by a trustee or a real estate investment trust within the meaning of section 43(10) of the Act;

- (c) any distribution made by a trustee of a trust who is resident in Singapore or a permanent establishment in Singapore, other than a distribution made by a trustee whose income is exempt from tax under section 13C, 13G, 13O or 13X of the Income Tax Act;
- (d) any distribution made on or after 1 April 2014 by a trustee of a trust who is resident in Singapore or a permanent establishment in Singapore, other than a distribution made by a trustee whose income is exempt from tax under section 13CA of the Income Tax Act;
- (e) income or gain:
 - (i) derived or deemed to be derived from Singapore; and
 - (ii) paid out of income of a publicly-traded partnership, being income on which tax is paid or payable in Singapore;
- (f) income or gain:
 - (i) derived or deemed to be derived from Singapore; and
 - (ii) paid out of income of a company formed under the laws of any state of the United States of America as a limited liability company, or under the laws of any other foreign country as a limited liability company or its equivalent, being income on which tax is paid or payable in Singapore.

"Designated investments" means:

- (a) stocks and shares of any company, other than a company that is:
 - (i) in the business of trading or holding of Singapore immovable properties (other than the business of property development); and
 - (ii) not listed on a stock exchange in Singapore or elsewhere;
- (b) bonds, notes, commercial papers, treasury bills and certificates of deposit, but excluding those which are not qualifying debt securities and which are issued by any company that is:
 - (i) in the business of trading or holding of Singapore immovable properties (other than the business of property development);
 - (ii) not listed on a stock exchange in Singapore or elsewhere;
- (c) real estate investment trusts, exchange traded funds or any other securities which are:
 - (i) denominated in foreign currency issued by foreign governments;
 - (ii) listed on any exchange;
 - (iii) issued by supranational bodies;
 - (iv) issued by any company;
 but excluding securities which are issued by any company that is:
 - (A) in the business of trading or holding of Singapore immovable properties (other than the business of property development); and
 - (B) not listed on a stock exchange in Singapore or elsewhere;
- (d) futures contracts in any futures exchange;
- (e) any immovable property situated outside Singapore;
- (f) deposits held in Singapore with any approved bank as defined in section 13(16) of the Income Tax Act;
- (g) foreign currency deposits held outside Singapore with financial institutions outside Singapore;
- (h) foreign exchange transactions;
- (i) interest rate or currency contracts on a forward basis, interest rate or currency options, interest rate or currency swaps, and any financial derivative relating to any designated investment or financial index with:
 - (i) a financial sector incentive company which is:
 - (A) a bank licensed under the Banking Act (Cap. 19);
 - (B) merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap.186);

- (C) a holder of a capital markets services licence under the SFA to deal in securities or a company exempted under that Act from holding such a licence;
- (ii) a person who is neither resident in Singapore nor a permanent establishment in Singapore; or
- (iii) a branch office outside Singapore of a company resident in Singapore;
- (j) units in any unit trust which invests wholly in designated investments;
- (k) loans that are:
 - (i) granted by a prescribed person to any company incorporate outside Singapore which is neither resident in nor a permanent establishment in Singapore, where no interest, commission, fee or other payment in respect of the loan is deductible against any income of that company accruing or derived from Singapore; or
 - (ii) granted by a person other than a prescribed person but traded by a prescribed person;
- (l) commodity derivatives;
- (m) physical commodities if:
 - (i) the trading of those physical commodities by a prescribed person in the basis period for any year of assessment is done in connection with and is incidental to its trading of commodity derivatives (called in this paragraph related commodity derivatives) in that basis period; and
 - (ii) the trade volume of those physical commodities traded by the prescribed person in that basis does not exceed 15% of the total trade volume of those physical commodities and related commodity derivatives traded by the prescribed person in that basis period;
- (n) units in a registered business trust;
- (o) emission derivatives;
- (p) liquidation claims;
- (q) structured products;
- (r) investments in prescribed Islamic financing arrangements under section 34B of the Income Tax Act that are commercial equivalents of any of the other designated investments;
- (s) private trusts that invest wholly in designated investments;
- (t) freight derivatives;
- (u) publicly-traded partnerships that do not carry on any trade, business, profession or vocation in Singapore;
- (v) any loan granted to a trustee of a trust constituted outside Singapore, where:
 - (i) the trustee is neither resident nor a permanent establishment in Singapore;
 - (ii) for the year of assessment in question, no interest, commission, fee or other payment in respect of the loan is deductible under the Income Tax Act against any income of the trust accruing in or derived from Singapore;
- (w) membership or similar interests in a company formed under the laws of any state of the United States of America as a limited liability company, or under the laws of any other foreign country as a limited liability company or its equivalent;
- (x) bankers' acceptances.

A "fund manager" for the purpose of this Tax Exemption Scheme means a company holding a capital markets services licence under the SFA for fund management or one that is exempt under the SFA from holding such a licence. The Manager holds such a licence.

The Manager will endeavour to conduct the affairs of the Fund such that it will qualify for the Tax Exemption Scheme. There is, however, no assurance that the Manager will be able on an ongoing basis to ensure that the Fund will always meet all the qualifying conditions for the Tax Exemption Scheme. Upon any such disqualification, the Fund may be exposed to Singapore tax on its income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate.

Taxation of Investors

Provided that the Fund is a “qualifying fund”, a holder of Participating Shares will fall within one of the following categories for Singapore income tax purposes:

- (i) a holder that is not subject to a penalty (“Qualifying Relevant Owner” and “Penalty”, respectively); and
- (ii) a holder that is subject to the Penalty (“Non-Qualifying Relevant Owner”).

The holder will be a “Qualifying Relevant Owner” if, on the last day of the financial year of the Fund (“Relevant Day”), it is

- (a) a person who, either alone or with his associates, beneficially owns Participating Shares of the Fund, the value of which is less than or equal to 30% (or 50%, if the Fund has 10 more holders of Participating Shares) of the value of all Participating Shares on issue on the Relevant Day;
- (b) an individual investor;
- (c) a bona fide entity not resident in Singapore that does not have a permanent establishment in Singapore (other than a fund manager) and does not carry on business in Singapore;
- (d) a bona fide entity not resident in Singapore (excluding a permanent establishment in Singapore) that carries on operations in Singapore through a permanent establishment in Singapore where the funds used to invest directly or indirectly in the Fund are not obtained from its Singapore operations;
- (e) a designated person;
- (f) an approved person under section 13X of the Income Tax Act and which, at all times during the basis period for the year of assessment for which the income of the Fund was exempt from tax under the Tax Exemption Scheme, satisfies the conditions under section 13X;
- (g) an approved company under section 13R of the Income Tax Act which, at all times during the basis period for the year of assessment for which the income of the Fund was exempt from tax under the Tax Exemption Scheme:
 - (i) beneficially owns directly 100% of the total value of all issued securities of the Fund; and
 - (ii) satisfies the conditions under the Singapore Resident Fund Scheme.”

A holder of Participating Shares that is not a “Qualifying Relevant Owner” will be a “Non-Qualifying Relevant Owner”.

If a “Non-Qualifying Relevant Owner” can prove to the Singapore Comptroller of Income Tax that the applicable ownership limit has been exceeded for reasons beyond his reasonable control, the Commissioner has discretion to allow the person a three-month grace period following the Relevant Day to reduce its ownership in the Fund to allow it to meet the applicable ownership limit (and to therefore not be subject to the Penalty).

The penalty payable by a “Non-Qualifying Relevant Owner” will be equal to:

$$\text{Penalty} = A \times B \times C$$

where:

A is the value of Participating Shares held by the “Non-Qualifying Relevant Owner” divided by the total value of all Participating Shares at the Relevant Day, expressed as a percentage;

B is the income of the Fund for the year ending on the Relevant Day; and

C is the Singapore corporate tax rate (currently 17%).

Where a “Non-Qualifying Relevant Owner” is deemed to be a non-bona fide non-resident entity, the person will not be subject to the Penalty. Instead, the Comptroller will “look-through” the person to certain beneficial owners which:

- (a) effectively own (directly or indirectly) at least 30 per cent (30%) (or 50 per cent (50%), if the Fund has 10 investors or more) of the total value of all Participating Shares in the Fund on the Relevant Day; and
- (b) is not itself a non-bona fide entity.

Persons who satisfy these conditions shall be liable to pay the Penalty, calculated by reference to their percentage beneficial ownership in the Fund.

A “Non-Qualifying Relevant Owner” will be required to declare the amount of the penalty in its Singapore taxation return for the relevant year of the taxpayer and the Manager will be required to report details of that person and the component amounts that make up the relevant penalty to the Inland Revenue Authority within one month of the issue of the relevant annual financial statements of the Fund.

The Fund and the Manager reserve the right to request from the holder of Participating Shares such information as it may consider necessary to ascertain whether the holder is a “Non-Qualifying Relevant Owner” at a Relevant Day.

In circumstances where a holder of Participating Shares submits a request for the redemption of some (but not all) of the Participating Shares held by it, and, as a result of giving effect to that redemption request, the Directors form the view that that holder may, immediately following the redemption, become a “Non-Qualifying Relevant Owner”, the Directors may, but shall have no obligation to, compulsorily redeem additional Participating Shares held by the holder to minimise the risk of the holder becoming a “Non-Qualifying Relevant Owner” by reason of the redemption.

Each subscriber should note that it will be required to acknowledge in its Subscription Agreement that the Fund and the Manager may disclose to each other, to any other service provider to the Fund or to any regulatory body in any applicable jurisdiction details contained in the Subscription Agreement and any information concerning such subscriber and its associates provided by the subscriber to the Fund. Any such disclosure shall not be treated as a breach of any restriction upon the disclosure of information imposed on the disclosing person by law or otherwise.

Reporting to Participating Shareholders

To enable the holders of Participating Shares to satisfy the requirements noted above, the Manager will issue an annual statement to each holder of Participating Shares, detailing:

- (a) the income of the Fund for the year ending on the Relevant Day;
- (b) the total value of Participating Shares as at the Relevant Day;
- (c) the value of Participating Shares held by person on the Relevant Day; and
- (d) whether the Fund has fewer or greater than holders of Participating Shares as at the Relevant Day.

EUUSD Funds Disclosure Statement

Shareholders who are individuals resident in a Member State of the European Community should be aware that any income realised upon the sale, refund or redemption of their Shares, together with any income in the form of dividends or other distributions by the Fund, may (depending upon the investment portfolio of the Fund) become subject to the reporting regime (or the withholding tax regime) imposed by EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, if payment of such income is made by a paying agent established either in another Member State or in certain other jurisdictions which have agreed to introduce an equivalent reporting (or withholding tax) regime in respect of such payments.

The provisions of the Directive apply to payments made on or after 1 July 2005. As a result of the classification by the Cayman Islands of funds such as the Fund established in its jurisdiction, the Manager believes that it is unlikely that payments made directly by the Fund to Participating Shareholders will be subject to the reporting (or withholding tax) regime. However, application of the regime to payments emanating from the Fund cannot be excluded in all cases and holders of Participating Shares who are individuals should consult their own tax advisers in relation to the purchase of the Participating Shares.

Other Tax Jurisdictions

The Fund may invest in securities traded and/or issued outside of the above-mentioned jurisdictions. Income and investment gains from those securities may be subject to taxation in those jurisdictions at varying rates.

Future Changes in Taxation Laws

The foregoing summary of the consequences under Cayman Islands and Singapore taxation laws of an investment in Participating Shares is based on laws, regulations and interpretations that are current at the date of this Memorandum. Subscribers for Participating Shares are cautioned that such laws, regulations and interpretations are subject to change through legislative, judicial or administrative action and any such change (together or separately with any new laws, regulations or interpretations) may have the effect subjecting the Fund and/or a holder of Participating Shares to taxation consequences different from those noted in this section.

Subscribers should consult their own counsel regarding the application of tax laws, particularly those laws of their jurisdiction of residency, to their own circumstances.

PART VI – GENERAL INFORMATION

Incorporation and Objects

The Fund was incorporated as an exempted company with limited liability under the Companies Law on 15 May 2018.

The Fund's objects, as set out in the Constitution, are unrestricted and the Fund has full capacity to carry on or undertake any business or activity, do any act, or enter into any transaction that is not prohibited under the laws of the Cayman Islands.

The Mutual Funds Law

The Fund meets the requirements for exemption from registration under section 4(4) of the Mutual Funds Law and has not been registered under that law in the Cayman Islands.

Applicants for Participating Shares are advised that the Fund and its operations are not therefore subject to the requirements of the Mutual Funds Law.

The Directors reserve the right to seek registration of the Fund under the Mutual Funds Law at any time in the future.

Conflicts of Interests

Investors' attention is drawn to the section entitled *The Management of Potential Conflicts of Interest Involving the Investment Originator* in Part II of this Memorandum, in relation to potential conflicts of interest specifically involving the Investment Originator and its related parties.

Otherwise, the following inherent and potential conflicts of interest exist in respect of the Fund:

- (a) The Management Fee payable to the Manager is payable without regard to the overall success of or income earned by the Fund. Additionally, the Manager could receive substantial compensation in the event that the Fund generates appreciation. Prospective investors should note that (i) the fact that the Performance Fee is payable only out of increases in trading profits may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case if the Manager were compensated solely based on a flat percentage of assets under management and (ii) the Manager may receive increased compensation because the Performance Fee will be calculated on a basis that includes unrealised appreciation as well as realised gains;
- (b) The Directors, the Manager and other service providers or their agents or associated parties may engage in or possess an interest in other business ventures of every kind and description, including (i) investments for their own account in securities or financial instruments held by the Fund from time to time (save and except for the Manager); (ii) investment advisory or supervisory services with respect to securities or other types of financial investments; or (iii) managing or servicing other investment funds, limited partnerships or other entities with substantially the same or different investment objectives as the Fund. Moreover, each of them will devote to the Fund, as the case may be, only so much of their time as they deem necessary or appropriate in connection with the activities of the Fund;
- (c) The Directors and the Manager and their affiliates and their key personnel will devote as much of their time to the business of the Fund as in their judgment is reasonably required. The Directors and the Manager may from time to time act as directors, administrator, registrar, secretary, custodian, cash custodian, manager or investment adviser, or carry out other functions as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients that have similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly;
- (d) There are no restrictions on the ability of the Manager and its affiliates to manage accounts of other clients following the same or different investment objective, philosophy, and strategy as those used for the Fund. If a determination is made that the Fund and another client of the Manager and its affiliates should trade in the same securities on the same day, such securities will be allocated between the Fund and other accounts in a manner that the Manager and its affiliates determine in their discretion. Circumstances may occur in which an allocation could have adverse effects on the Fund or the other client with respect to the price or size of securities positions obtainable or saleable. The results of the Fund's activities may differ significantly from the results achieved by the Manager or its affiliates for any other accounts or clients for which it or its affiliates may manage or provide investment advisory services;
- (e) The Manager and its related persons may buy and sell, for their own account, and hold proprietary positions in, the same securities they buy and sell for, or recommend to, the Manager's clients or the Fund;

- (f) To the extent permitted by applicable law, the Manager may enter into portfolio transactions for or with the Fund either as agent, in which case it may receive and retain brokerage commissions, or as principal with the Fund provided that such transactions are carried out as if effected on normal commercial terms negotiated on an arm's length basis, consistent with best execution standards and subject to such commissions being charged at rates which do not exceed customary full service brokerage rates, provided, however, that neither the Manager nor its affiliates (other than the Investment Originator, in respect of whom specific procedures have been established to deal with the potential for a conflict of interest as set out in the section entitled *The Management of Potential Conflicts of Interest Involving the Investment Originator* in Part II of this Memorandum) shall deal as principal with the Fund unless the prior approval of the Directors or an independent advisory committee has been obtained. Where the Manager is managing or advising other funds or accounts with similar investment policies to the Fund, it will ensure that appropriate investment opportunities are allocated on a fair and equitable basis between the Fund and such other funds or accounts;
- (g) The Manager may share with any other person (including, but not limited to, any subscriber or any person introducing subscribers) any fees and other benefits to which it is entitled to receive from the Fund. The Manager and any person connected with it, including any employee of the Manager or its associated companies, may invest in the Fund, and the Manager may give to any such person a reduction or rebate of any fees to which the Manager is entitled;
- (h) The Directors and officers and employees of the Manager may also hold or may assume directorships in other funds or companies. Therefore, they may be put in a position where their duties to act in the best interests of the Fund or such other funds or companies may conflict;
- (i) The Directors, the Manager and any of their connected persons may contract with or enter into any financial banking or other transaction with the Fund, any Shareholder or any company or body whose assets are held by or for the account of the Fund. Any of the foregoing shall not be liable to account to any person for any profits or benefits made or derived by them in connection with any such transaction and may deal, as principal or agent, with the Fund provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. In addition, any of the foregoing may own Participating Shares and hold, dispose or otherwise deal with the Participating Shares as well as hold or deal in any investments notwithstanding that similar investments may be held by or for the account of the Fund;
- (j) In selecting brokers and dealers to effect portfolio transactions for the Fund, the Manager will consider such factors as the ability of the brokers and dealers to effect the transactions, their facilities, reliability and financial responsibility and the provision or payment (or the rebate to the Fund for payment) of the costs of brokerage or research products or services. The Manager will not be required to solicit competitive bids and will not have an obligation to seek the lowest available commission cost. Accordingly, if the Manager determines in good faith that the commissions charged by the broker or the prices charged by a dealer are reasonable in relation to the value of the brokerage and research products or services provided by such broker or dealer, the Fund may pay commissions to such broker or prices to such dealer in an amount greater than another broker might charge.

Research products or services provided to the Manager may include: reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; financial, trade and industry publications; portfolio evaluation services; financial database software and services; computerised news, pricing and order-entry services; analytical software; quotation equipment and other computer hardware for use in running software used in investment-decision making; industry consultants; tuition or admission fees for broker-sponsored conferences, trade and industry conventions and seminars; and other products or services that may enhance the Manager's investment decision-making. Because many of these services and products could benefit the Manager, the Manager may have a conflict of interest in allocating Fund brokerage business, including an incentive to cause the Fund to effect more transactions than it might otherwise do in order to obtain those benefits.

The Fund's public markets securities transactions can be expected to generate brokerage commissions and other compensation, all of which the Fund, not the Manager, will be obligated to pay. The Manager will have complete discretion in deciding which brokers and dealers the Fund will use and in negotiating the rates of compensation the Fund will pay. In addition to using brokers as "agents" and paying commissions, the Fund may buy or sell securities directly from or to dealers acting as principals at prices that include mark-ups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers; and

- (k) The Manager and the Investment Originator (or its related parties) may enter into an agreement whereby the Manager sources investment opportunities for the Investment Originator (or its related parties), including opportunities that may later be considered by the Manager for investment by the Fund. The Investment Originator (or its related party) may pay fees to the Manager on such basis as is agreed between the parties from its own funds for such activity.

Director Disclosures

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

Net Asset Valuation

The Net Asset Value and Net Asset Value per Participating Share will be calculated by the Manager and under the direction of the Directors or their duly appointed delegates, in accordance with the Constitution and in the manner described below as at each Valuation Point (except when determination of the Net Asset Value has been suspended in accordance with the Constitution and this Memorandum). The Net Asset Value and the Net Asset Value per Participating Share of any Class will be denominated in USD.

The Net Asset Value of the Fund will be equivalent to all the assets of the Fund less all the liabilities of the Fund (including any Performance Fee accrued payable for the relevant Performance Period) as at each Valuation Point.

The Net Asset Value per Participating Share of any Class is determined by dividing the value of the assets of the Fund attributable to the Participating Shares of the relevant Class less all liabilities of the Fund attributable to the Participating Shares of such Class by the number of such Participating Shares of the relevant Class as at the relevant Valuation Point.

The Net Asset Value per Participating Share of the relevant Class as at any Valuation Point shall be rounded to the nearest USD 0.001 (USD 0.0005 being rounded up).

For the purpose of calculating the Net Asset Value:

- (a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Directors or their duly appointed delegates shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall be deemed to be such value as the Directors or their duly appointed delegates shall deem to be the reasonable value thereof;
- (b) except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment company or other similar open-ended investment vehicle (a "Managed Fund") to which paragraph (c) below applies and subject as provided in paragraphs (d), (e) and (f) below, all calculations based on the value of investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange shall be made by reference to the "exchange close" price as calculated and published by the relevant exchange in accordance with its local rules and customs on the principal exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no such stock exchange, commodities exchange, futures exchange or over-the-counter market all calculations based on the value of the investment quoted by any person, firm or institution making a market in the investment (and if there shall be more than one such market maker then such particular market maker as the Directors or their duly appointed delegates may designate) shall be made by reference to the mean of the latest bid and asked price quoted thereon; provided always that if the Directors or their duly appointed delegates in their discretion consider that the prices ruling on an exchange other than the principal exchange provide, considering all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;

- (c) subject as provided in paragraphs (d), (e) and (f) below, the value of each interest in any Managed Fund which is valued as at the same day as the Fund shall be the net asset value per unit, share or other interest in such managed fund calculated as at that day or, if the Directors or their duly appointed delegates so determine or if such managed fund is not valued as at the same day as the Fund, shall be the last published net asset value per unit, share or other interest in such Managed Fund (where available) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest. In particular, if there are no price quotations available for the valuation of the Managed Fund, it shall be calculated in accordance with the values published, or reported in writing to the Fund as at or immediately before the relevant Valuation Point, by or on behalf of the Managed Fund, or if the Managed Fund is not valued as at or immediately before the relevant Valuation Point, shall be the last so published or reported value. Valuations may in the absolute discretion of the Directors or their duly appointed delegates be subject to later adjustment. In performing the calculations, the Directors or their duly appointed delegates shall be entitled to rely on the unaudited valuations and reports and estimated valuations received from third parties, including the Managed Fund and its administrator, agents, investment manager or advisor, or other dealing subsidiary and shall not be responsible for verifying nor shall they be required to verify either the contents or veracity of such valuations and reports;
- (d) if no net asset value, bid, asked or redemption prices or price quotations are available as provided in paragraphs (b) or (c) above, the value of the relevant asset shall be determined from time to time in such manner as Directors or their duly appointed delegates shall determine;
- (e) the initial value of an asset that is not an interest traded on a recognised exchange and is not an interest in a Managed Fund (a "Private Asset"), shall be the amount expended out of the Fund in the acquisition thereof (including in each case the amount of the stamp duties, commissions, legal and professional costs and other expenses incurred in the acquisition and vesting thereof);
- (f) the Directors, the Manager or their duly appointed delegates may at any time and shall at such times or at such intervals as they, in their absolute discretion determine, request or cause a revaluation to be made of any Private Asset, either by the Directors or the Manager themselves or by a professional person that they deem qualified to value such Private Asset and the Directors and/or the Manager (as the case may be) shall be entitled in their absolute discretion to adopt, or to reject such valuation undertaken by a professional person as the appropriate valuation of the Private Asset at the relevant time;
- (g) for the purposes of ascertaining quoted, listed, traded or market dealing prices of an Investment that comprises securities traded on a recognised exchange, the Directors, the Manager or their agents or delegates shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of such Investments and the prices provided by any such system shall, in the absence of a determination by the Directors or the Manager to the contrary, be the closing price for the Investment on the relevant exchange on the relevant day;
- (h) any Investment that is not a security that is listed or quoted on a recognised exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its fair value as determined by the Directors or their duly appointed delegates in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected and such other factors as the Directors or their duly appointed delegates in their sole discretion deem relevant in considering a positive or negative adjustment to the valuation of such Investment;
- (i) notwithstanding the foregoing paragraphs, the Directors, the Manager or their duly appointed delegates may, at their absolute discretion, permit some other method of valuation to be used in relation to an Investment if they consider that such valuation better reflects the fair value of the Investment; and
- (j) the value (whether of a security, other asset or cash) which is reported or determined otherwise than in USD shall be converted into USD at the rate (whether official or otherwise) which the Directors or their duly appointed delegates shall in their absolute discretion deem appropriate to the circumstances having regard, *inter alia*, to any premium or discount which they consider may be relevant and to costs of exchange.

Subscribers should note that, under IFRS, investments are required to be valued at fair value and that bid pricing for long positions and asked/offer pricing for short positions, respectively, are considered to be representative of fair value for listed investments. The Directors and the Manager, however, believe that the closing (or last traded) price generally represents the most appropriate value for such Investments, as set out in the paragraphs above. The implementation of the Fund's valuation basis for such Investments may lead to a different valuation for an Investment(s) than would have been the case had the valuation basis under IFRS been adopted by the Fund. To the extent that the valuation basis adopted by the Fund deviates from that under IFRS, this may result in the auditors qualifying their opinion on the financial statements of the Fund, where any variations in valuation are considered to be material.

In calculating the Net Asset Value, no discount will be factored notwithstanding that any Investments held may be subject to lock in periods, moratoriums or other restrictions on disposal. For audit purposes, however, the Auditors may consider that a discount to the value of an Investment is warranted in accordance with applicable accounting standards and principles. Accordingly, there may be differences between the net asset values of the Fund reflected in the audited financial statements and the Net Asset Value calculated in accordance with the valuation principles described in this Memorandum and in the Constitution.

Subscription and Redemption Prices of Participating Shares

The Subscription Price of each Participating Share of any Class for any relevant Dealing Day for Subscriptions will, subject to the provisions for adjustments as described in the section entitled "Performance Fee" in Part III of this Memorandum, and in the section entitled "Singapore Anti-Money Laundering" in this Part VI of this Memorandum, be determined by dividing the Net Asset Value attributable to the relevant Class as at the Valuation Point relating to that Dealing Day for Subscriptions, by the number of Participating Shares of the relevant Class then in issue, the resulting amount being rounded to the nearest USD 0.001 (USD 0.0005 being rounded up). The Net Asset Value for the purposes of computing the Subscription Price will be before deduction of any applicable Performance Fees, except for Participating Shares issued on the Dealing Day for Subscriptions immediately after the end of a Performance Period, which in such case, the Net Asset Value for the purpose of computing the Subscription Price will be after deduction of any applicable Performance Fees. In addition, the Directors have the discretion to add to the Subscription Price an amount, for the account of the Fund, which they consider to be an appropriate allowance to reflect an amount equal to any Equalisation Credit payable in respect of Participating Shares at the time of subscription by the investor.

The Redemption Price of each Participating Share of any Class for any relevant Dealing Day for Redemptions will, subject to the provisions for adjustments as described in the section entitled "Performance Fee" in Part III of this Memorandum, and in the section entitled "Singapore Anti-Money Laundering" in this Part VI of this Memorandum, be determined by dividing the Net Asset Value attributable to the relevant Class as at the Valuation Point relating to that Dealing Day for Redemptions, by the number of Participating Shares of the relevant Class then in issue, the resulting amount being rounded to the nearest USD 0.001 (USD 0.0005 being rounded up). The Net Asset Value for the purposes of computing the Redemption Price will be after deduction of any applicable Performance Fees.

Share Capital of the Fund

The authorised share capital of the Fund is USD 50,000 divided into 30 Management Shares of par value of USD 1.00 each and 49,970,000 Participating Shares of par value USD 0.001 each.

The Fund may by ordinary resolution increase its share capital, consolidate its shares or subdivide any of them into shares of a smaller amount or cancel any unissued shares.

Subject to the provisions of Cayman Islands law and the Constitution, the Fund may by special resolution reduce its share capital or any capital redemption reserve fund.

Rights and Restrictions of Management Shares

The rights and restrictions of Management Shares are as follows:

- (a) *Voting Rights:* The holder of a Management Share shall (in respect of such Management Share) have the right to receive notice of, attend at and vote as a Member at any general meeting of the Company;
- (b) *Dividends:* The Management Shares carry no right to dividends; and
- (c) *Liquidation:* In the event of liquidation, the holders of Management Shares are entitled to the return of the nominal capital paid-up on the Management Shares. Holders of Management Shares will not be entitled to any surplus remaining thereafter.

Rights and Restrictions of Participating Shares

The rights and restrictions of Participating Shares are as follows:

- (a) *Voting Rights:* The voting rights of the holders of Participating Shares are restricted and, other than as set out in paragraph (b) below, the holder of a Participating Share shall not (in respect of such Participating Share) have the right to receive notice of, attend at or vote as a member at any general meeting of the Fund, but may vote at a separate meeting of holders of a Class of Participating Shares convened in accordance with the Constitution of the Fund;
- (b) *Removal of Directors:* During and only during such time as the Fund meets the requirements for exemption from registration under section 4(4) of the Mutual Funds Law and has not been registered under that law in the Cayman Islands, any person may be appointed or removed as a Director by a majority of the holders of Participating Shares voting on a show of hands at a meeting of the holders of Participating Shares;
- (c) *Voting:* At any meeting of the Fund at which holders of Participating Shares are entitled to vote, on a show of hands every holder of Participating Shares present in person and every Person (as defined in the Constitution) representing such a Shareholder by proxy shall have one vote, and on a poll every holder of Participating Shares present in person and every Person representing such Shareholder by proxy shall be entitled to one vote in respect of each of the Participating Shares held by them;
- (d) *Dividends:* The holders of the Participating Shares shall be entitled to such dividends as the Directors may declare in accordance with the Constitution and any applicable laws of the Cayman Islands; and
- (e) *Liquidation:* In the event of liquidation, the Participating Shares carry a right to participate in the surplus assets of the Fund (after the return of the paid up nominal amount on the Management Shares), in proportion to the Net Asset Value per Participating Share of the Participating Shares of the Class held, subject to a deduction from those Participating Shares in respect of which there are monies due.

Variation of Share Rights

The Constitution provides that, subject to the Companies Law and the other provisions of the Constitution, all or any of the class rights or other terms of offer whether set out in this Memorandum, any subscription agreement or otherwise (including any representations, warranties or other disclosure relating to the offer or holding of such Participating Shares) (collectively referred to as "Share Rights") for the time being applicable to any Class of Participating Shares in issue (unless otherwise provided by the terms of issue of those Participating Shares) may (whether or not the Fund is being wound up) be varied without the consent of the holders of the issued Participating Shares of that Class where such variation is considered by the Directors, not to have a material adverse effect upon such holders' Share Rights; otherwise, any such variation shall be made only with the prior consent in writing of the holders of not less than two-thirds by par value of such Participating Shares, or with the sanction of a resolution passed by a majority of at least two-thirds of the votes cast in person or by proxy at a separate meeting of the holders of such Participating Shares. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such Participating Shares. Each applicant for Participating Shares will be required to agree that the terms of offer set out in the applicable subscription agreement and the rights attaching to the Participating Shares can be varied in accordance with the provisions of the Constitution. Each applicant for Participating Shares will be required to agree that the terms of offer set out in the applicable subscription agreement and the rights attaching to the Participating Shares can be varied in accordance with the provisions of the Constitution.

Restriction on Transfer of Participating Shares

Participating Shares may be transferred in accordance with the Constitution and this Memorandum and by using such form or forms as may from time to time be prescribed by the Directors. Copies of the prescribed form(s) of transfer for the time being applicable will be available upon request from the Manager.

The form of transfer must be executed by or on behalf of the transferor (and, if the Directors so require, signed by or on behalf of the transferee). The transferor will be deemed to remain the holder of a Participating Share until the name of the transferee is entered in the register of shareholders of the Fund.

All transfers and other documents of title relating to any Participating Shares must be lodged for registration with the Manager. Transfers of Participating Shares are subject to prior approval by the Directors.

The Directors may in their absolute discretion decline to register any transfer of Participating Shares in whole or in part for any or no reason whatsoever, including circumstances where the transfer to, or holding of, Participating Shares by the transferee would, in the conclusive determination of the Directors, cause or be likely to cause a pecuniary, tax, legal, regulatory or material administrative disadvantage to the Fund or the Shareholders as a whole in any jurisdiction.

The Directors and the Manager may request such information as is necessary to verify the identity of a transferee of Participating Shares. In the event of delay or failure by the transferee to produce any information required for verification purposes, the Directors and/or the Manager may refuse to register the transfer. The Fund, the Directors and the Manager shall not be liable to the transferor or transferee for any loss suffered as a result of the non-registration of the transfer.

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine.

No transfer resulting in the breach of any applicable law or regulation in respect of the minimum shareholding(s) in the Fund shall be registered.

Anti-Money Laundering Regulations and Requirements

In line with the responsibility of the Fund and the Manager under relevant anti-money laundering and related regulations ("AML Regulations"), the Fund and the Manager require a detailed verification of a subscriber's identity and the source of the subscriber's subscription monies.

The Fund and the Manager reserve the right to request such information from a subscriber as is necessary for them to meet their obligations under AML Regulations. In the event of delay or failure by a subscriber to produce information and/or documentation requested for such purpose, the Fund will refuse to accept the subscriber's application and the subscription monies relating thereto.

The Fund may on occasion issue Participating Shares to an investor before all due diligence information is received from the investor.

If the subscriber thereafter fails to produce all required information, the Directors may redeem the Participating Shares issued to such subscriber by compulsory redemption as set out in this Memorandum and the Constitution. If the Directors compulsorily redeem any or all of a Shareholder's Participating Shares on the basis that the Shareholder failed to produce such information as requested by the Directors or the Manager or their affiliates, subsidiaries or associates to verify the identity of the Shareholder, the Shareholder shall not be entitled to receive the Redemption Price in the manner described in the Constitution and this Memorandum. In such circumstances the Shareholder shall be entitled to receive the lower of the Net Asset Value per Participating Share of the Class compulsorily redeemed and the Subscription Price per Participating Share of the Class compulsorily redeemed, in each case, less any administrative fees and bank charges in respect thereof and the Shareholder shall not be entitled to interest on the subscription monies or any other amounts whatsoever. The Fund may, in the absolute discretion of the Directors, refuse to make a redemption payment to a Shareholder if the Directors or the Manager suspect or are advised that the payment of any redemption proceeds to such Shareholder may result in a breach or violation of any anti-money laundering or anti-terrorism law by any person in any relevant jurisdiction, or such refusal is necessary to ensure the compliance by the Fund, the Directors, the Manager or their respective affiliates, subsidiaries or associates with any anti-money laundering or anti-terrorism law in any relevant jurisdiction.

If any person resident in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or is involved with terrorism or terrorist property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law, 2008 of the Cayman Islands if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the Financial Reporting Authority, pursuant to the Terrorism Law (2009 Revision) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

By subscribing, subscribers consent to the disclosure by the Fund and the Manager (including their respective affiliates, subsidiaries and associates) of any information about them to regulators and others upon request in connection with money laundering and similar matters in the Cayman Islands, Singapore and in other relevant jurisdictions.

If the Fund, the Manager or any of their respective delegates, affiliates, subsidiaries, associates, employees or agents has a suspicion that any payment to the Fund (by way of subscription or otherwise) contains the proceeds of criminal conduct or that any transaction is connected in any way with money laundering or terrorist financing; the Fund, the Manager and/or any of their respective delegates, affiliates, subsidiaries, associates, employees or agents (as the case may be) is required by law to report such suspicious payments and transactions and such reports shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Other Jurisdictions

The Fund will comply with applicable Cayman Islands and Singapore anti-money laundering regulations. In addition, many jurisdictions are in the process of changing or creating anti-money laundering, embargo and trade sanctions, or similar laws, regulations, requirements (whether or not with force of law) or regulatory policies and many financial intermediaries are in the process of changing or creating responsive disclosure and compliance policies (collectively "Requirements") and the Fund could be requested or required to obtain certain assurances from subscribers subscribing for Participating Shares, disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is the Fund's policy to comply with Requirements to which it is or may become subject to and to interpret them broadly in favour of disclosure. Each subscriber will be required to agree in the Subscription Agreement, and will be deemed to have agreed by reason of owning any Participating Shares, that it will provide additional information or take such other actions as may be necessary or advisable for the Fund (in the sole judgment of the Fund or the Manager) to comply with any Requirements, related legal process or appropriate requests (whether formal or informal) or otherwise. Each subscriber by executing the Subscription Agreement consents, and by owning Shares is deemed to have consented, to disclosure by the Fund, the Manager and/or their respective delegates, affiliates, subsidiaries, associates or agents to relevant third parties of information pertaining to it in respect of Requirements or information requests related thereto. Failure to honour any such request may result in redemption by the Fund or a forced sale to another investor of such applicant's Participating Shares.

Automatic Exchange of Financial Account Information

The Cayman Islands has signed two inter-governmental agreements to improve international tax compliance and the exchange of information - one with the United States (the "US IGA"), which gives effect to the automatic tax information exchange requirements of the US Foreign Account Tax Compliance Act ("US FATCA"), and one with the United Kingdom with respect to the automatic exchange of tax information relating to UK tax resident persons and entities (the "UK IGA" and together with the US IGA, the "IGAs"). The Cayman Islands is also one of multiple jurisdictions that have agreed to the automatic exchange of financial account information on the basis of the standard published by the Organisation for Economic Co-operation and Development (the "Common Reporting Standard" or the "CRS").

In order to give effect to its obligations under the US IGA, the UK IGA and the CRS, the Cayman Islands has adopted regulations (the "AEOI Regulations"). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the "Cayman TIA") has also published guidance notes on the application of the IGAs and the CRS. Reporting under the UK IGA is expected to be phased out in 2017 or 2018 as the United Kingdom transitions to CRS.

Under the AEOI Regulations, all Cayman Islands "Financial Institutions" ("FIs") will be classified as "Reporting Financial Institutions" ("Reporting FIs") unless a FI may rely on an exemption, in which case it will be classified as a "Non-Reporting Financial Institution". As a Reporting FI, the Fund is required to: (i) register with the US Internal Revenue Service ("IRS") to obtain a Global Intermediary Identification Number (under US FATCA), (ii) register with and notify the Cayman TIA of its status as a Reporting FI, (iii) conduct due diligence on its investors to identify whether accounts are reportable under the AEOI Regulations, and (iv) report account information on reportable accounts to the Cayman TIA. The Cayman TIA will exchange the information reported to it with the IRS and other foreign fiscal authorities annually on an automatic basis.

By subscribing for Participating Shares (or continuing to hold Participating Shares), investors and/or Shareholders shall be deemed to acknowledge that:

- (i) the Fund (or its agent) may be required to disclose to the Cayman TIA certain confidential information in relation to the Shareholder, including but not limited to the Shareholder's name, address, tax identification number (if any) and certain information relating to the Shareholder's investment;
- (ii) the Cayman TIA may be required to automatically exchange information as outlined above with the IRS or other foreign fiscal authorities;

- (iii) the Fund (or its agent) may be required to disclose to the IRS or other foreign fiscal authorities certain confidential information when registering with such authorities and if such authorities contact the Fund (or its agent directly) with further enquiries;
- (iv) the Fund may require the subscriber or Shareholder to provide additional information and/or documentation which the Fund may be required to disclose to the Cayman TIA;
- (v) in the event a subscriber or Shareholder does not provide the requested information and/or documentation, whether or not that actually leads to compliance failures by the Fund, or a risk of the Fund or the Fund's investors being subject to withholding tax or penalties under the relevant legislative or inter-governmental regimes, the Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption of the Participating Shares held by the Shareholder; and
- (vi) no subscriber or Shareholder affected by any such action or remedy shall have any claim against the Fund (or its agent) for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Fund in order to comply with any of the US IGA, the UK IGA (for as long as it remains applicable), the CRS or the AEOI Regulations or any of the relevant underlying or implementing legislation.

Investors should ensure that their tax affairs are in compliance in their jurisdiction(s) of residence and/or citizenship (as applicable).

Liquidation

In the event that the Net Asset Value at any time falls below USD 1,000,000, the Fund may be liquidated with the approval of the Directors.

The voluntary winding-up of the Fund will be carried out in accordance with the provisions of the Constitution and the laws of the Cayman Islands.

Investments of the Fund that have not been sold and cannot be realised for fair value on the termination of the Fund may be distributed to Shareholders *in specie* at the discretion of the Directors or the liquidator of the Fund.

Material Contracts

The following contracts (not being contracts in the ordinary course of business) have been entered into or will be entered into by the Fund, or by the Manager in relation to the Fund, and are, or may be, material:

- (a) the Management Agreement between the Fund and the Manager, pursuant to which the Manager was appointed, subject to the overall supervision of the Directors, to manage the Fund's investments and affairs, with powers of delegation. The Management Agreement contains provisions indemnifying the Manager from liability unless such liability arose, *inter alia*, from its fraud, negligence or wilful default; and
- (b) the Investment Originator Agreement between the Manager and the Investment Originator, pursuant to which the Investment Originator was appointed to source SME investment opportunities for consideration and determination by the Manager on behalf of the Fund.

Other Matters

The Fund and the Manager will treat information received from subscribers as confidential and generally will not disclose such information other than (1) to their professional advisers or the Manager or to the ultimate holding company or their subsidiaries and/or affiliates and to each of their respective employees, officers, directors and agents and/or to any third party employed or engaged to provide administrative, computer or other services providers or facilities to whom data is provided or transferred as aforesaid and/or to any custodian or sub-custodian of the Fund in connection with the subscriber's investment in the Fund, which persons may be persons within or outside the Cayman Islands; and (2) where such disclosure is required by any law or order of any court or pursuant to any other duly authorised direction, request or requirement of any central bank or governmental or other competent regulatory authority. By subscribing for Participating Shares, each investor is deemed to unconditionally and irrevocably consent to any such disclosure and the Subscription Agreement contains an express authorisation to this effect.

Information supplied in the Subscription Agreement and otherwise in connection with an investor's subscription may be held by the Manager and/or its delegate and will be used for the purposes of processing such subscriber's subscription and completion of information on the Fund's register of Shareholders, and may also be used for the purpose of carrying out such investor's instructions or responding to any enquiry purporting to be given by such subscriber or on such subscriber's behalf, dealing in any other matters relating to such investor's holding in the Fund including the mailing of reports or notices), forming part of the records of the recipient as to the business carried on by such subscriber, observing any legal, governmental or regulatory requirements of any relevant jurisdiction (including any disclosure or notification requirements to which any recipient of the data is subject). All such information may be retained after the termination of the Fund or the transfer or redemption of such subscriber's holdings in the Fund.

The Manager and/or its delegate may, subject to the requirements of applicable law relating to personal information, disclose and transfer such information to the Fund, the Fund's brokers and other counterparties, the Auditors, including any of their employees, officers, directors and agents and/or their affiliates or to any third party employed to provide administrative, computer or other services or facilities to any person to whom data is provided or may be transferred as aforesaid and/or to any regulatory authority entitled thereto by law or regulation (whether statutory or not) in connection with such investor's investment in the Fund, which persons may be persons outside Singapore.

In the event of a dispute between the Directors and the Manager with regard to the exercise of a discretion, the determination of the Directors shall be final.

Documents Available for Inspection

The following documents are available for inspection by Shareholders at the business address of the Manager during normal business hours on any Business Day:

- (a) the Constitution; and
- (b) the Management Agreement; and
- (c) the Investment Originator Agreement.

PART VII – NOTICES TO INVESTORS IN STATED JURISDICTIONS

NOTICE TO INVESTORS IN AUSTRALIA

The Fund is not a registered managed investment scheme within the meaning of Chapter 5C of the Corporations Act 2001 (Cth) (the “Corporations Act”).

The provision of this Memorandum to any person does not constitute an offer of Participating Shares to that person or an invitation to that person to apply for Participating Shares. Participating Shares are only being offered in circumstances under which no disclosure is required under Part 7.9 or Chapter 6D of the Corporations Act. Any offer of Participating Shares does not purport to be an offer of Participating Shares in circumstances under which disclosure is required under the Corporations Act and will only be made if:

- (a) the person is a *sophisticated investor* or *professional investor* for the purposes of section 708 of the Corporations Act; or
- (b) the person is a *wholesale client* for the purpose of section 761G of the Corporations Act.

Nothing in this Memorandum constitutes an offer of Participating Shares or financial product advice to a “retail client” (as defined in section 761G of the Corporations Act and applicable Regulations).

The Manager does not hold an Australian Financial Services License and is not licensed to provide financial product advice in relation to Participating Shares.

This Memorandum will not be lodged with the Australian Securities and Investments Commission. Investors in Participating Shares have no cooling off rights.

NOTICE TO INVESTORS IN AUSTRIA

The fund is neither registered nor authorised for marketing in Austria according to the Austrian law on Alternative Investment Fund Managers or any other Austrian legislation and Participating Shares may not be offered, distributed, advertised or otherwise marketed, directly or indirectly, in Austria and nothing shall be construed to constitute any marketing of Participating Shares in or into Austria. This Memorandum and any other material in relation to the Participating Shares have been provided to the recipient only at the unsolicited specific request of such recipient. This Memorandum and any other materials relating to the Fund are strictly confidential and may not be provided to any person (individual person or entity) other than their intended recipients in Austria.

NOTICE TO INVESTORS IN BELGIUM

This Memorandum does not constitute a public offering nor a private placement in Belgium. No notification has been given to the Belgian Financial Services and Markets Authority (the “FSMA”) in relation to the marketing of the offer or the Participating Shares in Belgium in accordance with Article 498 of the Belgian Act of 19 April 2014 relating to Alternative Investment Funds and their managers (the “AIFM Act”), implementing Article 42 of the AIFMD, and neither this Memorandum nor any other offering material relating to the Participating Shares has been approved by the FSMA. Any representation to the contrary is unlawful. As a consequence, the offer may not be marketed in Belgium, the Participating Shares may not be offered or sold in Belgium, and this Memorandum or any other offering material relating to the Participating Shares may not be distributed, directly or indirectly, to any persons in Belgium.

The information contained in this Memorandum and any related documents may not be disclosed to the public in Belgium and no action has been taken or will be taken in Belgium to permit a public offer of the Participating Shares within the meaning of Article 3, 27° of the AIFM Act. Neither the offer nor the Participating Shares may be marketed, offered or sold to persons in Belgium unless such persons are Professional Investors within the meaning of Article 3, 30° of the AIFM Act.

NOTICE TO INVESTORS IN CANADA

This Memorandum constitutes an offering of the Participating Shares only in those jurisdictions and to those persons to whom they may be lawfully offered for sale, and therein only by persons permitted to sell such Participating Shares. This Memorandum is not, and under no circumstances is to be construed as, an advertisement or a public offering of the Participating Shares in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the Participating Shares, and any representation to the contrary is an offence.

NOTICE TO INVESTORS IN THE CAYMAN ISLANDS

The offering of the Participating Shares does not, and is not intended to, constitute an invitation to the public in the Cayman Islands to subscribe for Participating Shares.

NOTICE TO INVESTORS IN CHINA

Participating Shares may not be marketed, offered or sold directly or indirectly to the public in China and neither this Memorandum, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained in this Memorandum relating to the Participating Shares, may be supplied to the public in China or used in connection with any offer for the subscription or sale of the Participating Shares to the public in China. Participating Shares may only be marketed, offered or sold to Chinese institutions which are authorized to engage in foreign exchange business and offshore investment from outside China. Chinese investors may be subject to foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations, as well as offshore investment approval requirements.

NOTICE TO INVESTORS IN FRANCE

The Fund has not been authorized for marketing in France and this Memorandum has not been reviewed nor approved by the Autorité des Marchés Financiers or any other French authority. No marketing of the Participating Shares has been carried out on French territory, and this Memorandum and any other offering materials relating to the Fund are being provided only at the specific request of prospective investors in France made on such prospective investors' initiative exclusively. This Memorandum and any other offering materials relating to the Fund are strictly confidential and may not be distributed to any person or entity other than the intended recipients thereof.

NOTICE TO INVESTORS IN GERMANY

This Memorandum has not been and will not be submitted to, nor has it been approved by, the Bundesanstalt Für Finanzdienstleistungsaufsicht (the German Federal Financial Supervisory Authority or "BAFIN"). The Fund has not been notified for marketing in Germany to the BAFIN. Therefore, no sale of Participating Shares to German residents is permitted, unless the sale did not involve any "marketing" ("vertrieb", as this term is construed under the German capital investment code (Kapitalanlagegesetzbuch - "KAGB")) by any party (i.e., where the investor invests in the Fund solely on its own initiative). Furthermore, a sale of Participating Shares to professional or semi-professional investors resident in Germany is permitted if the marketing has not occurred on the initiative of the Fund or on its behalf. Neither this Memorandum nor any other document relating to the Fund may be circulated or supplied to persons resident in the Federal Republic of Germany other than to professional or semi-professional investors (a) at the request of the investor, i.e., not on the initiative of the Fund or the Manager or (b) by persons not acting on behalf of the Fund or the Manager.

NOTICE TO INVESTORS IN HONG KONG

The contents of this Memorandum have not been reviewed nor endorsed by any regulatory authority in Hong Kong. Hong Kong residents are advised to exercise caution in relation to this offer. An investment in Participating Shares may not be suitable for everyone. If you are in any doubt about the contents of this Memorandum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent professional advice. The Fund is not authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to section 104 of the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong) ("SFO"). This Memorandum has not been approved by the SFC in Hong Kong, nor has a copy of it been registered with the Registrar of Companies in Hong Kong and, must not, therefore, be issued, or possessed for the purpose of issue, to persons in Hong Kong other than (1) *professional investors* within the meaning of the SFO (including *professional investors* as defined by the Securities and Futures (Professional Investors) Rules); or (2) in circumstances which do not constitute an offer to the public for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32, Laws of Hong Kong) or the SFO.

This Memorandum is distributed on a confidential basis and may not be reproduced in any form or transmitted to any person other than the person to whom it is addressed. No Participating Shares will be issued to any person other than the person to whom this Memorandum has been addressed and no person other than such addressee may treat the same as constituting an invitation for him to invest.

NOTICE TO INVESTORS IN INDONESIA

Participating Shares do not qualify for public distribution in Indonesia and the Fund will not be subject to supervision in Indonesia. This confidential Memorandum may not be issued, circulated or passed on in Indonesia to any person except under circumstances which do not constitute a public offer of, nor a public invitation to subscribe for, Participating Shares. Investors and prospective investors in the Fund are advised that this confidential Memorandum must not be passed on to any other person. Potential investors must read and understand this confidential Memorandum to understand the risks inherent in an investment in Participating Shares before making a decision to make an investment.

NOTICE TO INVESTORS IN IRELAND

This Memorandum and the information contained herein is confidential and has been prepared and is intended for use on a confidential basis solely by those persons in the Republic of Ireland to whom it is sent. This Memorandum may not be reproduced, redistributed or passed on to any other person in the Republic of Ireland or published in whole or in part for any purpose. No person receiving a copy of this Memorandum, other than the addressee, may treat it as constituting an invitation or a solicitation to them to subscribe for or purchase Participating Shares. Any and all offers made by or contained in this memorandum to persons in the Republic of Ireland will be restricted to an offer of securities which is an excluded offer within the meaning of Article 3.2 of the Prospectus Directive (2003/71/EC) as amended (the "Prospectus Directive") and Regulation 9 of the Prospectus (Directive 2003/71/EC) Regulations 2005 as amended (the "Prospectus Regulations"). Accordingly, any such offer is an excluded offer within the meaning of Article 3.2 of the Prospectus Directive and Regulation 9 of the Prospectus Regulations.

This Memorandum does not constitute a prospectus under any Irish law or Regulations and has not been filed with or authorized by the Central Bank of Ireland (the "Central Bank") or any Stock Exchange in the Republic of Ireland. The Fund is not supervised by the Central Bank and the Participating Shares are not otherwise supervised or authorized in the Republic of Ireland. Participating Shares may not be offered or placed, directly or indirectly by or to any person in the Republic of Ireland other than to *professional investors* in conformity with the provisions of the European Union (Alternative Investment Fund Managers) Regulations 2013 and the requirements of the Central Bank.

If any advice is given to residents of the Republic of Ireland in relation to any offer made by or contained in this Memorandum by any intermediary, such intermediary should be authorized or exempted under the European Communities (Markets in Financial Instruments) Regulations, 2007, as amended.

Nothing in this Memorandum implies any representation, recommendation or advice (including investment advice under the Markets in Financial Instruments Directive (Directive 2004/39/EC)) of any kind by the Manager, its management, employees or affiliates with respect to its contents.

The subscriber has represented and agreed pursuant to the subscription agreement that:

- (a) it has not and will not underwrite the issue of, or place the Participating Shares, otherwise than in conformity with the provisions of S.I. no. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), and any codes of conduct or rules issued in connection therewith and any conditions or requirements, or other enactments, imposed or approved by the Central Bank and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it has not and will not underwrite the issue of, or place, the Participating Shares, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2014 (as amended) and any codes of practice made under section 117(1) of the Irish Central Bank Act 1989 (as amended) or any Regulations made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);
- (c) it has not and will not underwrite the issue of, or place, or do anything in Ireland in respect of the Participating Shares, otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended), the Irish Companies Act 2014 and any rules issued under section 1363 of the Irish Companies Act 2014, by the Central Bank of Ireland; and

- (d) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Participating Shares, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under section 1370 of the Irish Companies Act 2014 by the Central Bank of Ireland.

NOTICE TO INVESTORS IN ITALY

The Fund is not a UCITS Fund. It has not been nor will it be authorised for offering in Italy under Article 42.5 of the Legislative Decree No. 58 of 24th February 1998, as amended. The Participating Shares are sold upon the express request of the investor, who has directly contacted the Fund or its representative outside of Italy at the investor's own initiative. No active marketing of the Fund has been nor will be carried out in Italy and this confidential memorandum has been sent to the investor at the investor's request. The investor acknowledges the above and hereby agrees not to offer, transfer or otherwise resell any Participating Shares. This confidential Memorandum and other offering materials relating to the offer of Participating Shares are strictly confidential and may not be distributed to any person or entity in Italy other than the recipients hereof.

NOTICE TO INVESTORS IN JAPAN

The Participating Shares have not been, and will not be, registered under the Financial Instruments and Exchange Law of Japan (Law no. 25 of 1948 as amended, the "Fiel") and disclosure under the Fiel has not been, and will not be, made with respect to the Participating Shares. Neither the Participating Shares nor any interest therein may be offered, sold, resold, or otherwise transferred, directly or indirectly, in Japan to or for the account of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Fiel and all other applicable laws, regulations and guidelines promulgated by the relevant Japanese Governmental and regulatory authorities. As used in this paragraph, a resident of Japan is any person that is resident in Japan, including any corporation or other entity organized under the laws of Japan.

NOTICE TO INVESTORS IN LUXEMBOURG

The Participating Shares may not be offered or sold in the Grand Duchy of Luxembourg, except for interests that are offered in circumstances that do not require the approval of a prospectus by the Commission de Surveillance du Secteur Financier in accordance with the Law of July 10, 2005 on Prospectuses for Securities as amended. The Participating Shares are offered to a limited number of *professional investors*, in all cases under circumstances designed to preclude a distribution that would be other than a private placement. This Memorandum may not be reproduced or used for any other purpose, or provided to any person other than the recipient.

NOTICE TO INVESTORS IN MALAYSIA

The offering made under this Memorandum does not constitute, and should not be construed as constituting an offer or invitation to subscribe for or purchase any securities in Malaysia. The Fund, by the dispatch of this Memorandum, has not made available any securities for subscription or purchase in Malaysia. This Memorandum is distributed in Malaysia for information purposes only. This Memorandum does not constitute and should not be construed as offering or making available any Participating Shares for purchase in Malaysia.

NOTICE TO INVESTORS IN THE NETHERLANDS

Participating Shares may only be offered, sold, transferred or delivered, as part of their initial distribution or at any time thereafter, at any time by anyone, directly or indirectly, and this Memorandum may only be distributed, to *qualified investors* (gekwalificeerde beleggers) as such term is defined in section 1:1 of the Act on Financial Supervision (wet op het financieel toezicht) in the Netherlands.

NOTICE TO INVESTORS IN SINGAPORE

This Memorandum and any other material in connection with the offer or sale is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. Prospective investors should consider carefully whether an investment in the Fund is suitable for them.

This Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS") and this offering is not regulated by any financial supervisory authority pursuant to any legislation in Singapore.

The Fund is not authorized or recognized by MAS and Participating Shares are not allowed to be offered to the retail public. Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Participating Shares may not be circulated or distributed, nor may Participating Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an *institutional investor* under section 4a of the SFA, (ii) to a *relevant person* under section 305(1) of the SFA, (iii) to any person pursuant to an offer referred to in section 305(2) of the SFA, or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Certain resale restrictions apply to the offer and investors are advised to acquaint themselves with such restrictions.

Where Participating Shares are subscribed or purchased under section 305 of the SFA by a *relevant person* that is:

- a corporation (which is not an *accredited investor* (as defined in section 4a of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an *accredited investor*, or
- a trust (where the trustee is not an *accredited investor*) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an *accredited investor*;

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust will not be transferred within six months after that corporation or that trust has acquired interests pursuant to an offer made under section 305 except:

- to an *institutional investor* or to a *relevant person* defined in section 305(5) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than SGD 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in section 275 of the SFA;
- where no consideration is or will be given for the transfer; or
- where the transfer is by operation of law.

NOTICE TO INVESTORS IN SOUTH KOREA

Neither the Fund nor the Manager is making any representation with respect to the eligibility of any recipients of this Memorandum to acquire Participating Shares under the laws of Korea, including but without limitation the Foreign Exchange Transaction Act and Regulations thereunder. The Fund has not been registered under the Financial Investment Services and Capital Markets Act of Korea, and none of the Participating Shares may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea. Furthermore, Participating Shares may not be resold to Korean residents unless the purchaser of the Participating Shares complies with all applicable regulatory requirements (including but not limited to Governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of Participating Shares.

NOTICE TO INVESTORS IN SPAIN

Participating Shares may not be offered or sold in Spain except in accordance with the requirements of applicable Spanish law and the interpretations thereof by the Comisión Nacional del Mercado de Valores (the "CNMV"). This Memorandum is neither verified nor registered with the CNMV, and therefore no marketing or advertising activity, as defined by Act 35/2003, of 4 November, on Collective Investment Schemes, with respect to the Participating Shares will be carried out in Spain.

NOTICE TO INVESTORS IN SWITZERLAND

The distribution of Participating Shares in Switzerland will be exclusively made to, and directed at, *regulated qualified investors* (the "regulated qualified investors"), as defined in Article 10(3)(a) and (b) of the Swiss Collective Investment Schemes Act of 23 June 2006, as amended ("CISA"). Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("FINMA") and no Swiss representative or paying agent have been or will be appointed in Switzerland. This Memorandum and/or any other offering materials relating to the Participating Shares may be made available in Switzerland solely to *regulated qualified investors*.

NOTICE TO INVESTORS IN TAIWAN

The offer of Participating Shares has not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations of Taiwan and may not be offered or sold within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan.

NOTICE TO INVESTORS IN THAILAND

This confidential Memorandum has not been and will not be filed with or approved by the Securities Exchange Commission of Thailand or any other regulatory authority in Thailand. The Participating Shares have not been and will not be offered to any member of the public in Thailand other than to *institutional investors* as defined under relevant Thai laws and regulations. Any offering of the Participating Shares to prospective institutional investors will be made exclusively on a direct offering and on a private placement basis.

NOTICE TO INVESTORS IN THE UNITED ARAB EMIRATES (“UAE”)

By receiving this confidential Memorandum, the person or entity to whom it has been issued understands, acknowledges and agrees that this confidential Memorandum has not been approved by the Emirates Securities and Commodities Authority (“ESCA”) under the provisions of Board Decision of ESCA No. 37 of 2012 or any other authority in the UAE, and may not be distributed in the UAE except in accordance with relevant exemptions. ESCA, the UAE Central Bank or any other authority in the UAE does not take any responsibility for the contents of this confidential Memorandum, does not make any representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this confidential Memorandum. Prospective purchasers of Participating Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Fund.

NOTICE TO INVESTORS IN THE UNITED KINGDOM

The Fund is a collective investment scheme for the purposes of the Financial Services and Markets Act 2000 (“FSMA”) of the United Kingdom and is not a recognized scheme for the purposes of section 238 of the FSMA. The communication of this document or any invitation or inducement in the United Kingdom to participate in the Fund or Participating Shares is accordingly restricted by law.

The Fund has not been authorized or otherwise approved by the U.K. Financial Conduct Authority and is not a recognized scheme (as defined in the FSMA). No application has been or is intended to be made for an authorization order (as defined in the FSMA) in respect of the Fund. As an unregulated scheme, the Fund accordingly cannot be promoted in the United Kingdom to the general public. This Memorandum may be communicated in the United Kingdom only to persons to whom it may lawfully be communicated. Communication of this Memorandum to any other person in the United Kingdom is unauthorized and may contravene the FSMA and or other laws and regulations, and no such person is entitled to act upon it.

Potential investors in the United Kingdom are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Fund and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.