

The directors of *COMPANY NAME* (the “Company”) (the “Directors”) whose names appear under “Directors” on page 1 of this document are the persons responsible for all the information contained in this offering memorandum (the “Offering 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 Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Note: This specimen Offering Memorandum merely provides guidance on the minimum standards required by the MFSA. In this regard, neither the MFSA nor any of its officials are liable for any inclusion, error or omission. The Directors are solely responsible for the contents of the Offering Memorandum offered to investors and for ensuring that such document is in line with all the applicable legal and regulatory requirements. The Directors should seek appropriate legal advice in the drafting of the Offering Memorandum.

Certain sections of the Offering Memorandum require periodic updating and accordingly the Directors are responsible to keep the Offering Memorandum updated.

The Directors are also responsible to ensure that no inconsistencies exist between the contents of the Offering Memorandum and the contents of the Memorandum and Articles of Association.

OFFERING MEMORANDUM

COMPANY NAME

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

[•] 201[•]

The Company is included on the List of Notified AIFs maintained by the Malta Financial Services Authority (the “MFSA”) as Alternative Investment Funds which are available subject to the requirements of local law outside Malta and, in Malta, to Professional Investors AND/OR Qualifying Investors. These Alternative Investor Funds are Non-Retail Schemes. The Company is not licensed, authorised or under the prudential supervision of the MFSA. Therefore, the protection normally arising as a result of the imposition of the MFSA’s prudential supervision do not apply.

The Company may only be marketed in the European Economic Area (“EEA”) to permitted persons under the AIFMD (see “Definitions”). Marketing to an investor within the EEA who is not a Professional Investor as defined in AIFMD may only be undertaken in accordance with the national provisions applicable in the respective jurisdiction as prescribed in Article 43 of AIFMD.

The Company is a Notified AIF under the Investment Services Act (List of Notified AIFs) Regulations. The Company has been entered onto the List of Notified AIFs on the basis of a notification submitted by [*MANAGER NAME*], the AIFM to the Company, confirming that: (a) the AIFM is in possession of either (i) a licence granted by the MFSA

under the Investment Services Act; or (ii) a management passport under Article 33 of AIFMD; and (b) the governing body of the Company has approved the prospectus.

The entry of the Company on the List of Notified AIFS is not an endorsement, guarantee or statement of approval by the MFSA nor is the MFSA responsible for the contents of this document or the selection or adequacy of the Company's governing body and service providers.

The MFSA has made no assessment or value judgment of the soundness of the Company or for the accuracy or completeness of statements made or opinions expressed with regard to it.

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

SAMPLE

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

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

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

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

European Economic Area

The Company is an AIF within the meaning of AIFMD. The Manager is the AIFM within the meaning of AIFMD of the Company.

Shares may not be marketed to prospective investors or discretionary investment managers which are domiciled or have a registered office in any member state of the EEA (“EEA Persons”) unless AIFMD marketing rights have been exercised by the Manager and in such case only to EEA Persons which qualify as Professional Investors and, if permitted by the respective jurisdiction, other persons, subject always to the national provisions applicable in the respective jurisdiction as prescribed in Article 43 of the AIFMD.

United States

[Drafting Note: In relation to the U.S., where relevant, consider the need for mandated CFTC disclosure.]

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “1933 Act”), or qualified under any applicable state statutes and may not be offered, sold or transferred in the United States (including its territories and possessions) or to or for the benefit of, directly or indirectly, any U.S. Person, except pursuant to registration or an exemption. The Company has not been, nor will be, registered under the U.S. Investment Company Act of 1940, as amended (the “1940 Act”), and investors will not be entitled to the benefits of such registration. Pursuant to an exemption from registration under the 1940 Act, the Company may make a private placement of the Shares to a limited category of U.S. Persons. The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the

contrary is unlawful.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold in the United States except as permitted under the 1933 Act and applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. [*The Shares are not available for investment by or on behalf of, directly or indirectly, U.S. Persons.*] [Drafting Note: appropriate additional language to be added if the Funds will generally be sold to US investors.]

There are significant risks associated with an investment in any Fund. Investment in a Fund may not be suitable for all investors. It is intended for sophisticated investors who can accept the risks associated with such an investment including a substantial or complete loss of their investment. There can be no assurance that a Fund will achieve its investment objective and losses may be incurred. Each prospective investor should carefully review this Offering Memorandum together with the Supplement of the relevant Fund and carefully consider the risks before deciding to invest. The attention of investors is drawn to “Risk Factors and Conflicts of Interest” below and in the relevant Supplement.

SAMPLE

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SAMPLE

DIRECTORY

Directors of the Company

[Drafting Note: Insert names and addresses.]

Registered Office of the Company

[•]

Malta

Manager and AIFM to the Company

[•]

[Investment Manager to the Company

[•/]

Administrator to the Company

[•]

Depository to the Company

[•]

Auditor to the Company

[•]

Malta

Legal and Regulatory Advisors to the Company, [*the Manager and the Investment Manager*]

As to Maltese law:

[•]

As to [•] law:

[•]

DEFINITIONS

The following terms have the meanings specified below in this Offering Memorandum unless the context otherwise requires:

“Administration Agreement”	the agreement entered into among, <i>inter alia</i> , the Administrator, [•] and the Company on or about the date of this Offering Memorandum;
“Administrator”	[•];
“AIF” or “Alternative Investment Fund”	an alternative investment fund, as defined in AIFMD;
“AIFM” or “Alternative Investment Fund Manager”	an alternative investment fund manager, as defined in AIFMD;
“AIFMD”	Directive 2011/61/EU of the European Parliament and the Council of the European Union on alternative investment fund managers and any implementing legislation or regulations thereunder;
“AIFMD Rules”	the provisions of: (i) the European Commission Delegated Regulation (EU) No 231/2013 supplementing AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision; and (ii) the rules and guidance of the MFSA and any other applicable regulations implementing AIFMD;
“Application Form”	the application form for Shares, in such form as the Directors may from time to time prescribe, including the Qualifying Investor declaration form, pursuant to which an investor may apply for Shares;
“Articles”	the articles of incorporation of the Company, as amended from time to time;
“Auditors”	[•];
[“Benefit Plan Investor”	as defined under “GENERAL INFORMATION: [15] [U.S. Definitions”];
“Business Day”	any day (except Saturday or Sunday) on which banks in [•] and [•] are open for business and/or such other or further day or days as may be determined by the Directors in their discretion from time to time;
[“CFTC”	the U.S. Commodity Futures Trading Commission;]
“Class”	the relevant class of the relevant Fund, as the context requires;
“Code”	the U.S. Internal Revenue Code of 1986;
“Company”	COMPANY NAME;

[“Covered Person”	<i>as defined under FINRA Rule 5131. Covered Persons are, generally, dealers and executive officers of certain public companies and covered non-public companies. A more detailed definition of Covered Person is contained in the Application Form;]</i>
“Dealing Day”	as specified in the relevant Supplement as the same may be amended as set out under “SUBSCRIPTIONS AND REDEMPTIONS” below;
“Depository”	[•];
“Depository Agreement”	the agreement entered into among the Depository, [•] and [•] on or about the date of this Offering Memorandum;
“Directors”	the directors of the Company, whose names appear under “Directors” on page 1 of this Offering Memorandum, including duly authorised committees thereof, as the case may require and “Director” is to be construed accordingly;
[“ERISA”	<i>the U.S. Employee Retirement Income Security Act of 1974;]</i>
“EEA”	the participating member states of the European Economic Area (as constituted from time to time) being the member states of the European Union and Iceland, Lichtenstein and Norway;
[“FINRA”	<i>the U.S. Financial Industry Regulatory Authority;]</i>
“Founder Shares”	means the shares of the Company carrying the rights described in the Memorandum, which have been subscribed by the subscribers as set forth adjacent to their names in the Memorandum;
“Fund”	a segregated portfolio of the Company which the Directors may from time to time declare to constitute a sub-fund, being a separate portfolio of assets and liabilities to be maintained and invested in accordance with the investment objective, approach and guidelines applicable to such Fund as described in the Supplement issued by the Company in respect of such Fund. The assets and liabilities of a Fund shall be treated as a patrimony separate from the assets and liabilities of each other Fund;
[“IFRS”	<i>International Financial Reporting Standards;]</i>
“Initial Issue Price”	a fixed price per Share at which Shares in a Class are issued on the initial subscription Dealing Day, as specified in the relevant Supplement;
[“Investment Management Agreement”	<i>the agreement entered into between the Manager and the Investment Manager on or about the date of this Offering Memorandum;]</i>
[“Investment Manager”	[•];]

“Investment Services Act”	the Investment Services Act 1994 of Malta (Cap. 370, Laws of Malta);
“Maltese Companies Act”	the Companies Act, 1995, of Malta (Cap. 386, Laws of Malta);
“Management Agreement”	the agreement entered into among, <i>inter alia</i> , the Manager, the Company on or about the date of this Offering Memorandum;
“Manager”	<i>MANAGER NAME</i> ;
“Memorandum”	the memorandum of association of the Company, as amended from time to time;
“MFSA”	the Malta Financial Services Authority or any successor body thereto;
[“New Issues”	<i>as defined pursuant to FINRA Rule 5130 to include any initial public offering of an equity security as defined in Section 3(a)(11) of the U.S. Securities Exchange Act of 1934 made pursuant to a registration statement or offering circular;]</i>
“Prevention of Money Laundering Act”	the Prevention of Money Laundering Act, 1994, of Malta (Cap. 373, Laws of Malta);
“Prevention of Money Laundering and Funding of Terrorism Regulations”	the Prevention of Money Laundering and Funding of Terrorism Regulations, 2008, (S.L. 373.01);
“Prime Broker”	a prime broker appointed to one or more Fund(s), as specified in the relevant Supplement;
“Professional Investor”	an investor who is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to Directive 2004/39/EU of the European Parliament and the Council of 21 April 2004 on markets in financial instruments;
“Qualifying Investor”	an investor who fulfils the following criteria: <ul style="list-style-type: none"> (a) invests a minimum of EUR 100,000 or its currency equivalent in the Fund which investment may not be reduced below this minimum amount at any time by way of a partial redemption; and (b) declares in writing in a separate document provided to the Manager and the Company that they are aware of and accept the risks associated with the proposed investment; and (c) satisfies at least one of the following: <ul style="list-style-type: none"> (i) a body corporate which has net assets in excess of EUR 750,000 or which is part of a group which has net assets in excess of EUR 750,000 or, in each case, the currency equivalent thereof;

- (ii) an unincorporated body of persons or association which has net assets in excess of EUR 750,000 or the currency equivalent;
- (iii) a trust where the net value of the trust's assets is in excess of EUR 750,000 or the currency equivalent;
- (iv) an individual whose net worth or joint net worth with that of the person's spouse, exceeds EUR 750,000 or the currency equivalent; or
- (v) a senior employee or director of a service provider to the Company.

[“Restricted Persons”	<i>as defined under FINRA Rule 5130. Restricted Persons are, generally, FINRA members and other broker-dealers, their officers, directors, employees and affiliates, and persons having portfolio management responsibility for collective investment vehicles or financial or other institutions, as well as certain immediate family members of such persons. A more precise definition of Restricted Person is contained in the Application Form;]</i>
“Shares”	the ordinary voting participating shares of no par value issued by the Company in respect of a Fund, as the context requires;
“Special Purpose Vehicle”	a vehicle as may be set up by the Company in respect of a Fund, as part of its investors strategy for the purpose of achieving its investment objectives, and owned or controlled via a majority shareholding of the voting shares either directly or indirectly by the relevant Fund;
“Supplement”	a supplement to this Offering Memorandum issued by the Company in respect of a Fund from time to time;
[“Supplemental Disclosure Form for U.S. Persons”	<i>the form supplemental to the Application Form to be completed by U.S. Persons subscribing for Shares in such form as may be prescribed by the Directors from time to time;]</i>
[“United States” or “U.S.”	<i>the United States of America, its territories and possessions, any state of the United States and the District of Columbia;]</i>
[“U.S. Person”	<i>as defined under “GENERAL INFORMATION; [15.] U.S. Definitions;]</i>
[“U.S. Taxpayer”	<i>as defined under “GENERAL INFORMATION; [15.] U.S. Definitions;]</i>
“Valuation Day”	such day or days as may be specified in the relevant Supplement, as the same may be amended as set out under “SUBSCRIPTIONS AND REDEMPTIONS” below[;][.]
[“1933 Act”	<i>the U.S. Securities Act of 1933; and]</i>

[“1940 Act”

the U.S. Investment Company Act of 1940.]

All references herein to “U.S. Dollars” “dollars”, or “\$” are to United States dollars. All references to “euro”, “EUR” or “€” are to European euro.

All references to the provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted, revised or replaced from time to time.

All references to any agreement are to such agreement as it may be amended, restated, supplemented or replaced from time to time.

SAMPLE

KEY INFORMATION

The following is a summary of the key information concerning the Company its Fund(s) and the offering of Shares.

The Company

COMPANY NAME is a multi-fund investment company with variable share capital of unlimited duration constituted as a public limited liability company on [•] 201[•] under the provisions of the Maltese Companies Act with registration number SV [•].

The Company is included in the List of Notified AIFs under the Investment Services Act (List of Notified AIFs) Regulations.

The Company, its Funds and Class Structure

The Company may establish one or more Funds in accordance with the Articles.

Details of the terms applicable to each Fund established by the Company as are in existence from time to time will be set out in a separate Supplement to this Offering Memorandum. For the avoidance of doubt, in the event of a conflict between the terms of this Offering Memorandum and the terms of any Supplement, the terms of the relevant Supplement will prevail.

Investment Objective and Approach

The investment objective and approach of each Fund will be specified in the Supplement of the relevant Fund.

There can be no assurance that the investment objective of any Fund will be achieved and losses may be incurred.

Management

The Company has appointed the Manager as its manager and AIFM. [*The Manager will also act as marketing agent in respect of the Shares.*]

[*The Manager is [in possession of a licence granted by the MFSA under the Investment Services Act as a full-scope AIFM] OR [in possession of a management passport under Article 33 of AIFMD.]*]

[*The Manager has delegated day-to-day discretionary investment management of each Fund to the Investment Manager.*]

[*The Investment Manager is [•].] [Drafting Note: insert relevant description.]*

Administration

[•] serves as the administrator to the Company.

Depository

[•] serves as the depository to the Company.

Fees and Expenses

The Company will be responsible for its fees, expenses and operating costs, including its established costs and the fees of the Directors, the Administrator and the Depository are also set out under "FEES AND EXPENSES" below.]

Each Fund will bear its *pro rata* portion of the fees, expenses and operating costs of the Company as well as its own fees, expenses and costs as specified in the relevant Supplement.

Subscriptions	Shares will be available for subscription as specified in the relevant Supplement and as set out below under “SUBSCRIPTIONS AND REDEMPTIONS: subscriptions.
Redemptions	Investors may request the redemption of all or some of their Shares as specified in the relevant Supplement and as set out below under [SUBSCRIPTIONS AND REDEMPTIONS: Redemptions.]
Gate Policy	<i>The Directors may limit the value of redemptions made by a shareholder in respect of any Dealing Day to up to [•] per cent of the total net asset value of the [shareholder’s Shares] of the relevant Class then in issue. The Directors may waive the gate, in whole or in part, in respect of any Dealing Day, at their discretion.][Drafting Note: Insert applicable gate policy if relevant.]</i>
Key Man Event	<i>[Insert applicable details when relevant]</i>
[Listing]	<i>[Drafting Note: If applicable, insert information relevant to any listing here.]</i>
Risk Factors	There are significant risks associated with an investment in a Fund. Investment may not be suitable for all investors. It is intended for sophisticated investors who can accept the risks associated with such investment including a substantial or complete loss of their investment. There can be no assurance that any Fund will achieve its investment objective and losses may be incurred. Each prospective investor should carefully review this Offering Memorandum and carefully consider the risks before deciding to invest. The attention of investors is drawn to “RISK FACTORS AND CONFLICTS OF INTEREST” below and in the relevant Supplement.

This summary is derived from and should be read in conjunction with the full text of this Offering Memorandum, the relevant Fund Supplement and any other document referred to herein.

THE COMPANY, ITS FUNDS AND CLASS STRUCTURE

The Company

COMPANY NAME is a multi-fund investment company with variable share capital of unlimited duration constituted as a public limited liability company on [•] 201[•] under the provisions of the Maltese Companies Act with registration number SV [•].

The Company is included in the List of Notified AIFs under the Investment Services Act (List of Notified AIFs) Regulations.

Funds and Class Structure

The Directors may establish one or more Funds in accordance with the Articles and/or classes of shares of any Fund.

The base currency of the Company is [*EURO*] and the annual accounts for the Company will be prepared in [*EURO*]. The base currency of the Fund will be specified in the relevant Supplement.

Accumulation and Distribution Policy

The accumulation and distribution policy of each Fund will be specified in the relevant Supplement. [*These policies may be changed on 30 days' written notice to investors.*]

INVESTMENT OBJECTIVE, INVESTMENT POLICIES AND INVESTMENT GUIDELINES

Investment Objective and Investment Policies

The investment objective and policies of each Fund will be specified in the Supplement of the relevant Fund.

There can be no assurance that the investment objective of a Fund will be achieved and losses may be incurred.

A Fund may, in the interests of seeking protection of an investor's investment, engage in foreign exchange hedging transactions to seek to hedge the Fund's currency exposure in whole or in part as further specified in the relevant Supplement.

A Fund may make use of borrowing and leverage as further specified in the relevant Supplement.

[Investment via Subsidiaries or Special Purpose Vehicle]

A Fund may invest indirectly through one or more wholly-owned subsidiaries or other Special Purpose Vehicles ("Special Purpose Vehicles") where the Directors consider that this would be efficient for the Fund from a commercial and/or tax perspective or provide the only practicable means of access to the relevant instrument or strategy. Special Purpose Vehicles may be funded via equity or a combination of equity and debt. Any investment made by a Fund through Special Purpose Vehicles will only be made in compliance with the rules of the MFSA. In particular:

- (i) the Special Purpose Vehicles must be established in Malta or in another jurisdiction not blacklisted by the Financial Action Task Force;*
- (ii) the Directors will at all times maintain the majority of any directorships in the Special Purpose Vehicles; and*

- (iii) *any investment effected by the Fund through the Special Purpose Vehicles will only be made in accordance with the investment objective, investment policies, investment guidelines and investment restrictions of the Fund.]*

Risk Management

The Manager operates risk management systems to seek to identify, measure, manage and monitor the risks relevant to the investment objective and approach of each Fund. *[The risk management function is independent of the portfolio management function performed by the Investment Manager.]*

Changes to the Investment Objective and Investment Policies

Changes to the investment objective and investment policies of a Fund as specified in the relevant Supplement may be made by the Directors. Changes will be notified to investors at least 30 days in advance of the change. Changes to the investment objective will only become effective after a period sufficient to allow all redemption requests linked to such change to be processed. Any redemption fees arising as a result will be waived.

Investment Guidelines

A Fund will adhere to the investment guidelines specified in the relevant Supplement.

If one or more of a Fund's investment guidelines are at any time contravened for reasons beyond the control of the *[Investment]* Manager and/or the Fund, the *[Investment]* Manager or the Fund must take such steps as are necessary to ensure a restoration of compliance with such guideline(s) as soon as is reasonably practicable having regard to the interests of investors and, in any event, within the period of six months beginning on the date of discovery of the contravention of such guideline(s).

Changes to the investment guidelines of a Fund may be made by the Directors. Changes will be notified to investors in advance of the change. *[Drafting Note: If restrictions are not expected to vary by Funds, include restrictions here.]*

Securities Financing Transactions, Derivative Instruments and Collateral and Asset Re-use Arrangements

A Fund may invest in derivative instruments traded on exchange or over-the-counter, including forwards, futures, options and swaps (including total return swaps) on equities, rates, indices, bonds, currencies and other asset classes and may purchase warrants, in each case for investment purposes as well as to hedge market and currency exposure ("Derivative Transactions"). A Fund may also enter into securities lending and borrowing trades, repurchase and reverse repurchase transactions, sell and buy-back and buy and sell-back transactions, margin lending arrangements and other similar transactions ("Securities Financing Transactions") in pursuit of the Fund's investment strategy.

A Fund may enter into Derivative Transactions and/or Securities Financing Transactions with the Prime Brokers and/or other brokers and/or counterparties (each a "Trading Counterparty"). A Fund will only enter into Derivative Transactions and Securities Financing Transactions with Trading Counterparties which the Directors believe to be creditworthy and which are subject to prudential supervision. In determining such creditworthiness, the Director will have regard to any credit rating of the relevant Trading Counterparty and/or the availability of any guarantee and/or collateral cover. Trading Counterparties may be entitled to receive a fee or commission in respect of any Derivative Transaction or Securities Financing Transaction executed by the relevant Fund, which may be reflected in the economics of the relevant transaction.

A Fund's collateral and asset re-use arrangements vary between Trading Counterparties:

- (A) A Fund's current collateral and asset re-use arrangements with its Prime Brokers, if any, will be described in the section headed "SERVICE PROVIDERS: Prime Brokers" in the relevant Supplement.
- (B) A Fund may be required to deliver collateral from time to time to its Trading Counterparties (other than a Prime Broker) under the terms of the relevant trading agreements, by posting initial margin and/or variation margin and on a daily mark-to-market basis. A Fund may also deposit collateral as security with a Trading Counterparty as broker. The treatment of such collateral varies according to the type of transaction and where it is traded. Under transfer of title or re-use arrangements, the cash, securities and other assets deposited as collateral will generally become the absolute property of the Trading Counterparty when the collateral is deposited or, as the case may be, at the time of re-use and the relevant Fund will have a right to the return of equivalent assets. There are generally no restrictions on the re-use of collateral by such Trading Counterparties. A right to the return of equivalent assets will normally be unsecured and the collateral will be at risk in the event of the insolvency of the Trading Counterparty. Collateral may also be held by a Fund subject to a security interest given in favour of the Trading Counterparty and, in some cases, other members of the Trading Counterparty's group. Where collateral is held on a security interest basis, a Fund will retain a residual interest in the collateral subject to a charge in favour of the Trading Counterparty and, where applicable, other members of its group as security for such Fund's obligations to the Trading Counterparty (and, where applicable, other members of its group). Generally, on the insolvency of the Trading Counterparty, while a Fund will retain its residual interest in the collateral, this may be subject to stays of action, delays and/or additional charges as part of the insolvency process.
- (C) A Fund may enter into Derivative Transactions and/or Securities Financing Transactions under which it is not entitled to require the delivery by its Trading Counterparties of collateral as security for such Fund's counterparty exposure. Where a Fund enters into arrangements under which it is entitled to receive collateral as security, the collateral posted will typically be calculated on a daily mark-to-market basis. It is anticipated that such collateral will generally be restricted to cash and/or high quality government bonds which will (where relevant) be held by the Prime Brokers in their capacity as sub-custodians for such Fund.

There are no restrictions under the Company's articles of association and this Offering Memorandum on a Fund's exposure to Derivative Transactions or Securities Financing Transactions. Certain restrictions may be specified in the relevant Fund Supplement.

[Drafting Note: To insert maximum amount of leverage as well as methodology for the calculation of leverage.]

The *[Manager's/Investment Manager's]* policy on dealing commissions is set out under "GENERAL INFORMATION: 6. Use of Dealing Commissions" below. Subject to this, *[neither the Manager/nor the Investment Manager]* is entitled to any fee or commission from any person other than the relevant Fund in connection with such Fund's investments in Derivative Transactions and Securities Financing Transactions.

NEW ISSUES

A Fund may, but is not required to, invest in New Issues. The rules currently imposed by FINRA, where applicable, provide that (A) allocations of profits and losses from New Issues to the accounts of Restricted Persons are only permissible where either (i) beneficial ownership by Restricted Persons does not exceed in the aggregate ten per cent. of the New Issues account, or (ii) beneficial ownership by Restricted Persons does exceed ten per cent. of the New Issues account, but no more than ten per cent. of the profits and losses from the New Issues account are allocated to Restricted Persons; and

(B) allocations of profits and losses from New Issues to the accounts of Covered Persons are only permissible where either (i) beneficial ownership by Covered Persons does exceed 25 per cent. of the New Issues account, but no more than 25 per cent of the profits and losses from the New Issues account are allocated to Covered Persons. The Company may decline, in its sole discretion, to allocate any profits or losses from New Issues to the Share Classes held by one or more Restricted Persons or Covered Persons for any reason (or no reason), which reason may include, but it is not limited to, administrative convenience.

Each investor may be required to provide information regarding whether or not they are a Restricted Person or a Covered Person at the time of their subscription, and will be required to update such information periodically thereafter upon request. Certain investors, such as other investment funds, may be required to provide additional information regarding their ownership by Restricted Persons and Covered Persons in order to enable the Company to make a determination whether such investor should be regarded as a Restricted Person or a Covered Person. In any case where the Company has requested but not received information sufficient for it reasonably to determine that an investor is not a Restricted Person or a Covered Person, the Company (as the case may be) may treat such investor as a Restricted Person or a Covered Person, as applicable, and make determinations accordingly regarding whether or not such person will participate in the profits and losses from New Issues. Any such classification by the Company will be conclusive and binding on the investor.

The performance of Classes that are able fully to participate in profits and losses from New Issues will likely vary from the performance of Classes that are either not able to participate in New Issues or are only permitted to participate to a limited extent.

MANAGEMENT

The Directors

The Directors of the Company are:

[Drafting Note: Insert names and biographies making any conflicts clear.]

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

The Manager

The Company has appointed the Manager as its manager and AIFM, to provide the Company with portfolio management and risk management services in respect of each Fund and to provide certain marketing services in respect of the Shares, subject to the overall responsibility and supervision of the Directors.

The Manager was incorporated in [●] on [●] 201[●] and is authorised and regulated in the conduct of its investment business in [●] by [●].

The directors of the Manager are:

[Drafting Note: Insert names and biographies]

[Drafting Note: Insert description of the Management Agreement including services, ability to delegate, liability and indemnity and termination. Also address how the valuation function is to be undertaken, showing compliance with AIFMD.]

[Drafting Note: Insert details regarding the valuation function of the AIFM – whether internal or external]

[The Investment Manager]

The Manager has appointed the Investment Manager to provide certain portfolio management services in respect of [each] Fund.

The Investment Manager was incorporated in [•] on [•] 201[•] and is authorised and regulated in the conduct of its investment business in [•] by [•].

The principals of the Investment Manager are

[Drafting Note: Insert names and biographies]

[Drafting Note: Insert description of Investment Management Agreement including services, ability to delegate, liability and indemnity and ability to terminate the agreement.]

SERVICE PROVIDERS

Administrator

Under the terms of the Administration Agreement, the Administrator has been appointed by [•] to administer the day-to-day operations and business of the Company and perform general administrative tasks for the Company, including dealing with correspondence, processing subscriptions and redemptions, computing net asset values, maintaining books and records, disbursing payments, establishing and maintaining accounts on behalf of the Company and any other matters usually performed for the administration of an investment fund. The Administrator will also maintain the register of shareholders.

The Administrator will keep the accounts of the Company in accordance with *[IFRS]*.

[Drafting Note: Insert description of Administration Agreement including services, ability to delegate, liability and indemnity and termination provisions.]

Compliance Function and Money Laundering Reporting Officer

The Directors shall take such measures as they consider necessary or desirable to ensure compliance by the Company with applicable laws and requirements. Responsibility for compliance will, ultimately, rest with the Directors. The Manager as AIFM will also be responsible for ensuring compliance with AIFMD. The Company is responsible for compliance with the requirements of the Prevention of Money Laundering and Terrorist Financing Regulations and the Implementing Procedures and for the carrying out of the measures specifically assigned to Notified AIFs as per the framework applicable to such funds. *[Drafting Note: Identify the role of the Administrator, if any, in relation to the money laundering reporting function.]*

Depository

Pursuant to the Depository Agreement, [•] has been appointed to provide the following services in respect of the Company.

Safe-keeping of each Fund's financial instruments

The Depository holds in custody all of a Fund's financial instruments and ensures that all of such Fund's financial instruments that can be registered in a financial instruments account opened in the Depository's books are registered in the Depository's books within segregated accounts opened in the name of the Fund, so that they can be clearly identified as belonging to such Fund.

Monitoring of Cash Flows

The Depositary ensures that the Company's cash flows are properly monitored, that all payments made by or on behalf of shareholders upon their subscription for Shares have been received and that all the Company's cash has been booked in cash accounts opened in the name of the Company at a central bank, an EU bank or a similar entity authorised in a third country.

Asset Verification

The Depositary verifies the Company's ownership of its assets which are not financial instruments based on information or documents provided by the Company or the Manager and where available, external evidence, and maintains updated records of those assets for which it is satisfied that the Company holds the ownership of such assets.

General Oversight

The Depositary is also responsible for the oversight of the valuation, issue and redemption of Shares and application of the Company's income.

The Depositary is required to ensure that the sale, issue, repurchase, redemption and cancellation of Shares, the calculation of the net asset value of the Shares and the application of the income of the Company are carried out in accordance with applicable law, the Company's constitutional documents and this Offering Memorandum. Further, the Depositary must ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits in the context of the conditions attached to the transactions.

Under the terms of the Depositary Agreement, the Depositary has undertaken to exercise due skill, care and diligence in the discharge of its duties. The Depositary will be liable to the relevant Fund and the Company or to its investors for the loss by the Depositary or any sub-custodian appointed by the Depositary in respect of any of a Fund's financial instruments which are held in custody (the "Loss of Financial Instrument Liability"). In the case of the loss of such a financial instrument:

- (i) the Depositary will be required to return a financial instrument of identical type or the corresponding amount to such Fund or the Manager acting on behalf of the Fund without undue delay;
- (ii) the Depositary will not be liable if it can prove the loss arose as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; and
- (iii) the Depositary will be liable to such Fund, or its investors, for all other losses suffered by them as a result of the Depositary's fraud, negligent or intentional failure to properly fulfil its obligations under the Depositary Agreement and the AIFMD.

The Depositary may act through sub-custodians, agents or any other third party which the Depositary may, in its discretion, deem necessary. Notwithstanding that the Depositary's liability will not be affected by any such delegation in a case of a loss of the relevant Fund's financial instruments held by a third party pursuant to Article 21(11) of the AIFMD, the Depositary may discharge itself of liability if it can prove that:

- (i) all requirements for the delegation of its custody tasks set out in the second subparagraph of Article 21(11) of the AIFMD have been met; and
- (ii) a written contract between the Depositary and the third party expressly transfers the liability of the Depositary to the third party and makes it possible for a Fund, or the Manager acting on

behalf of a Fund, to make a claim against the third party in respect of the loss of financial instruments held in custody or for the Depository to make such a claim on their behalf.

[Drafting Note: Include disclosure regarding liability, indemnity and termination. Also consider any further appropriate disclosure as to sub-custodians including as to identity.]

Prime Brokers

The Company may appoint one or more prime brokers to provide execution, clearing and settlement, stock borrowing, margin financing and foreign exchange services in respect of one or more Fund(s) as specified in the relevant Supplement.

[Drafting Note: Insert any relevant Prime Broker descriptions and any material provision included in the prime brokerage agreement]

Auditor

[•] has been appointed as auditor to the Company pursuant to the terms of an engagement letter. The Auditor will prepare the annual accounts of the Company in accordance with [IFRS].

Legal Advisors

[•] has been appointed as legal advisors to the Company in respect of Maltese law pursuant to the terms of an engagement letter. *[[•] has been appointed as legal advisors to the Company in respect of [•] law pursuant to the terms of an engagement letter.]*

Company Secretary

[•] has been appointed as company secretary to the Company pursuant to the terms of an engagement letter. As company secretary, [•] will be responsible for the keeping of the minute book of general meetings of the Company, of the minute book of meetings of the Directors, of the register of Directors and officers and of the register of debentures.

[Drafting Note: insert a summary biography or cross refer if already included elsewhere.]

Other Service Providers to the Fund and the Company

The Directors may appoint other service providers to the Company in respect of one or more Funds from time to time, including but not limited to trading counterparties, brokers and execution and settlement agents, registered office service providers and tax advisers and accountants. A list of such service providers is available upon request to the Manager.

FEES AND EXPENSES

Management Fee

The Manager will be entitled to receive a [monthly] management fee as specified in the relevant Supplement.

Performance Fee

The Manager will also be entitled to receive a performance fee as specified in the relevant Supplement Directors' Fees and Expenses.

Aggregate fees, of up to [•] per annum, will be paid to the Directors for acting as such [•] *has waived his fees in full.*] In addition, the Directors will be reimbursed for reasonable travelling, hotel

accommodation and other out-of-pocket expenses incurred by them while executing their duties as Directors.

The Directors may waive their fees or assign their respective fees to their employers.

Administrator's Fees

The Administrator is entitled to receive a fee from the Company, payable [*monthly*] in arrears, at an annual rate of 0 [•] per cent of net asset value. This fee is subject to a minimum of [•] per annum.

The Administrator is also entitled to reimbursement for its out-of-pocket expenses.

Depository's Fees

The Depository is entitled to receive a fee payable [*monthly*] in arrears from the Company, at an annual rate of up to 0.[•] per cent. of net asset value. This fee is subject to a minimum of [•] per annum.

The Depository is also entitled to reimbursement for its out-of-pocket expenses.

Initial Charge and Redemption Fee

The Company may impose an initial charge or redemption fee as specified in the relevant Supplement.

Auditor's Fees

The Auditor receives a fee payable by the Company at normal commercial rates as approved by the Directors each year and is also entitled to reimbursement of its out of pocket expenses.

[Anti-Money Laundering and Company Secretary:

Pursuant to a service agreement, [•] will receive for his services as MLRO and/or Company Secretary [•] per annum for basic [work for each Fund]. Non-standard work, if any, will be charged at an hourly rate.]

Corporate and Regulatory Fees

These fees are covered under "GENERAL INFORMATION – General" below.

Other Fees and Expenses

The Company will pay certain other costs and expenses incurred in its operation, including, without limitation, organisational expenses, investment expenses, taxes, expenses for legal, auditing, valuation and consulting services, reasonable promotional activities, registration fees and other expenses due to supervisory authorities, insurance, interest, brokerage costs, trading expenses relating to the portfolio and risk management systems, research and market data and other software, programs or technology utilised in the management of the Company and all professional and other fees and expenses incurred in connection therewith.

Each Fund will bear its *pro rata* portion of the fees, expenses and operating costs of the Company as well as its own, fees, expenses and costs as specified in the relevant Supplement.

The amount of fees, charges and expenses borne directly or indirectly by investors are not subject to any maximum limit and will depend on a number of factors.

SUBSCRIPTIONS AND REDEMPTIONS

Eligible Investors and Verification of Identity

Subscriptions for Shares will be limited as set out on page [i] and in the relevant Supplement.

By investing, each investor represents and warrants that, among other things, he is able to invest without violating applicable laws, especially the rules and regulations aiming to prevent money laundering. The Company will not knowingly offer or sell Shares to any investor to whom such offer or sale would be unlawful. Investment is confined to eligible investors who can provide the representations and warranties contained in the Application Form.

The Company and the Administrator reserve the right to accept, reject or place conditions on subscription applications if, *inter alia*, do not receive evidence satisfactory to them that the sale of Shares to such an investor will not result in a risk of legal, regulatory, pecuniary, taxation or material administrative disadvantage to the Company or its shareholders [*or to the Manager or the Investment Manager.*]

The Directors reserve and intend to exercise the right at their discretion compulsorily to redeem or require the transfer of any Shares, *inter alia*, if the continued ownership of such Shares by any person could result in a risk of legal, regulatory, pecuniary, taxation or material administrative disadvantage to the Company or its shareholders [, *the Manager or the Investment Manager.*]

[*The Directors may in their discretion close one or more Classes to investment by new investors or to further subscriptions.*]

[*U.S. Persons and U.S. Taxpayers*]

[*Investment will only be permitted in a Fund by U.S. Persons or U.S. Taxpayers, where specified in the relevant Supplement*] [*Drafting Note: if investment will be permitted generally by U.S. Persons and U.S. Taxpayers, include appropriate disclosure here as advised by your U.S. counsel.*]

Verification of Identity

The Company has appointed [•] as its money laundering and reporting officer under the Prevention of Money Laundering and Funding of Terrorism Regulations. It shall be his duty to ensure that the Company complies with its obligations under the Prevention of Money Laundering Act and the applicable regulations.

Measures aimed towards prevention of money laundering, may require a subscriber to verify his identity (or the identity of any beneficial owner on whose behalf the subscriber intends to hold the Shares) and the source of funds to the Administrator. This obligation is absolute unless: (i) the application is being made via a regulated credit or financial institution; or (ii) payment is made to or from an account held in the subscriber's name with a banking institution, which in either case is in a country which is a member of the Financial Action Task Force. If alternative (i) applies, the Company may seek to obtain written assurance of the subscriber's (or beneficial owner's) identity from the relevant institution.

The Administrator reserves the right to request such documentation as it deems necessary to verify the identity of the subscriber and to verify the source of the relevant money. Failure to provide the necessary evidence may result in applications being rejected or in delays in the despatch of documents and/or the issue of Shares. Where an application is rejected, subscription money will be returned, subject to the anti-money laundering rules and regulations, without interest to the account from which it was received at the risk of the subscriber. Any interest earned on such sums will accrue to the Company. The Company and the Administrator will be held harmless by a potential subscriber against

any loss arising as a result of a failure to process a subscription or redemption request if such information as has been requested has not been provided by the subscriber.

The Company and the Administrator also reserve the right to refuse to make any redemption payment if they suspect or are advised that the payment might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction or if such refusal is considered necessary or appropriate to ensure the compliance by the Company or the Administrator with any such laws or regulations in any applicable jurisdiction.

Applications

Applications for Shares should be made by way of a duly completed Application Form [*Insert applicable dealing cut off time*]. [*Applicants who are U.S. Persons must also submit a duly completed Supplemental Disclosure Form for U.S. Persons*]. Applications to invest as of any Dealing Day must be received by the Administrator (including a signed pdf) by such date and/or time as the Directors may specify in the relevant Supplement). Shares will be issued at the Initial Issue Price in respect of the initial Subscription Dealing Day and will normally be issued, thereafter, at the net asset value per Share of the relevant Class calculated for the corresponding Valuation Day. Requests received by the Administrator after the relevant dealing deadline (subject to the Directors' discretion to determine otherwise) held over, without interest, until the next Dealing Day.

The Administrator will send to the investor an acknowledgement of his purchase. Shares are issued to [*four decimal places*].

Subscriptions should be made in the currency of the relevant Class (subject to the discretion of the Directors to accept such other currency as they think fit).

All Shares are issued in registered, inscribed form and ownership is evidenced solely by entry on the Company's register of shareholders. The register of Shares is conclusive evidence as to ownership.

Minimum Investments

The minimum initial investment is [*€100,000 or its currency equivalent*] (this minimum may not be reduced by a subsequent partial redemption) payable in full (net of any [*initial fees and*] bank charges) or such higher amount as may be specified in the relevant Supplement unless waived by the Directors, subject however to the minimum initial investment of €100,000 being maintained.

Further applications by existing shareholders can be made for such amount as may be specified in the relevant Supplement.

Adjustments to Subscription Price

In the interests of equality, the Directors may (a) adjust the price at which subscriptions are effected to reflect such sum as they may consider represents the appropriate *pro rata* provision for duties and charges which would be incurred on the assumption that all the investments held were to be acquired on the relevant Valuation Day and/or (b) determine that the net asset value of a Class be calculated on the basis of offer prices for long positions and bid prices for short positions.

In Specie Subscriptions

The Directors may elect in their absolute discretion to accept subscription payments from investors, either in whole or in part, *in specie* and/or in kind rather than in cash. The Directors will use the same valuation procedures used in determining net asset value to determine the value to be attributed to the relevant securities to be accepted in payment of the subscription amount. Upon receipt of properly completed subscription materials, the Administrator will allot the requisite number of Shares in the normal manner. The Directors reserve the right to decline to register any prospective investor until

the subscriber has been able to prove title to the assets in question and make a valid transfer thereof. The subscriber will be responsible for all custody and other costs involved in the transfer of the relevant assets, unless the Directors otherwise agree.

Any such subscriptions *in specie* and/or in kind shall not materially prejudice the interests of existing holders of Shares.

Upon receipt of an application to subscribe for Shares *in specie* or in kind, the Directors will appoint a valuation agent to draw up a valuer's report including (i) a description of each of the assets comprising the consideration, (ii) the value of each asset and a description of the method of valuation used, and (iii) a confirmation that the value of the consideration is at least equal to the net asset value of the Shares to be issued in return for such consideration. The valuation report will be maintained at the registered office of the Company.

General

The Directors have the discretion to refuse to accept subscription applications from investors in whole or in part for any or no reason. The Directors reserve the right to accept subscription applications or money received late but will then charge interest to reflect the cost to the relevant Fund of the late receipt unless the Directors determine, in their discretion, that such sum is *de minimis*.

Save as determined by the Directors in their discretion or otherwise in the event of a suspension of subscriptions, all applications to invest are irrevocable.

Transfers

All transfers of Shares will be effected by written instrument signed by the transferor and containing the name and address of the transferee and the number of Shares being transferred or in such other manner or form and subject to such evidence as the Directors shall consider appropriate. The transfer will take effect on registration of the transferee as holder of the Shares. The transferee will be required to give the representations and warranties contained in the Application Form [*and, if the transferee is a U.S. Person the Supplemental Disclosure Form for U.S. Persons.*] The Directors may in their absolute discretion decline to register any transfer of Shares without assigning any reason. There is no fee to investors for the registration of transfers.

Redemptions

Shareholders may request the redemption of all or some of their Shares as specified in the relevant Supplement. Shares will normally be redeemed at the net asset value per Share of the relevant Class calculated for the corresponding Valuation Day. Requests not received by the relevant dealing deadline will (subject to the Directors' discretion to determine otherwise) be held over until the next Dealing Day and the Shares will then be redeemed at the applicable price as of that Dealing Day. The Directors reserve the right to waive the notice requirement either generally or in a particular case.

Redemption requests may be made by fax or e-mail (including a signed pdf). Redemption proceeds will be transferred to the pre-designated bank account as soon as practicable (and, subject to the terms of this Offering Memorandum, generally within [•] Business Days of the relevant Dealing Day or such other period as may be specified in the relevant Supplement). No interest will accrue on the redemption proceeds pending the payment date. If an investor requires redemption proceeds to be paid to an alternative bank account, the Administrator will require the original request in writing signed by the investor. Redemption requests must be signed by [*complete as appropriate*].

A request made by a shareholder for the redemption of some, but not all, of his/her Shares will not be valid to the extent that such redemption would result in a shareholder holding Shares with less than the minimum initial investment amount and will accordingly be reduced *pro rata* by such amount as is necessary in order for the shareholder to retain Shares of that value.

Redemption requests are irrevocable, subject to the discretion of the Directors, unless redemptions are suspended.

Adjustments to Redemption Proceeds

In the interests of equality, the Directors may (a) deduct from the redemption proceeds such sum as they may consider represents the appropriate *pro rata* provision for duties and charges which would be incurred on the assumption that all the investments held were to be realised on the relevant Valuation Day and/or (b) determine that, when calculating redemption proceeds, the net asset value of a Class be determined on the basis of bid prices for long positions and offer prices for short positions.

In Specie Redemptions

The Directors may elect in their absolute discretion to effect redemption payments to any or all redeeming investors, either in whole or in part, *in specie* and/or in kind rather than in cash. This election may be made generally or in any particular case. The Company may distribute securities issued by entities formed by it in accordance with the terms of the Articles as all or any part of any redemption payments to be made all or partially *in specie* and/or in kind. Such entities may have different terms and conditions from those that apply to an investment in the relevant Fund and may have limited or no redemption rights.

The Directors will use the same valuation procedures used in determining net asset value to determine the value to be attributed to the relevant securities to be transferred or assigned *in specie* and/or in kind to redeeming investors who will receive securities which had a value as of the relevant Valuation Day equal to the redemption payment to which they would otherwise be entitled. The redeeming investor will be responsible for all custody and other costs involved in transferring the ownership of the relevant securities and on-going custody costs. Securities distributed *in specie* and/or in kind may have a value as of the payment date that is higher or lower than the value of such securities as of the relevant Valuation Day and between the Valuation Day and the payment date.

Limitations on Redemptions

The Directors may limit the value of redemptions made by a shareholder in respect of any Dealing Day as specified in the relevant Supplement.

[Key Man Event] [Drafting Note: Insert any relevant details.]

Compulsory Redemptions

The Company may, at the discretion of the Directors, redeem any Shares [for any reason].

If, as of any Dealing Day, the net asset value of a Fund has, as of any Valuation Day within the previous period of four consecutive months, been less than [•] million, the Directors may in respect of that Dealing Day (or such other Dealing Day within four months thereafter as the Directors may determine) compulsorily redeem at the redemption price in respect of the Valuation Day corresponding to such Dealing Day all (but not some) of the Shares not previously redeemed. The Directors may also liquidate any Class falling below [•] million (or the currency equivalent thereof) in value. In such a case, the redemption price for each Share will be equal to a *pro rata* share of the assets of the relevant Class less all liabilities attributable to the Class including those accrued to or contingent upon the termination of a Fund and, if applicable, the liquidation of such Fund and the Company. The Directors may also compulsorily redeem all of the Shares or all of the Shares of the relevant Class if the aggregate amount invested in a Fund or such Class at any time does not justify or support the continued existence of the Fund or a Class of such Fund.

[Where a time limit or period in relation to dealings in Shares is specified in this Offering Memorandum, the Directors may, where not prohibited by the constitutive documents of the Company

and other applicable laws and regulations, specify a longer or shorter time limit or period where the Directors determine that the same is reasonable and in the best interests of the Company. This discretion may be exercised generally or in any particular case.]

VALUATIONS

Calculation of Net Asset Value

The Administrator will calculate the net asset value of each class of Fund under the overall supervision of the Directors.

In calculating the value of assets attributable to a Fund, the valuation shall be undertaken in accordance with the valuation policies and procedures approved, from time to time, by the Directors and the Manager. Under the valuation policy (as summarised below), discretions may be exercised and determinations made by the Directors and the Manager.

The Administrator will normally calculate the net asset value of each class of a Fund as at the close of business on each Valuation Day by deducting the total liabilities from the total assets of each class of the Fund. Total assets include the value of all investments held, the sum of any cash and accrued interest. Total liabilities comprise all liabilities including any borrowings, accrued expenses and any contingencies for which reserves are determined to be required.

[Insert: Information relating to the valuation methodology for the applicable underlying investments of the Company. Such information should be completed in liaison with the Company's auditors and external valuer where appointed]

There will be deducted all liabilities of a Fund and such provisions and allowances for contingencies (including tax) as the Directors and the Manager think appropriate and accrued costs and expenses payable by such Fund.

“Hard-to-value” securities include securities which have been delisted or suspended or which are not listed or quoted on a stock exchange. Such securities will be valued by the Directors and the Manager having regard to the cost prices, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue and such other factors as the Directors and the Manager consider in their discretion.

The net asset value per share of the relevant class of a Fund is determined by dividing the net asset value attributable to that class by the number of shares in the relevant class outstanding.

The base currency of the Company is the [U.S. Dollar]. The base currency of a Fund will be as specified in the relevant Supplement. To calculate the value of assets not denominated in [U.S. Dollars] or the net asset value of Shares not denominated in [U.S. Dollars], the Administrator will apply an applicable exchange rate determined by the Administrator in accordance with the valuation policy or otherwise with the agreement of the Directors. The method for determining the applicable exchange rate for determining the value of the Shares for performance, purchase or redemption purposes or for any other purpose may be adjusted from time to time by the Administrator in accordance with the valuation policy or otherwise with the agreement of the Directors.

The Administrator may, with the consent of the Directors and the Manager, follow some other prudent method of valuation other than that referred to above if it considers that in the circumstances such other method of valuation should be adopted to reflect more fairly the values of assets or liabilities.

The Directors and the Manager are entitled to exercise their reasonable judgement in determining the values to be attributed to assets and liabilities and, provided they are acting *bona fide* in the interest of the Company as a whole, such valuation is not open to challenge by current or previous investors.

Valuation Errors

No adjustment shall be made to the values of any assets unless the valuation error exceeds half a percentage point (0.5%) of a Fund's net asset value, in which case it shall be adjusted.

Publication of the Net Asset Value

The net asset value of a Fund and each Class thereof and the net asset value per Share is available from the Administrator upon request.

Possible Suspension

The Directors, in their absolute discretion, are empowered temporarily to suspend the determination of (i) the net asset value of a Fund or of any Class or Classes thereof in respect of a Valuation Day, (ii) all redemptions for the whole or any part of any period for any Class or Classes of a Fund, and/or (iii) subscriptions for the whole or any part of any period for any Class or Classes of a Fund in any of the following events:

- (a) when one or more stock exchanges or markets which provide the basis for valuing a substantial portion of the assets of the Fund are closed other than for, or during, holidays or if dealings thereon are restricted or suspended;
- (b) when, as a result of political, economic, military, terrorist or monetary events or any circumstances outside the control, responsibility and power of the Fund, disposal of the underlying assets of the Fund is not reasonably practicable without being seriously detrimental to shareholder interests or if, in the opinion of the Directors, a fair price cannot be calculated for those assets;
- (c) in the case of a breakdown of the means of communication normally used for valuing a significant portion of the assets of the Fund or if, for any reason, the value of any asset of the Fund may not be determined as rapidly and accurately as required;
- (d) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, securities or other transactions on behalf of the Fund are rendered impracticable or if purchases, sales, deposits and withdrawal of any class's assets cannot be effected at the normal rates of exchange;
- (e) if a resolution calling for the liquidation or reorganisation of the Fund or the Company or the closure of the Fund or a Class thereof has been proposed;
- (f) when the Directors determine that such suspension is necessary or desirable to facilitate an orderly winding-up of the affairs of the Company or the closure of the Fund or a Class thereof has been proposed; or
- (g) when the settlement of redemptions would, in the opinion of the Directors, result in a violation of law or violate any instrument or agreement governing any indebtedness incurred by the Company.

Notice of any suspension will be given without delay to all investors.

Any suspension declared shall take effect at such time as the Directors shall declare, which may be at any time prior to, during or after the relevant Valuation Day, and shall continue until the Directors declare the suspension to be at an end.

In addition, the Directors have the right to postpone any Dealing Day and/or Valuation Day for up to one Business Day without the requirement to give notice to investors when, in their opinion, a significant proportion (which is likely to be five per cent. or more) of the assets of a Fund cannot be

valued on an equitable basis and such difficulty is expected by the Directors to be overcome within that period.

In the event that the calculation of net asset value is suspended after the relevant Dealing Day but prior to the payment of redemption proceeds, the payment of redemption proceeds will occur after the suspension has been lifted and, if at the time the Directors determine to lift the suspension, the Directors determine that it is possible to calculate a net asset value as of the Dealing Day immediately prior to the suspension, the net asset value of the Shares that were redeemed as of such Dealing Day will be calculated as of such Dealing Day. Otherwise, the net asset value of the Shares that were redeemed as of such Dealing Day will be calculated as of first Business Day following the lifting of the suspension.

The Directors will take all reasonable steps to bring any period of suspension to an end as soon as practicable.

Related Risks and Acknowledgments of Investors

The Company shall immediately proceed to regulatory filing and publication and shall keep investors informed as to any event of suspension described herein.

By investing, investors in a Fund confirm that they understand, agree and are willing to take, the risk related to an event of suspension as described herein.

By investing in a Fund, investors agree and accept that an event of suspension may happen and commit not to file a claim to liquidate the Company or the relevant Fund, in particular in the case where, under the applicable law, the shareholder would be considered as a creditor of the Company.

GENERAL INFORMATION

1. Material Contracts

The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company on or about the date of this Offering Memorandum and are or may be material. Information in relation to fees is contained under “FEES AND EXPENSES” above.

- (a) The Management Agreement. A summary of the principal terms of the Management Agreement may be found under “MANAGEMENT: The Manager” above.
- (b) *[The Investment Management Agreement. A summary of the principal terms of the Investment Management Agreement may be found under “MANAGEMENT: The Manager” above.]*
- (c) The Administration Agreement. A summary of the principal terms of the Administration Agreement can be found under “SERVICE PROVIDERS: Administrator” above.
- (d) The Depositary Agreement. A summary of the principal terms of the Depositary Agreement can be found under “SERVICE PROVIDERS: Depositary” above.
- (e) The MLRO Agreement. A summary of the principal terms can be found under “SERVICE PROVIDERS: Money Laundering Reporting Officer” above.

The Company may enter into further material contracts in respect of one or more Fund(s) as specified in the relevant Supplement(s).

The Company may in the future enter into marketing agreements with financial intermediaries approved by the Directors. All of the agreements listed above may be amended from time to time by mutual consent of the parties thereto.

2. Legal Implications of Contractual Relationships with the Company

The main legal implications of the contractual relationship entered into for the purpose of investment in the Company are as follows:

- (a) By submitting the Application Form, the investor makes an offer to subscribe for Shares which, if it is accepted by the Company, acting on behalf of the relevant Fund, has the effect of a binding contract. The terms of such contract are governed by the Memorandum and Articles, the Application Form and this Offering Memorandum.
- (b) Upon an investor becoming a shareholder in the Company, the shareholder will be bound by the terms of the Memorandum and Articles which take effect as a contract between the shareholders and the Company. Shareholders will have the rights and obligations set out in the Memorandum and Articles, the Maltese Companies Act, this Offering Memorandum the relevant Supplement and the Application Form.
- (c) The Memorandum and Articles may be amended by an extraordinary resolution of shareholders of the Company as provided under the Memorandum and Articles.
- (d) The Memorandum and Articles are subject to the laws of Malta. The Application Form is governed by and construed in accordance with the laws of Malta.
- (e) The rights and restrictions that apply to Shares may be modified and/or additional terms agreed by way of side arrangements with the Company (subject to such terms being consistent with the Memorandum and the Articles). The Company and the Manager will not be required to offer such additional or different rights or terms to all shareholders. In certain cases these side arrangements may be governed by the laws of a different jurisdiction, however, side arrangements may not contravene the terms of the Articles or Maltese law generally. See also “GENERAL INFORMATION: Fair Treatment of Investors and Investor Rights” below.
- (f) The Company and all or substantially all of the Directors, other officers and other persons acting for the Company may be located outside a shareholder’s local jurisdiction and, as a result, it may not be possible for such shareholder to effect service of process within that jurisdiction upon the Company or such persons. All or a substantial portion of the assets of the Company, and such other persons, may be located outside of such local jurisdiction and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in such local jurisdiction or to enforce a judgment obtained in the local jurisdiction’s courts against the Company or persons outside of such shareholder’s local jurisdiction.
- (g) Absent a direct contractual relationship between the investor and the relevant service provider to the Company, investors generally have no direct rights against the relevant service provider and there are only limited circumstances in which a shareholder may potentially bring a claim against the relevant service provider. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the Company (acting for itself or on behalf of the Fund) by the relevant service provider is, *prima facie*, the Company itself, acting for itself or on behalf of the relevant Fund.

For additional information on the main legal implications of the contractual relationship entered into for the purpose of an investment in the Company, prospective investors are further directed to the disclosure contained in the section entitled “MEMORANDUM AND ARTICLES OF THE COMPANY”. In addition, prospective investors must also review the Application Form.

3. Directors' and Promoters' Interests

- (a) *[There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.]*
- (b) *[Drafting Note: Detail all Directors' conflicts.]*
- (c) Conflicts of interest may occasionally arise. However, the person(s) listed above have fiduciary duties toward the Company and consequently have exercised and will exercise good faith and integrity in handling all the Company's affairs. Save as disclosed in this section 3 and under "RISK FACTORS: Conflicts of Interest", no Director has any interest, direct or indirect, in the promotion of, or in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Company, and no Director is materially interested in any contract or arrangement subsisting at the date of this Offering Memorandum which is unusual in its nature or condition or which is significant in relation to the business of any Fund.
- (d) Although none of the Directors are required to be investors, all of the Directors and any connected persons may invest in any Fund. The level of any investment is likely to vary over time. The Directors and/or persons connected with the Manager *[and the Investment Manager]* may make identical, similar or different own account investments from time to time. *[Drafting Note: Detail any actual holdings and those of the Manager or its affiliates.]*
- (e) There is no retirement age for Directors.
- (f) Prime Broker(s) and other service providers utilised by a Fund may be selected for such reasons as the Directors considers appropriate, which may include ancillary services and benefits, such as the introduction of investors.

4. Fair Treatment of Investors and Investor Rights

Shareholders in the Company will have the rights and obligations set out in the Articles, the Maltese Companies Act, this Offering Memorandum, the relevant Supplement and the Application Form.

None of the agreements appointing the Manager^[, the Investment Manager], any Prime Broker, the Depositary, the Administrator, the Auditor, legal and regulatory counsel or any other of a Fund's or the Company's service providers provide for any third party rights for investors. Absent a direct contractual relationship between an investor and a service provider, investors generally have no direct rights against the relevant service provider and there are only very limited circumstances in which an investor may bring a claim against a service provider.

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

Under the AIFMD Rules, the Manager must treat all investors fairly. The Manager ensures the fair treatment of investors through its decision-making procedures and policies and seeks to: *[(a) identify any preferential treatment, or the right thereto, accorded to investors; and (b) ensure that any such preferential treatment does not result in an overall disadvantage to other investors.]*

In addition, the Manager monitors the terms of any side arrangements entered into with investors in relation to their investments in a Fund and the Company to seek to ensure the fair treatment of investors.

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

5. Manager

The Manager holds professional indemnity insurance to cover professional liability risks. [*Under AIFMD, the Manager has opted to increase its level of professional indemnity insurance rather than increase its holding of committed capital.*]

[*Insert: A description of how the AIFM is complying with the requirements prescribed in Article 9(7) AIFMD on Initial capital and own funds*]

6. Use of Dealing Commissions

It is the normal policy of the [*Investment*] Manager to use full service brokerage houses, which will, in addition to routine order execution, provide a range of other services. The precise services will vary, but where the [*Investment*] Manager executes orders on behalf of a Fund through such a broker or other person, passes on that person's charges to the Fund, and receives in return goods or services additional to that execution service, it will satisfy itself on reasonable grounds that such additional goods and services: (i) are directly related to the execution of trades on behalf of its customers or comprise the provision of substantive research, (ii) will reasonably assist the [*Investment*] Manager in the provision of its services to such Fund; and (iii) do not, and are not likely to, impair the [*Investment*] Manager's compliance with its duty to act in the best interests of such Fund. Such goods and services might include, by way of example, research in the form of periodic and one-off newsletters, reports and market analyses, and execution facilities such as access to particular markets or trading forums, execution software, market-making, block trading and stock-lending facilities, trade confirmation and settlement services, and execution-related information and advice.

The reasons for selecting individual brokers will vary, but will include factors such as the quality of research, financial security, quality and range of execution services, charges, and reliability and responsiveness to client demands. In some cases the value of the services provided may depend upon a minimum threshold of broker commissions or a percentage of such commissions. The receipt of these benefits assists the [*Investment*] Manager in providing a better service to its clients but also assists it in containing its costs and ultimately its charges to clients. The [*Investment*] Manager is able to enter into such arrangements and obtain such benefits, *inter alia*, due to its ability to deal collectively and aggregate transactions on behalf of clients and obtain benefits which would not be available to an individual investor.

[*The [Investment] Manager will provide the Company with periodic disclosure and the investors with disclosure upon request, in accordance with the [insert relevant rules], of the arrangements entered into including details of the goods and services relating to execution and to substantive research, respectively.*]

7. Reports and Financial Statements and Investor Reporting

- (a) The financial year of the Company ends on [*31 December*] of each year, with the first financial period ending on [*31 December 201[●]*]. Annual audited financial statements

will be prepared and sent to investors by post or electronically by e-mail to the address supplied by the investor for the giving of notices within six months of the end of the relevant financial period. When available, a copy of the most recent financial statements may be obtained by existing or prospective investors on request.

- (b) The base currency of account of the Company is the [*U.S. Dollar*]. However, the Classes may be denominated in other currencies and as such will present their accounts in the respective currency of each Class.
- (c) [*The Manager will prepare for each Fund and make available to shareholders promptly following the end of the relevant period:*
 - (i) [*Drafting Note: disclose how/what regular reporting regarding each Fund's performance will be made available*];
 - (ii) [*the information regarding the Fund's commission sharing arrangements.*]
- (d) Once available, the historic performance of the relevant Fund and the latest net asset value per Share will be available from the Manager on request.
- (e) Information on the risk profile of the relevant Fund and the risk management systems employed by the Manager are also available on request from the Manager.
- (f) Further investor reporting may take place from time to time at the discretion of the Directors. Investors wishing to receive such additional investor reporting are invited to contact the Administrator.

8. Periodic and Regular Disclosure

The following information will be disclosed to investors in or at the same time as the annual report, and may be provided at other times by way of a report sent to investors by the Company, the Administrator[,] [*or*] the Manager [*or the Investment Manager*]:

- (a) the percentage of the relevant Fund's assets that are subject to special arrangements arising from their illiquid nature;
- (b) any material changes to the arrangements for managing the liquidity of the relevant Fund;
- (c) the current risk profile of the relevant Fund and the risk management systems employed by the Manager to manage those risks; and
- (d) the total amount of leverage employed by the relevant Fund.

Any changes to the following information will be provided by the Company, the Administrator[,] [*or*] the Manager [*or the Investment Manager*] to shareholders in the relevant Fund without undue delay (and may be provided by email):

- (a) the maximum level of leverage which the Manager [*or the Investment Manager*] may employ on behalf of the relevant Fund;
- (b) the grant of or any changes to any right of re-use of collateral or any changes to any guarantee granted under any leveraging arrangement; and
- (c) activation of liquidity management tools.

9. Documents Available for Inspection

Copies of the following documents will be available for inspection at the registered office of the Company during usual business hours (Saturdays, Sundays and public holidays excepted):

- (a) the Memorandum and Articles;
- (b) the material contracts entered into by the Company (in respect of the relevant Fund);
- (c) (once available) the latest financial statements of the Company;
- (d) the latest net asset value per Share;
- (e) the historic performance of the relevant Fund;
- (f) where applicable, the instrument of incorporation of Special Purpose Vehicle; any share certificates and other documents confirming ownership of any Special Purpose Vehicle; (including full detail of the current shareholding and directorships) and the audited financial statements of any Special Purpose Vehicle; and
- (g) such additional documents as may be required from time to time.

10. General

- (a) The Company does not, nor do they expect to, have any employees.
- (b) An initial registration fee of €1,750 for the Company has been paid to the Malta registrar of companies for its registration. An application fee of €2,000 for the Company has been paid to the MFSA for the application for its admission to the List of Notified AIFs. In addition, an application fee of €1,000 for each Fund will be paid to the MFSA for its application for admission to the List of Notified AIFs. An annual fee of €2,000 will be payable in respect of the Company and an annual fee of €600 will be payable in respect of each Fund to maintain each on the List of Notified AIFs.
- (c) The formation and preliminary expenses (including printing and legal fees) relating to the Company are not expected to exceed [•]. *[This sum will be borne by the Company and may be amortised over a period not exceeding five years subject to the Directors' discretion to vary this if they consider it prudent to do so. This practice is contrary to IFRS and, although this is not anticipated by the Directors, could result in a qualified audit opinion. The formation and preliminary expenses will be allocated among the other Funds established by the Company on a pro rata basis.]*
- (d) *[Each Fund is corrected to be classified as a non-prescribed fund.]*

11. Segregation of Assets and Liabilities of each Fund and the Company

The assets and liabilities of each Fund of the Company so constituted are, and shall be treated for all intents and purposes of law as, a patrimony separate from the assets and liabilities of each other Fund of the Company. Accordingly, the liabilities incurred in respect of a Fund shall be paid out of the assets forming part of the patrimony of such Fund.

In the event that the liabilities of a particular Fund exceed its assets, then the proportion of liabilities in excess of the assets shall not be allocated to the other Funds. The creditors of that Fund whose liabilities exceed its assets shall have no claim or right of action against the assets of the other Funds.

Under Maltese law, the legal status of each Fund as a patrimony separate from the assets and liabilities of each other Fund shall be respected in any proceedings which may be instituted in terms

of the Maltese Companies Act when such proceedings either relate to the dissolution and consequential winding-up of the Company or its reconstruction. Furthermore the proceedings which may be instituted under the Maltese Companies Act relating to dissolution and consequential winding-up of companies and company reconstructions shall apply in the same way to each Fund as though it were a distinct legal entity and with such modifications as are necessary in view of the fact that a Fund is not a company. Any such proceedings in relation to any one Fund shall not have any effect on the assets of any other Fund. The Directors shall hold or shall cause to be held such separate accounts, records, statements and other documents as may be necessary to evidence the liabilities and assets of each Fund as distinct and separate from the assets and liabilities of all the other Funds.

12. Data Protection

As part of the application process all subscribers are required to submit various documents to the Company. These are required to enable completion of the application process and to comply with all relevant legislation. Any information received will be kept by the Company and the Administrator in accordance with the relevant data protection legislation and, in the normal course of business, will not be made available to anyone other than the Company[,][*and*] the Manager [*and the Investment Manager*] and their respective agents and delegates and the Administrator, their affiliates, subsidiaries, associates or group companies.

However, it may become necessary to transfer data at any time to comply with legislation in force either now or any at time in the future. Further, should the administrative functions, in whole or in part, be transferred to another entity, data will be transferred to the extent necessary for such new entity to carry out its functions effectively.

By subscribing all subscribers should take notice of the above, and also note that, by completion of the applicable Application Form, they are agreeing to any transfer of data carried out for any of the reasons given above, or for any reason that the Company or the Administrator deems necessary to comply with legislation in force at the time.

Further, the Company, and its service providers consent that any and all data required by the Administrator (in its capacity as such or in its capacity as registrar) in exercise of their duties on behalf of the Company may be transferred to and/or from the Administrator in accordance with the relevant data protection legislation.

13. Governing Law and Jurisdiction

The Company is established under the laws of Malta. Any claim brought by or against the Company shall be subject to the [*exclusive*] jurisdiction of the courts of Malta and shall be governed [*exclusively*] by the laws of Malta.

14. Winding-Up and Liquidation

- (a) The Company may be wound up if:
- (i) [*the Company or all of its Funds ceases to qualify as notified AIFs and are removed from the List of Notified AIFs*];
 - (ii) the shareholders resolve by extraordinary resolution to wind up the Company.
- (b) In the event of a winding-up, the liquidator shall apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims.
- (c) The liquidator shall in relation to the assets available for distribution among shareholders make such transfers thereof to and from the Funds, and/or Classes as may be necessary in order that the effective burden of creditors' claims may be shared between the shareholders

of different Funds, and/or Classes in such proportions as the liquidator in his discretion deems equitable.

- (d) The assets available for distribution among the shareholders shall be applied in the following priority:-
- (i) firstly, in the payment to the shareholders of a sum in the [*base currency*] (or in any other currency selected and at such rate of exchange as determined by the liquidator) as nearly as possible equal to the net asset value of the shares of the relevant class held by such shareholders respectively as at the date of commencement of winding-up;
 - (ii) secondly, in the payment to the holders of the Founder Shares of sums up to the nominal amount paid up thereon out of the assets of the Company not comprised within any Fund provided that if there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
 - (iii) thirdly, in the payment to the shareholders of each class of any balance then remaining in the relevant class, in proportion to the number of shares held in the relevant class; and
 - (iv) fourthly, any balance then remaining and not attributable to any class shall be apportioned between the classes pro-rata to the net asset value of each Fund or attributable to each class immediately prior to any distribution to shareholders and the amounts so apportioned shall be paid to shareholders pro-rata to the number of shares in that class held by them.
- (e) The liquidator may, with the authority of an ordinary resolution of the Company, divide among the shareholders (*pro rata* to the value of their respective shareholdings) *in specie* the whole or any part of the assets of the Company and whether or not the assets shall consist of property of a single kind provided that any shareholder shall be entitled to request the sale of any asset or assets proposed to be so distributed and the distribution to such shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant shareholder. The liquidator may, with like authority, vest any part of the assets in trustees upon such trusts for the benefit of shareholders as the liquidator shall think fit and the liquidation of the Company may be closed and the Company dissolved, provided that no shareholder shall be compelled to accept any asset in respect of which there is any liability. Further the liquidator may with like authority transfer the whole or part of the assets of the Company to a company or collective investment scheme (the "Transferee Company") on terms that shareholders in the Company shall receive from the Transferee Company shares or units in the Transferee Company of equivalent value to their shareholdings in the Company.
- (f) Notwithstanding any other provision contained in the Articles, should the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the shareholders to wind up the Company, the secretary shall forthwith at the Directors' request convene an extraordinary general meeting of the Company at which there shall be presented a proposal to appoint a liquidator to wind up the Company and if so appointed, the liquidator shall distribute the assets of the Company in accordance with the Articles.

15. [U.S. Definitions]

- (a) *U.S. Person*

A "U.S. Person" for the purposes of this Offering Memorandum is a person who is in either of the following two categories: (a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act or (b) a person excluded from the definition of a "Non-United States person" as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of "U.S. person" in Rule 902 and qualifies as a "Non-United States person" under CFTC Rule 4.7.

"U.S. person" under Rule 902 of Regulation S includes the following:

- (i) any natural person resident in the United States;
- (ii) any partnership or corporation organised or incorporated under the laws of the United States;
- (iii) any estate of which any executor or administrator is a U.S. person;
- (iv) any trust of which any trustee is a U.S. person;
- (v) any agency or branch of a non-U.S. entity located in the United States;
- (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- (viii) any partnership or corporation if:
 - (a) organised or incorporated under the laws of any non-U.S. jurisdiction; and
 - (b) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, "U.S. person" under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a U.S. person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered “Non-United States persons”:

- (i) *a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;*
- (ii) *a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;*
 - (a) *an estate or trust, the income of which is not subject to U.S. income tax regardless of source;*
 - (b) *an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than ten per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being Non-United States persons; and*
 - (c) *a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.*

(b) *U.S. Taxpayer*

“U.S. Taxpayer” includes: (i) a U.S. citizen or resident alien of the United States (as defined for U.S. federal income tax purposes); (ii) any entity treated as a partnership or corporation for U.S. federal tax purposes that is created or organised in, or under the laws of, the United States or any state thereof (including the District of Columbia); (iii) any other partnership that is treated as a U.S. Taxpayer under U.S. Treasury Department regulations; (iv) any estate, the income of which is subject to U.S. income taxation regardless of source; and (v) any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as U.S. Taxpayers.

An investor who is not a U.S. Person may nevertheless be considered a “U.S. Taxpayer” under U.S. federal income tax laws. For example, an individual who is a U.S. citizen residing outside of the United States is not a “U.S. Person” but is a “U.S. Taxpayer”. Such a person need not complete the Supplemental Disclosure Form and Declarations for U.S. Persons, but the tax consequences described in this Offering Memorandum will apply to that person.]

[(c) *Benefit Plan Investor*

“Benefit Plan Investor” is used as defined in U.S. Department of Labor (“DOL”) Regulation 29 C.F.R. §2510.3-101 and Section 3(42) of ERISA (collectively, the “Plan Asset Rule”) and includes (i) any employee benefit plan subject to Part 4, Subtitle B of Title I of ERISA; (ii) any plan to which Code Section 4975 applies (which includes a trust described in Code Section 401(a) that is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement

account or annuity described in Code Section 408 or 408A, a medical savings account described in Code Section 220(d), a health savings account described in Code Section 223(d) and an education savings account described in Code Section 530); and (iii) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (generally because 25 per cent. or more of a class of equity interests in the entity is owned by plans). An entity described in (iii) immediately above will be considered to hold plan assets only to the extent of the percentage of the equity interests in the entity held by Benefit Plan Investors. Benefit Plan Investors also include that portion of any insurance company's general account assets that are considered "plan assets" and (except if the entity is an investment company registered under the 1940 Act) also include assets of any insurance company separate account or bank common or collective trust in which plans invest.]

TAX CONSIDERATIONS

[Drafting Note: To insert comprehensive details on the applicable tax regime including the classification of funds for tax purposes, the applicable tax on resident and non-resident shareholders on capital gains and distributions as well as relevant sections dealing with duty on documents and transfers, the EU Savings Directive and the OECD Common Reporting Standard. This section should be compiled in consultation with the tax advisors.]

SAMPLED

MEMORANDUM AND ARTICLES OF THE COMPANY

The Memorandum and Articles of the Company comprise the Company's constitution. The following summary is not exhaustive.

[Drafting Note: The following is an illustrative example of the level of detail to be provided. The actual description must reflect the underlying document and the AIFM will be responsible for the level of detail provided.]

Memorandum

[Objects

The sole object of the Company is the collective investment of its funds in securities and other moveable or immovable property, or in any of them, with the aim of spreading investment risks and giving shareholders the benefits of the results of the management of its funds.

Capital

The Company's share capital shall be equal to the value for the time being of the issued share capital of the Company. The Company may issue up to a maximum of [five billion] fully paid-up shares without any nominal value assigned to them.

The authorised and issued share capital the Company is €1,000 divided into 1,000 Founder Shares with no nominal value which Founder Shares do not constitute a distinct Fund.

The Founder Shares carry the right to one vote each and carry the exclusive right to vote on a change of name of the Company. The Founder Shares do not carry a right to participate in any dividends or other distributions of the Company or in the assets of the Company save in case of a winding-up in which case the Founder Shares carry the right to the return of the paid-up capital thereon after payment of all amounts due to the shares. The Founder Shares rank pari passu among themselves in all respects.

The shares, excluding the Founder Shares, carry the right to one vote each save where the vote concerns changing the name of the Company.

The shares, excluding the Founder Shares, of each class rank pari passu among themselves in all respects. The shares, excluding the Founder Shares, of each Fund participate in the assets of the respective Fund and in any dividends and distributions of the applicable Fund upon its closure.

Articles

Share Capital

The Directors may exercise all the powers of the Company to allot or issue shares in a class and/or a Fund as determined by the Directors from time to time pursuant to the Maltese Companies Act and each such class or Fund shall represent the capital contribution made by the holders of shares of the relevant class or Fund. Without prejudice to any special rights previously conferred on the existing shareholders, shares in a Fund or a class may be issued by the Directors with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors may from time to time determine. Shares may be created as either distribution or accumulation shares as the Directors may determine and as provided in the Offering Memorandum.

Shares may be issued in fractions, up to four decimal places and, if so issued, a fraction of a share shall be subject to and carry the corresponding fraction of liabilities, limitations, preferences, privileges, qualifications, restrictions, rights and other liabilities of a whole share of the same class.

If at any time the share capital of the Company is divided into classes of shares, whether constituting a Fund or a class, the rights attached to any then existing class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the shareholders being holders of not less than two thirds of the issued shares of that class and of any other class of shares which may be affected by such variation. It shall not be deemed to be a variation of the rights attaching to any particular class of shares for the Company to create or issue further shares, either as new Funds or as classes ranking pari passu with the existing shares of the respective Fund or class.

Redemptions

A request by a shareholder to the Company or its authorised agent to redeem all or any part of his shares may be made by a shareholder at such time/s and under such conditions as may be set out in the Offering Memorandum or otherwise determined by the Company from time to time provided that a request for a redemption of a portion of shares, excluding the founder shares, will not be valid to the extent that it will result in a shareholder holding shares, excluding the founder shares, with a value of less than the minimum holding amount and will accordingly be reduced pro rata by such amount as is necessary to enable a shareholder to hold at all times shares, excluding the founder shares, with a value at least equal to the minimum holding amount. The Directors may, in their discretion waive any notice period specified for such redemptions. On receipt of a valid request for redemption of shares duly completed, the Company shall redeem the shares as requested on the Dealing Day on which the redemption request is effective as may be stated in this Offering Memorandum, subject to any suspension of the redemption obligation.

On the relevant date of redemption, the holder of shares to be redeemed shall cease to be entitled to any rights in respect of each share to be redeemed (excepting always the right to receive a dividend which has been declared in respect thereof prior to such redemption being effected) and accordingly his name shall be removed from the register with respect thereof.

Compulsory Redemption

If, as of any Dealing Day, the net asset value of a Fund has, as of any Valuation Day within the previous period of four consecutive months been less than such value as is specified in the Offering Memorandum, the Directors may in respect of that Dealing Day (or such other Dealing Day within four months thereafter as the Directors may determine) compulsorily redeem at the redemption price in respect of the Valuation Day corresponding to such Dealing Day all (but not some) of the shares of the related Fund of the Company not previously redeemed. The Directors may also liquidate any class falling below such value as is specified in the Offering Memorandum (or the currency equivalent thereof). In such a case, the redemption price for each share will be equal to a pro rata share of the assets of the relevant class less all liabilities attributable to the class including those accrued to or contingent upon the termination of the Fund and, if applicable, the liquidation of the Company. The Directors may also compulsorily redeem all of the shares of a Fund of the Company, or of a class thereof, if the aggregate amount invested in the Fund or the relevant class at any time does not justify or support the continued existence of the Fund or a class of the Fund.

The Company may, at the discretion of the Directors, for any reason by giving written notice to a holder of shares redeem with effect from the day specified in the notice all or some of the shares of any or all classes held by a holder at a redemption price equal to the prevailing net asset value per share, rounded to three decimal places, on the Valuation Day corresponding to the day such redemption is effective, provided that the Directors may, in their discretion, make any adjustments or deduct a redemption fee or charge from the redemption price per share as set out in the applicable Offering Memorandum and the Directors may specify a special Valuation Day for such purpose.

Allocation of Assets and Liabilities

The assets and liabilities of each Fund of the Company shall be treated for all intents and purposes of

law as a patrimony separate from the assets and liabilities of each other Fund and the Company's general account. The liabilities incurred in respect of each Fund shall be paid out of the assets forming part of the patrimony of such Fund. In the event that the liabilities of a particular Fund exceed its assets, then the proportion of liabilities in excess of the assets shall not be allocated to the other Funds and the creditors of that Fund whose liabilities exceed its assets shall have no claim or right of action against the assets of the other Funds.

Transfers

All transfers shall be effected by a transfer in writing in any usual or common form in Malta or in such other form as the Directors may from time to time determine. The Directors may, in their sole and absolute discretion and for whatever reason, decline to register the transfer of a share.

General Meetings

All general meetings of the shareholders in the Company enjoying a right to vote shall be held in Malta, or at such other place as the Directors may determine for any specific general meeting.

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year. At least 21 clear days' notice specifying the place, the day and the time of the meeting shall be given to the shareholders entitled to attend and vote at such meeting. The 21 clear days' notice requirement may be waived if the shareholders holding not less than a majority of the total number of shares entitled to vote on all matters to be considered at the meeting have waived the requirement to give notice of the meeting or have agreed to a shorter notice period for the meeting.

The chairman or, in his absence, the vice chairman, may call an extraordinary general meeting whenever he thinks fit and extraordinary general meetings shall be convened on such requisition, or in default may be convened by such requisitionists and in such manner provided by the Maltese Companies Act.

No business shall be transacted at any general meeting unless a quorum necessary for the passing of an extraordinary resolution is present. A member shall be deemed to be present at any meeting if he participates by telephone or other electronic means that are acceptable to the Company and all members participating in the meeting are able to hear each other even if all members so participating do so in this manner.

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened by the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the member or members present shall be a quorum.

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the chairman or, in his absence, the vice chairman, or by any members present representing at least one tenth in number or value of the shares in issue having the right to vote at the meeting. In matters specifically related to a Fund, only members holding shares in that specific Fund shall be entitled to vote.

Directors

The Directors shall serve from the end of the annual general meeting at which they are elected until the end of the next annual general meeting (and, in the case of the first Directors, from the date of incorporation until the Company's first annual general meeting) at which they shall all retire and

shall be eligible for re-election.

A Director may be removed from office by an ordinary resolution of the Company.

The Company's shareholders may, at any time, appoint or remove any Director or Directors at an extraordinary general meeting provided that the number of Directors always complies with the requirements prescribed in the Company's Memorandum. When a vacancy among the Directors arises other than at the annual general meeting of the Company, the Directors shall, appoint a person considered by them to be competent to carry out such functions to fill a casual vacancy. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election. A vacancy shall be deemed to exist when the number of Directors falls below three.

The Directors shall be entitled to such remuneration in relation to the performance of their duties as the shareholders entitled to attend and vote may approve at the Company's annual general meeting. The Directors and any alternate Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings or any meetings in connection with the business of the Company.

The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not reserved by the Maltese Companies Act or hereby required to be exercised by the Company in general meeting, subject to the provisions of the Maltese Companies Act and the Company's Articles and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The Directors shall have such powers so as to take such measures as they may consider necessary or desirable to ensure compliance by the Company with all applicable laws.

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman, or in his absence, the vice chairman, shall at any time have a second or casting vote.

The quorum necessary for the transaction of business of the Directors shall be two Directors, provided that the presence of at least one Maltese Director shall always be required. The Directors may delegate any of their powers to committees consisting of such persons whether Directors or otherwise as they think fit.

All decisions or actions taken at any meetings of the Directors, or of a committee of Directors or by any person authorised by the Directors shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or authorisation of any such Directors or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.

Any Director may participate in a meeting of the Directors or of a committee of the Directors by means of a conference telephone or other telecommunication equipment or electronic means that are acceptable to the Board of Directors and by means of which all persons participating in the meeting can hear each other speak and such participation in a meeting shall constitute presence in person at the meeting.

Indemnity

Every person who is or has been a Director, officers or employee of the Company and every person who serves at the Company's request as a director, officer or employee of another company, partnership, joint venture, trust or other enterprise shall be indemnified by the Company to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any debt, claim, loss, action, demand, suit, proceeding, judgment, decree, liability or obligation of any kind in which he becomes involved as a party or otherwise by virtue of his being or having been a Director, officer or employee of the Company or a director, officer or employee of another company, partnership, joint venture, trust or other enterprise at the request of the Company and against amounts paid or incurred by him in the settlement thereof except where any of the foregoing is attributable to any gross negligence, fraud, wilful default, wilful misconduct, bad faith or dishonesty on the part of any such Director, officer or employee in relation to the Company. Any such indemnification which may be due shall be borne by the Fund to which it relates or, if this allocation is not possible, then such indemnification shall be borne by all the Funds in equal shares.]

[BENEFIT PLAN INVESTOR CONSIDERATIONS

[Drafting Note: ERISA disclosure for Benefit Plan Investor to be included to the extent relevant given the intended marketing universe of the Company. Obtain US counsel confirmation as to wording.]

SAMPLE

RISK FACTORS AND CONFLICTS OF INTEREST

The risks described herein are not an exhaustive list of the risks which potential investors should consider before investing in a Fund. Investment in a Fund carries with it a degree of risk. Different risks may apply to different Funds. Details of specific risks attaching to a particular Fund which are additional to those described in this section will be specified in the relevant Supplement. Prospective investors should review this Offering Memorandum and the relevant Supplement carefully and in their entirety and consult with their professional and financial advisers before making an application for Shares. There can be no guarantee that the investment objective of a Fund will be achieved and losses may be incurred.

[Drafting Note: comprehensive risk warnings appropriate to the Company in general should be provided.]

The foregoing list of risk factors is not exhaustive.

Prospective investors should consult with their own professional advisers before deciding to subscribe.

Conflicts of Interest

The following inherent or potential conflicts of interest should be considered by prospective investors before investing:

[Drafting Note: The following wording is general in nature. Specific conflicts should be identified and explained.]

Other Clients - The Directors, Manager, *[Investment Manager]*, Administrator, Depositary, Prime Brokers and other service providers referenced in this Offering Memorandum (together the "Service Providers") may act as general partner, manager, investment manager, broker, administrator, depositaries, prime broker or investor or provide other services to other clients (including funds) now or in the future. The Service Providers will engage in other business activities. The Service Providers are not required to refrain from any other activity, to account for any profits from any such activity, whether as partners of additional investment companies or otherwise or to devote all or any particular part of the time and effort of any of its or their partners, officers, directors or employees to the Company and their affairs. The investment objectives or strategies of such clients may be identical, similar or different to those of a Fund. There can be no assurance that the investment returns of a Fund will be similar or identical to the investment returns of any other fund managed by the Directors, the Manager *[or Investment Manager]*. Service Providers may additionally serve as consultants to or partners or shareholders in, other investment funds, companies and investment firms. Certain investments may be appropriate for a Fund and also for other clients advised or managed by the Directors, the Manager *[and/or Investment Manager]*. Investment decisions for a Fund and for such other clients are made with a view to achieving their respective investment objectives and after consideration of such factors as their current holdings, the current investment views of the different portfolio managers of the Directors and/or Manager, availability of cash for investment, and the size of their positions generally. Frequently, a particular investment may be bought or sold for only a Fund or only one client or in different amounts and at different times for more than one but less than all clients, including such Fund. Likewise, a particular investment may be bought for a Fund or one or more clients when one or more other clients are selling the same security. In addition, purchases or sales of the same investment may be made for two or more clients, including the relevant Fund, on the same date and mirror portfolios may be operated for other clients. In such event, such transactions will be allocated among such Fund and clients in a manner believed by the Directors, the Manager *[and/or Investment Manager]* to be equitable to each. Purchase and sale orders for a Fund may be combined with those of other clients of the Directors, the Manager *[and/or Investment Manager]*. In effecting transactions, it may not always be possible, or consistent with the possibly differing

investment objectives of the various clients and of a Fund, to take or liquidate the same investment positions at the same time or at the same prices.

Interested Party Transactions – The Service Providers, any of their directors, officers, employees, agents and connected persons and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an “Interested Party”) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and will not be liable to account for any profit earned from any such services. For example, an Interested Party may acquire investments (on behalf of clients) in which a Fund may invest. However, where the Directors, the Manager [*and/or Investment Manager*] could (a) allocate an investment between two or more funds or accounts which it manages (including one or more Fund(s)); or (b) make a disposal of investments held by two or more such funds or accounts, it will act fairly as between the relevant funds or accounts in making such allocation or disposal, having regard to, *inter alia*, factors such as cash availability and portfolio balance.

A Fund may acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to the Company (but no Interested Party will act as auditor to a Fund or the Company) or hold Shares and buy, hold and deal in any investments for its own accounts notwithstanding that similar investments may be held by a Fund. An Interested Party may contract or enter into any financial or other transaction with any shareholder or with any entity any of whose securities are held by or for the account of one or more Fund(s), or may be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which such Interested Party is contractually entitled in relation to any sale or purchase of any investments of a Fund effected by it for the account of a Fund, if in each case the terms are no less beneficial to the Fund than a transaction involving a disinterested party and any commission is in line with market practice.

Investors should also take note of the information provided under “GENERAL INFORMATION: 3. Directors’ and Promoters’ Interests”. In the event of a conflict of interest arising, the Directors will endeavour to ensure that it is resolved fairly.