

# **OFFERING MEMORANDUM**

**ZEDRA PCC (NO.1) LIMITED**

**29 July 2022**

## ZEDRA PCC (NO.1) LIMITED

This Offering Memorandum of ZEDRA PCC (No.1) Limited (the “Fund”) supersedes the document dated 29 December 2014 and 3 February 2016 and has been prepared to comply with the terms of Rule 2.13 of The Authorised Collective Investment Schemes (Class B) Rules & Guidance 2021 (the “Rules”) as issued by the Guernsey Financial Services Commission (the “Commission”) pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended (the “POI Law”).

The Fund is an open ended collective investment scheme established as a protected cell company in Guernsey governed by the provisions of The Companies (Guernsey) Law, 2008 as amended (the “Companies Law”). Persons investing in and dealing with a cell of the Fund shall only have recourse to and their interest shall be limited to the assets from time to time attributable to that cell and they shall have no recourse to the assets of any other cell or, except as provided under the Companies Law, against any core assets of the Fund.

The Fund has been authorised by the Commission as a Class B Scheme under the POI Law. In giving this authorisation the Commission does not vouch for the financial soundness of the Fund or for the correctness of any statements made or opinions expressed with regard to it. Investors in the Fund are not eligible for payment of any compensation under the Collective Investment Scheme (Compensation of Investors) Rules 1988 made under the POI Law.

The distribution of this Offering Memorandum and the offering of shares in the Fund may be restricted in certain jurisdictions. It is the responsibility of any person wishing to make an application hereunder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection herewith, including the obtaining of any governmental or other consent that may be required or other formalities needed to be observed or the payment of any transfer or other taxes required to be paid. In particular the shares in the Fund have not been registered under the United States Securities Act of 1933, as amended and none of the shares may be offered, sold, transferred, signed or delivered directly or indirectly in the United States of America, its territories, or possessions and all areas subject to its jurisdiction including the district of Columbia or to any US person. The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended.

This Offering Memorandum is not available to the general public in the United Kingdom.

The Offering Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. No person may treat this Offering Memorandum as constituting an invitation to them unless in a relevant territory, such an invitation could

lawfully be made to them without compliance with any registration or any other legal requirements.

The Directors of the Fund accept responsibility for the information contained in this document. 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

On 23 March 2005 authority was granted for up to 10,000,000 Participating Shares of £0.01 in the ZEDRA Fixed Interest Fund Sterling Class Cell (formerly Walbrook Fixed Interest Fund Sterling Class Cell) to be listed on the Channel Islands Stock Exchange LBG (“CISX”).

On 13 July 2005 authority was granted for up to 10,000,000 Participating Shares of £0.01 each in the ZEDRA Balanced Fund Sterling Class Cell (formerly Walbrook Balanced Fund Sterling Class Cell) to be listed on the CISX.

On 30 March 2011 authority was granted for up to 1,000,000 Class A Participating Shares of £0.01 each and up to 1,000,000 Class B Participating Shares of £0.01 each in the Disruptive Capital Investments Cell (formerly known as the Rockhopper Cell) to be listed on the CISX.

On 15 April 2011 authority was granted for up to 10,000,000 Redeemable Participating Shares of £0.01 each in the ZEDRA PCC Sterling Bond Fund Cell to be listed on the CISX.

On 20 December 2013 following a hearing held before the Royal Court of Guernsey, a scheme of arrangement between CISX and the Channel Islands Securities Exchange Authority Limited (“CISEAL”) was approved. At that date all securities that were listed on the Official List of the CISX were transferred in accordance with Listing Rule 2.6A of the CISX Listing Rules and are not listed on the official list of CISEAL.

On 6 March 2017, the CISE announced that it was to be rebranded as The International Stock Exchange (“TISE”) and all securities are now listed on the Official List of TISEAL.

These shares will continue to be offered and no application is intended to be made to list the Participating Shares on any other stock exchange.

No broker, dealer or other person has been authorised by the Fund or by any of its agents to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Participating Shares other than those contained in this Offering Memorandum and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Fund or any of its agents. Statements made in this Offering Memorandum are based on the law and practice in force at the date of this document and are subject to change.

Neither the delivery of this Offering Memorandum nor the issue of Participating Shares shall, under any circumstances, imply that there has been no change in the circumstances affecting any of the matters contained in this Offering Memorandum since the date of the document.

Prospective investors should not treat the contents of this document as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the consequences of their acquiring, holding or disposing of Participating Shares.

The attention of investors is drawn to the section entitled Risk Warnings within this document.

# ZEDRA PCC (NO.1) LIMITED

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## MANAGEMENT AND ADMINISTRATION

The Fund		ZEDRA PCC (No.1) Limited 3rd Floor, Cambridge House Le Truchot St. Peter Port Guernsey GY1 3UW
The Directors of The Fund	Mark Cleary	Director 3 <sup>rd</sup> Floor Cambridge House Le Truchot St Peter Port Guernsey GY1 3UW
	Damien Fitzgerald	Director 3 <sup>rd</sup> Floor, Cambridge House Le Truchot St Peter Port Guernsey GY1 3UW
	Barney Lewis	3 <sup>rd</sup> Floor, Cambridge House Le Truchot St Peter Port Guernsey GY1 3UW
	Wim Ritz	Director 3 <sup>rd</sup> Floor, Cambridge House Le Truchot St Peter Port Guernsey GY1 3UW

The Manager, Secretary and Registrar

Zedra Fund Managers  
(Guernsey) Limited  
3rd Floor, Cambridge  
House  
Le Truchot  
St. Peter Port  
Guernsey GY1 3UW

The Custodian

Butterfield Bank  
(Guernsey) Limited  
Regency Court  
Glategny Esplanade  
St Peter Port  
Guernsey GY1 3AP

Auditors

Grant Thornton  
Lefebvre House  
Lefebvre Street  
St Peter Port  
Guernsey  
GY1 3TF

Legal Advisers  
(Guernsey)

Carey Olsen  
Carey House  
Les Banques  
St Peter Port  
Guernsey GY1 4BZ

## **INTRODUCTION**

ZEDRA PCC (No.1) Limited (the “Fund”) is an open-ended collective investment scheme, established as a protected cell company in the Island of Guernsey. The Fund was incorporated on 15 January 1999 and was named Walbrook PCC No.1 Limited. It changed its name to Barclays Wealth PCC (No.1) Limited on 21 July 2008 following the acquisition of the Walbrook group of companies by a subsidiary of Barclays Bank Plc, BPB Holdings S.A on 18 May 2007. It subsequently changed its name to ZEDRA PCC (No.1) Limited on 23 March 2016 following the acquisition of Barclays Trusts business by the Zedra Group. The provisions of the Companies Law relating to protected cell companies allow a protected cell company to create one or more separate portfolios of assets and liabilities in the Fund represented by a separate class of Participating Shares (a “Cell” or “Cells”) for the purpose of segregating and protecting the assets within those Cells so that liabilities of the Fund attributable to one Cell can only be satisfied out of the assets of that Cell, and holders of shares of a particular Cell have no right to the assets of any other Cell or to the core assets of the Fund. Details of the Cells currently in existence or which the Directors have resolved to create can be found in the Supplemental Offering Memorandum in respect of each Cell.

The Fund is designed to facilitate collective investment by individuals or groups of individuals in the different Cells, the cellular assets of which will be invested by either (a) the Manager, (b) an appointed Investment Manager, or (c) by the Manager with the advice of an Investment Adviser, on behalf of the Cells.

Where an Investment Adviser is appointed by the Manager, the Manager will be entitled to rely upon the investment advice given to the Manager without further enquiry and will be indemnified from the assets of the Cell in so doing in the event of any claims arising in consequence thereof.

The Fund was originally conceived by and established under the direction of the Manager which at the time of the Fund’s launch, was a wholly owned subsidiary of Walbrook Group Limited. The entire issued share capital of Walbrook Group Limited was acquired by a subsidiary of Barclays Bank Plc, BPB Holdings S.A on 18 May 2007, then on 15 January 2016 80.01% of the issued share capital of Barclays trust and fiduciary services businesses operating in Guernsey, Jersey, Isle of Man, Geneva, Cayman Islands and Singapore was acquired by Zedra S.A with Barclays Bank Plc retaining a minority holding.

## **INVESTMENT OBJECTIVE AND POLICY**

The Fund is designed to facilitate a global investment policy which is then individually customised to suit each Cell, as more specifically set out in the Supplementary Offering Memorandum of each Cell. Such investment policies and strategies, together with the applicable investment restrictions, borrowing and hedging powers are set out in detail in the Supplementary Offering

Memorandum prepared in respect of individual Cells. The investment objective and policy of each Cell will be implemented by either (a) the Manager, (b) an appointed discretionary Investment Manager, or (c) the Manager in consultation with the Investment Adviser. Thereafter, where appropriate, either (a) the Manager, (b) the appointed Investment Manager, or (c) the Manager in consultation with the Investment Adviser, will monitor the investments made to ensure that initially and on a continuing basis the investment strategy conforms with the stated investment objective and policy of each Cell and in particular that any investment and borrowing restrictions forming part thereof have not been breached.

## **SUPPLEMENTARY OFFERING MEMORANDA**

In respect of each Cell a Supplementary Offering Memorandum will be prepared by the Manager in accordance with the Rules. The Supplementary Offering Memorandum will state the investment objective and policy of each Cell, including any restrictions and any limitation on borrowing, and will be filed with the Commission. Thereafter any changes to such investment objective or policy will be subject to the prior written approval of the Commission and will be made only with the agreement of the Manager and the investors in the relevant Cell.

The Fund's Manager, Investment Managers and Investment Advisers will be obliged to seek the best reasonably available terms for investment although in certain circumstances the Investment Managers or Investment Advisers may receive commissions or rebates from any other funds in which investments are made, subject at all times to the limitations set out at clause 2.06 (8) of the Rules. Any rebates obtained will be solely for the benefit of the Investment Manager or Investment Adviser in question. However the Manager is obliged to minimise any preliminary charge payable on the issue of units of any other funds in which investments are made or any redemption charge in respect of such funds.

## **ISSUE AND REDEMPTION OF PARTICIPATING SHARES**

Each Cell will be denominated in United States Dollars, Euros or Sterling. The shares of each Cell will be acquired and redeemed on a monthly or other basis as the Manager shall, in its sole discretion, decide. Each Cell created by the Fund may use a different basis for the subscription and redemption of the shares attributable to those Cells. Further details are set out in the Supplementary Offering Memorandum prepared in respect of each individual Cell.

## MANAGEMENT OF THE FUND

### Directors

Details of the Directors of the Fund are set out below.

**Mark Cleary** is a Jersey resident and is a Fellow of the Institute of Directors. Mark has 25 years experience working within the funds and asset management industries, predominantly in Jersey as well as in Luxembourg and in Guernsey. Mark is currently a director of Zedra Fund Services Limited. Mark holds a B.Sc. (Hons) degree in Financial Services from the University of Manchester, is a CFA® charterholder, a Chartered Director and holds a Diploma in Governance, Risk and Compliance from the International Compliance Association (ICA).

**Damien Fitzgerald** is a Guernsey resident and is a director of ZEDRA Fund Managers Guernsey (Limited). Damien has accumulated a wealth of knowledge with 23 years of fund administration, corporate governance, accounting, and audit experience, including 17 years in Guernsey's financial services industry. Prior to joining ZEDRA, he was Head of Funds at another renowned fund services administrator in Guernsey, leading a team of 70 and chairing all of their Guernsey regulated boards. Previous experience also includes senior roles at several other Guernsey based administrators as well as KPMG in Guernsey and Deloitte in Ireland. Damien is a Fellow of the Chartered Accountants Ireland and holds a Diploma from the Institute of Directors.

**Barney Lewis** is a Guernsey resident. Barney joined ZEDRA from a boutique investment management business based in Guernsey specialising in Private Wealth Management, Family Office Services and Asset Management. He has over fifteen years' experience in the finance industry in London and Guernsey and his previous experience includes Investment Management and Banking at Goldman Sachs, State Street and Barclays Wealth. Barney holds a diploma in Accounting and Business and is an associate member of the CISI.

**Wim Ritz** is a Luxembourg resident and is a director of ZEDRA Fund Managers Guernsey (Limited). Wim has worked across all areas of the private funds industry, specialising in Real Estate and Private Equity. He is recognised internationally as a leading professional in the industry. Wim has more than 25 years' relevant experience. Wim joined ZEDRA as Global Head of Funds in 2020. Passionate about education, knowledge-sharing and professional development, Wim has held several lecturing and teaching posts alongside his professional roles, including at the Syntra Belgian Business School. Today, Wim regularly lectures at the University of Luxembourg's Wealth Management Master program, where he is the professor for "Estate Planning". Wim is a full member of STEP (Society of Trust and Estate Planning), and has served as a Board Member of STEP's Benelux branch. He is also a founding Board Member of the International Business Structuring Association ('IBSA'). Wim is a member of Global Law Experts ('GLE') in which he is nominated a Corporate & Fund Law Expert for Luxembourg, alongside his membership of Global Advisory Experts ('GAE') where he is nominated as Corporate Finance Advisor. Wim holds joint Luxembourgish and Belgian nationality. He graduated from The University of Leuven and trained at the Belgium Bar.

## **The Manager**

The Manager, Secretary and Registrar is Zedra Fund Managers (Guernsey) Limited (formerly Barclays Wealth Fund Managers (Guernsey) Limited), a company incorporated with limited liability in the Island of Guernsey on 6 March 1998. The Manager is licensed to carry on controlled investment business by the Commission under the POI Law. For the purposes of the POI Law, the Manager is the Designated Manager.

The Manager specialises in the provision of fund administration to open and closed ended collective investment schemes and the Directors of the Manager are: Damien Fitzgerald, Wim Ritz and John Donnelly.

The Manager has been appointed as manager of the Fund and of each Cell under the overall supervision of the Directors by an agreement dated 26 October 2004 as amended on 14 March 2005, further details of which can be found within this Offering Memorandum. The duties of the Manager include the management and valuation of the assets of each Cell and the issue and redemption of Participating Shares.

The register of shareholders of the Fund (the “**Register of Holders**”) is kept by the Manager who also acts as Company Secretary to the Fund. The registered address of the Manager is set out above. The Register of Holders can be inspected at the registered address of the Manager. The other statutory records of the Fund are kept at the registered office of the Fund.

Details of the fees payable to the Manager are included under Fees and Expenses below.

## **The Custodian**

Butterfield Bank (Guernsey) Limited was appointed to act as the Custodian of the Company and the assets of the Cells by an agreement dated 29 October 2004 as amended 14 March 2005, further details of which can be found within this Offering Memorandum. Butterfield Bank (Guernsey) Limited was incorporated as a company with limited liability in Guernsey on 26 July 1989 with its registered office at Regency Court, Gategny Esplanade, St Peter Port, Guernsey. The Custodian is licensed in Guernsey under The Banking Supervision (Bailiwick of Guernsey) Law, 1994 as amended as a bank and provides a full range of Banking, Trustee and Custodian Services. The Custodian is also licensed by the Commission under the POI Law to carry on the business of a Trustee of Collective Investment Schemes. Details of the fees of the Custodian are detailed under Fees and Expenses below.

## **The Investment Adviser or Investment Manager**

An Investment Advisor or Investment Manager may, at the discretion of the Directors, be appointed by the Fund to provide investment advisory or

investment management services in respect of individual Cells. Details of any appointed Investment Adviser and/or Investment Manager of a Cell will be set out in the Supplementary Offering Memorandum prepared in respect of that Cell. Details of the terms of appointment and fees of each Investment Adviser or Investment Manager are also set out in the Supplementary Offering Memorandum prepared in respect of that Cell.

## **APPLICATION PROCEDURE**

### **The Dealing and Valuation Day**

The Dealing Day and the Valuation Day of the Fund may vary from Cell to Cell and will be set out in the applicable Supplementary Offering Memorandum of each Cell. The minimum initial subscription for Participating Shares in a Cell will be set out in the Supplementary Offering Memorandum prepared in respect of that Cell. For any subsequent subscription, the minimum will be set out in the Supplementary Offering Memorandum prepared in respect of that Cell.

Applications for Participating Shares in a Cell must be made in writing and received by the Manager before 5.00 pm (Guernsey time) on the business day set out in the Supplementary Offering Memorandum prepared in respect of that Cell by completing the application form enclosed with the relevant Supplementary Offering Memorandum. Applications received after this time may be carried forward to the next Dealing Day. All payments for Participating Shares must be received by the Manager on the business day set out in the Supplementary Offering Memorandum before the relevant Dealing Day. If cleared funds are not received by then the application may be held over until the Dealing Day immediately following receipt of cleared funds. The Articles of Incorporation of the Fund (the “**Articles**”) allow for payment for Participating Shares (as defined therein) to be made in specie in the form of securities or other property at the discretion of the Directors. Details of how payments may be made can be found in the relevant Supplementary Offering Memorandum.

All payments for Participating Shares will be held in a non-interest bearing client money bank account.

The Participating Shares will be issued at prices reflecting the Net Asset Value of the Cell as at the Valuation Day immediately preceding the Dealing Day.

The Articles provide that after the initial issue, the Subscription Price of Participating Shares is to be calculated by:

- (a) ascertaining the Net Asset Value of that Cell (in the manner described under the heading “Valuation” within this document), and adding thereto such sum as the Directors consider represents the appropriate provision for duties and charges which would be incurred if all assets of that Cell were being acquired at the date of such issue; and

- (b) dividing the resultant sum by the number of Participating Shares of that Cell then in issue and deemed to be in issue.

The resultant sum is then rounded up/down at the discretion of the Manager. The Directors are entitled to require any applicant for Participating Shares of any Cell to pay an initial charge of an amount not exceeding such percentage of the said Subscription Price as may be stated in the Supplementary Offering Memorandum from time to time.

If applicable, any further specific provisions relating to the valuation of Participating Shares of individual Cells will be set out in the relevant Supplementary Offering Memorandum for that Cell.

Applications for Participating Shares in a Cell which is listed on the TISE may be satisfied by the Manager procuring the sale and transfer of Participating Shares from an approved stockbroker to the applicant (and such sale and transfer may constitute a trade on the TISE).

### **Prevention of Money Laundering and Terrorist Financing**

Due to requirements designed to combat money laundering and terrorist financing operating within various jurisdictions, including Guernsey, the Manager is required to identify and take risk based and adequate measures to verify all investors, persons purporting to act on behalf of an investor, the beneficial owners of all investors and any person on behalf of whom an investor is acting. The application of this risk based approach dictates that in certain circumstances the Manager will be required to apply enhanced customer due diligence to certain investor types. Accordingly, the Manager reserves the right to request such information as may be necessary to verify the identity of investors and any beneficial owner of Participating Shares, if any.

In the majority of cases, the Manager customer due diligence procedures will require an individual to produce, amongst others, a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in his/her country of residence, together with evidence of his/her address such as a utility bill or bank statement. Similarly, for corporate applicants the Manager will require, amongst others, a certified copy of its certificate of incorporation (and any change of name), a certified copy of its memorandum and articles of incorporation (or equivalent), and names, occupations, dates of birth and residential and business addresses of persons purporting to act on behalf of the investor, beneficial owners and any person on behalf of whom the investor is acting, together with certified copies of utility bills and passports.

Typically the Manager will require customer due diligence documentation prior to the investor's first subscription for Participating Shares, however the Manager may require ongoing due diligence to be carried out with respect to certain categories of investors and accordingly the Manager reserves the right to request any information at any time as may be necessary to verify the identity of a Shareholder or any beneficial owner of Participating Shares.

In the event of delay or failure by the investor to produce any information required for verification purposes, the application may be refused and subscription monies will be returned to the bank account from which they were remitted. No Participating Shares will be issued to an investor, and no transfer will be registered, until the identity of the applicant or the transferee, as the case may be, has been verified to the satisfaction of the Manager.

Participating Shares may also be purchased directly on the TISEA from any approved stockbroker on days other than a Dealing Day at such price as that stockbroker may determine. The price determined by such stockbroker for Participating Shares purchased directly on the TISEA on days other than a Dealing Day may be more than the issue price of the Participating Shares on the immediately preceding Dealing Day.

The Manager is relieved of any obligation to issue certificates for Participating Shares but any shareholder is entitled to request a certificate. The Manager recommends that investors apply for non-certificated Participating Shares as these make future transactions both simple and rapid. In the case of uncertificated holdings, title to the Participating Shares will be evidenced by entries on the Register of Holders.

## **REDEMPTION PROCEDURE**

Requests to redeem Participating Shares in a Cell on a Dealing Day should be received by the Manager before 5.00 pm (Guernsey time) on the business day set out in the Supplementary Offering Memorandum prepared in respect of that Cell. Such a request should clearly identify the holding to be redeemed by including the details as inscribed on the Register of Holders or the purchase contract reference number or the investors account number. Requests received after this time may be held over and dealt with on the following Dealing Day.

The Articles provide that the Redemption Price of Participating Shares of a Cell is to be calculated by:

- (a) ascertaining the Net Asset Value of that Cell (in the manner described under the heading "Valuation" within this document) on the Valuation Day after the request to redeem shares is received, deducting therefrom such sum as the Directors consider represents the appropriate provision for duties and charges which would be incurred if all assets held by the relevant Cell were being realised as at the date of such redemption; and
- (b) dividing the resultant sum by the number of Participating Shares of that Cell then in issue and deemed to be in issue.

The resultant sum is then rounded up/down to such number of decimal places at the discretion of the Manager.

Requests to redeem Participating Shares in a Cell which is listed on the TISE may be satisfied by the Manager procuring the purchase of Participating Shares from the requesting party by an approved stockbroker (and such purchase may constitute a trade on the TISE).

Participating Shares may also be sold directly on the TISE to any approved stockbroker on days other than a Dealing Day at such price as that stockbroker may determine. The price determined by such stockbroker for Participating Shares sold directly on the TISE on days other than a Dealing Day may be less than the redemption price of the Participating Shares on the immediately preceding Dealing Day.

Redemption proceeds will be paid to investors in the currency in which the Cell is denominated under the terms set out in the Supplementary Offering Memorandum prepared in respect of the particular Cell. Investors may make a partial redemption of their shareholding in a Cell provided that the individual redemptions are for not less in value than the amount set out in the Supplementary Offering Memorandum prepared in respect of that Cell and aggregate value of the remaining shareholding does not as a consequence fall below the amount set out in the Supplementary Offering Memorandum prepared in respect of that Cell.

Shareholders should note that monies returned to investors subsequent to cancellation of shares will incur and be subject to bank transaction charges, such as telegraphic transfer charges. Shareholders should therefore expect to receive less than the amount realised upon redemption.

### **Rejection of Subscriptions and Compulsory Redemptions**

The Directors of the Fund have the power to compulsorily redeem the shares of any investor whose existence as a shareholder in the Fund causes or may cause the Fund to pay any tax or suffer any regulatory or fiscal restrictions in any jurisdiction in which the Fund would otherwise not have suffered. The Directors of the Fund have the power to refuse subscriptions generally and intend to do so if accepting it would similarly jeopardise the status of the Fund.

## **VALUATION, CONVERSION AND DISTRIBUTION POLICY**

### **Valuation**

The Net Asset Value of each Cell shall be determined as at the close of business on each Valuation Day, and shall be equal to the value of all of the assets less all of the liabilities of the Cell. For the purposes of the Rules the time of day by reference to which the assets of the relevant Cell will be regularly valued on each Valuation Day (the "Valuation Point") shall be 5.00 pm Guernsey time, unless otherwise stated in the Supplementary Offering Memorandum of the relevant Cell.

The Net Asset Value of each Cell and each Participating Share is determined in accordance with the Articles which provide, *inter alia*, that:

- (a) The assets of each Cell shall be deemed to include the following:
- (i) all cash on hand, on loan or on deposit, or on call including any interest accrued thereon;
  - (ii) all bills, demand notes, promissory notes and accounts receivable;
  - (iii) all bonds, time notes, shares, stock, debenture stock, subscription rights, warrants, options and other investments and securities owned or contracted for by the Cell, other than rights and securities issued by it;
  - (iv) all stock and cash dividends and cash distributions to be received by the Cell and not yet received by it but declared payable to stockholders of record on a date before the day as of which the assets are being valued;
  - (v) all interest accrued on any interest-bearing securities owned by the Cell;
  - (vi) all other investments of the Cell; and
  - (vii) all other assets of the Cell of every kind and nature including any claims for repayment of any taxation levied on capital (including capital gains) or on income accrued before the Valuation Point and prepaid expenses as valued and defined from time to time by the Directors.
- (b) Any expense or liability of a Cell may be amortised over such period as the Directors may determine (and the Directors may at any time and from time to time determine to lengthen or shorten any such period) and the unamortised amount thereof at any time shall also be deemed to be an asset of the Cell.
- (c) The investments of a Cell shall be valued as follows:
- (i) deposits shall be valued at their principal amount plus accrued interest from the date of acquisition;
  - (ii) certificates of deposit acquired at their nominal value shall be valued at cost plus accrued interest from the date of acquisition on the nominal value at the coupon rate;

- (iii) certificates of deposit acquired at a discount or premium on the sum of the nominal value and accrued interest at the date of acquisition shall be valued at their cost plus accrued interest from the date of acquisition on the nominal value at the coupon rate, and adjusted by an amount equal to the discount or premium at which they were acquired divided by the number of days unexpired at the date of acquisition and multiplied by the number of days elapsed from the date of acquisition to the date as of which the assets are being valued;
- (iv) treasury bills and bills of exchange shall be valued at their cost, plus accrued interest calculated by dividing the discount (if any) at which they were acquired by the number of days unexpired at the date of acquisition and multiplied by the number of days elapsed from the date of acquisition to the date as of which the assets are being valued;
- (v) units in collective investment schemes shall be valued by reference to their most recently published net asset value based on the last quoted net asset value or such other basis as may be determined by the Directors from time to time;
- (vi) assets listed or quoted on a stock exchange shall be valued at the last available middle market price or as the Directors shall from time to time determine (and the Directors may determine to use different bases of pricing for different purposes and in different circumstances). All publically traded securities shall be assessed at the most up to date price available at the relevant valuation point of each Cell and may be obtained on or through either i) a recognised industry pricing source where available, or ii) directly from a recognised stock exchange on which the security is trading, PROVIDED ALWAYS that if such securities are listed or dealt in upon more than one stock exchange the Directors may in their absolute discretion select one of such stock exchanges for the foregoing purposes;
- (vii) the value of any interests in limited partnerships shall, so far as practicable, be made in accordance with the Cell's accounting policies from time to time but subject thereto be such as the Directors may decide having regard, inter alia, to such valuations of the net assets of each limited partnership as are available to the Directors;
- (viii) subject to paragraph (x) hereof the value of any stock or security which is not listed or dealt in on any stock exchange or other market shall, so far as practicable, be made in accordance with the Cell's accounting policies from time to time but subject thereto be such as the Directors may decide having regard to such valuations as may be available to the Directors;

- (ix) the value of any investment grade or non-investment grade bond shall be obtained from i) a recognised industry pricing source where available, or ii) by obtaining a market price from a market maker in such debt instruments;
- (x) if in any case a particular value is not ascertainable as provided above or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant investment then in any such case the method of valuation of the relevant investment shall be such as the Directors shall in their absolute discretion decide having regard to the circumstances and/or the nature of the investment.

Notwithstanding the foregoing, where the assets are being valued and at the same time any investment of a Cell has been realised or unconditionally contracted to be realised there shall be included in the assets of the Cell in place of such investment the net amount receivable by the Cell in respect thereof provided that if the net amount receivable is not payable until some further time significantly after the date as of which the assets are being valued the Directors may, in their sole discretion, make such allowance in the form of a discount as they consider appropriate.

Any valuations made pursuant to the Articles shall be binding on all persons.

The liabilities of a Cell shall be deemed to include all its liabilities (including such amount as the Directors determine to provide in respect of contingent liabilities including (but without limitation) liabilities in respect of taxation on income or capital gains whether realised or unrealised and the amount of the Manager's annual charges and any performance fee payable to the Manager or any investment manager or adviser) of whatsoever kind and nature except liabilities represented by Participating Shares. In determining the amount of such liabilities the Directors may calculate any liabilities on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

### **Conversion**

Although conversion between Cells is provided for in certain circumstances in the Articles it is not intended or anticipated that any such conversions will take place in the ordinary course of events.

### **Publication of Prices**

The latest Net Asset Value per Participating Share will be available from the Manager as soon as possible following the Valuation Day.

## **Distribution Policy**

The Directors reserve the right to pay dividends should they wish to do so. It should be noted that any bank charges incurred in the process of making a distribution to an investor will be suffered by such investor. Further details of the dividend policy applicable in respect of an individual Cell together with distribution dates is set out in the Supplementary Offering Memorandum prepared in respect of that Cell. Further details concerning the taxation of the Fund and its shareholders will be found above.

All unclaimed dividends will be made use of for the benefit of the relevant Cell.

## **EQUALISATION ACCOUNT**

The Directors may maintain an equalisation account to ensure that dividends payable on all Participating Shares of the same Cell can be of the same amount notwithstanding different dates of issue. The purpose of income equalisation is to ensure that an income distribution on all Participating Shares can be of the same amount, notwithstanding that there have been different dates of the issues of Participating Shares. The subscription price per Participating Share may include an equalisation payment for such purpose which will be repaid to shareholders with the first income distribution made after the issue of the relevant Participating Shares.

## **FEES AND EXPENSES**

The fees and expenses of the Fund are as follows:

### **Management Fee**

The Manager is entitled to receive a fee that is either chargeable on the Net Asset Value of each Cell or an agreed fixed rate (as agreed between the Manager and the holders of shares in each particular Cell). The management fee payable for each Cell is set out in the Supplementary Offering Memorandum prepared in respect of each Cell.

### **Investment Adviser or Investment Manager Fee**

Where appointed, an Investment Adviser fees may be payable by the relevant Cell or by the Manager from the Manager's fee mentioned above. Details of the Investment Manager's fees and/or the Investment Adviser's fees will be recorded in the Supplementary Offering Memorandum prepared in respect of each Cell.

### **Custodian Fee**

The Custodian is entitled to receive a fee that is either chargeable on the Net Asset Value of each Cell or an agreed fixed rate (as agreed between the Custodian, the Manager and the holders of shares in each particular Cell).

The Custodian fee payable for each Cell is set out in the Supplementary Offering Memorandum prepared in respect of each Cell.

### **Other Expenses**

The following expenses are payable out of the property of each Cell and unless attributable directly to a particular Cell will be attributed to each Cell in such proportions as may be determined by the Directors.

- A. The costs of dealing in the investments of the Fund including transaction costs incurred by the Custodian.
- B. Interest on permitted borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowing.
- C. Taxation and duties payable in respect of the investments of the Fund and the issue of shares.
- D. Any costs incurred in modifying the principal documents by which the Fund is constituted, unless such modification is for the benefit of the Manager.
- E. Any costs incurred in respect of meeting of holders.
- F. The fees of the Commission and any regulatory authority in a country or territory outside Guernsey in which shares in the Fund are or may be marketed.
- G. The costs incurred in printing and publishing this Offering Memorandum and any ongoing memorandum and the Annual and Interim Financial Reports.
- H. The expenses of the Custodian in convening a meeting of holders convened by the Custodian alone.
- I. The costs incurred in keeping the Register of Holders.
- J. Expenses incurred in the preparation of the printing of certificates, tax vouchers, warrants, proxy cards and contract notes.
- K. Any fees and expenses arising from registering the Fund in foreign territories.
- L. Any fees and expenses arising from listing the shares in the Fund on any stock exchange. The Manager may, in its absolute discretion, elect to pay any fees and expenses arising from listing the shares of a particular Cell out of its own management fee.

- M. Where the Fund or any Cell wishes to list on the TISE the Fund will incur an application fee and a yearly fee to maintain the listing on the TISE as set out in the TISE's schedule of listing fees which can be found on the following website: [www.tisegroup.com](http://www.tisegroup.com). The Manager may, in its absolute discretion, elect to pay any listing fees of a particular Cell out of its own management fee.
- N. Any expenses and disbursements reasonably incurred by the Custodian in the performance or exercise of its powers, duties, rights, privileges, including without limitation the fees, expenses, disbursements of any agent appointed by the Custodian in connection with its duties in relation to the Fund and custodianship and the fees, expenses and disbursements of any legal or accountancy adviser, valuer, broker or other professional person appointed or consulted by the Custodian in connection with its duties in relation to the Fund and its custodianship.
- O. Fees and expenses of the directors not exceeding £12,000\* in any one financial year.
- P. Fees and expenses in respect of the annual audit of the Fund.
- Q. Any transaction costs associated with the subscription, redemption, transfer or transmission of shares in the Fund. The Manager may, in its absolute discretion, elect to pay any transaction costs associated with the subscription, redemption, transfer or transmission of the shares of a particular Cell out of its own management fee.

## **TAXATION**

The following statements are by way of a general guide to potential investors and Shareholders only, are not exhaustive and do not constitute tax advice. Potential investors and Shareholders are therefore advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Participating Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Potential investors and Shareholders should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of the Offering Memorandum. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Fund will endure.

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\* This is the maximum aggregate sum which may be payable by the Fund to the directors in any one financial year. The directors may resolve to fix their fees at a lower level.

If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than Guernsey, you should consult your professional adviser. Shareholders should note that the statements below are based on the Fund's understanding of current legislation, regulations and practice, all of which are subject to change.

## **Taxation of the Fund**

### **Guernsey Taxation**

Guernsey does not levy taxes upon capital gains (with the exception of a dwellings profit tax, the imposition of which has been temporarily suspended), gifts, sales or turnover, nor are there any estate duties, save for an ad valorem fee for the grant of probate or letters of administration.

The Fund has applied for and been granted exempt status for Guernsey tax purposes.

In return for the payment of a fee, £1,200 for the calendar year 2019, a collective investment scheme is able to apply annually for exempt status for Guernsey tax purposes. A collective investment scheme that has exempt status for Guernsey tax purposes is exempt from tax in Guernsey on both bank deposit interest and any income that does not have its source in Guernsey.

Payments of dividends and interest by a collective investments scheme that has exempt status for Guernsey tax purposes are regarded as having their source outside Guernsey and hence are payable without deduction of tax in Guernsey.

In the absence of tax exempt status, the Fund would be Guernsey tax resident and taxable at the Guernsey standard rate of company income tax of 0%, which would create an annual tax filing obligation.

No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of Participating Shares in a Guernsey incorporated company.

## **Taxation of Shareholders**

### **Guernsey Taxation**

Guernsey does not levy capital gains tax (with the exception of a dwellings profit tax, which has been temporarily suspended) and, therefore, Shareholders will not suffer any tax in Guernsey on capital gains; provided that such Shareholders do not carry on a business in Guernsey through a permanent establishment situated in Guernsey. Deductions will not be made from any dividend or distribution payable to any Shareholder not resident for income tax purposes in Guernsey, whether made during the life of the Fund or by distribution on the liquidation of the Fund. Such dividends or distributions may be paid and received free of Guernsey income tax. A Guernsey resident company does not have to withhold tax from distributions made to Guernsey resident individual shareholders holding less than 1 per cent of that company's share capital. The Fund is required to make a return to the Director of Income

Tax (on a quarterly basis) of the names and addresses of the persons to whom such distributions are made, the date and amount of these distributions and of the tax paid in respect of them.

### **European Union Directive on the Taxation of Savings Income**

Guernsey is not subject to the European Union Directive on the Taxation of Savings Income (Directive 2003/48/EC) (the “EU Savings Tax Directive”). However, the States of Guernsey have introduced an exchange of information system in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in an EU member state by a paying agent located in Guernsey. The details of such payments are communicated to the tax authorities of the EU member state in which the beneficial owner is resident.

Under the terms of bilateral agreements with the 27 EU member states and domestic legislation, interest payments may include distributions from the proceeds of Participating Shares or units in certain collective investment schemes which are equivalent to a UCITS. Guidance notes on the implementation of the agreement (issued by the States of Guernsey) indicate that the Fund is not equivalent to a UCITS. Accordingly, any such payments will not be subject to retention or disclosure.

### **UK Taxation**

The following statements are intended to address only certain UK tax consequences for Shareholders who are or may become resident and, in the case of individuals, ordinarily resident and domiciled in the UK (except where expressly stated otherwise) and who are beneficial owners of the Participating Shares and the dividends on those Participating Shares and who hold the Participating Shares as capital assets. They are based on existing law and on what is understood to be current HM Revenue & Customs practice. They are intended as a general guide only and may not apply to certain classes of Shareholders including (but not limited to) (a) dealers in securities, (b) persons who control or hold, either alone or together with one or more associated or connected persons, directly or indirectly, (i) 10 per cent or more of the Participating Shares or (ii) any other interests in the Fund, or (c) persons who acquire Participating Shares other than for bona fide commercial reasons or who have a tax avoidance purpose or motive, who may be subject to a different tax treatment.

It is the intention of the Manager that the Fund is managed in such a way that if it were a UK resident company, it would not be a close company as defined in section 414 of the Income and Corporation Taxes Act 1988.

The following statements assume that the Fund will be resident for tax purposes only in Guernsey.

Prospective Shareholders should consult their own tax advisers on the implications of investing in, holding, exchanging or disposing of the Participating Shares under the laws of the jurisdiction in which they are liable to taxation.

## **Substance requirements**

With effect from 1st January 2019, Guernsey has been implementing new substance requirements. This is in response to work by the EU Code of Conduct on Business Taxation Group on third countries.

Following publication of the draft Income Tax (Substance Requirements) (Guernsey) (Amendment) Ordinance, 2018, under current understanding of the regulations it is not expected that the substance requirements will apply to funds.

In addition, providing the fund continues to claim exempt company status then it would not be treated as tax resident in Guernsey; therefore, should regulations change the position with respect to the treatment of funds for substance purposes, on the basis that the fund would not be tax resident then the substance requirements should not apply.

## Taxation of Gains

The Directors have been advised that, under current law, each Cell of the Fund should fall within the definition of an “offshore fund” for the purposes of United Kingdom taxation, as defined by the legislation introduced by the Finance Act 2009, now set out in sections 354 to 363 of the Taxation (International and Other Provisions) Act 2010. Accordingly, and unless the Fund applies for a Cell to be a “reporting fund” pursuant to regulations made under Section 41 of the Finance Act 2008, any profit on disposal (including a redemption) of Participating Shares by a UK resident or ordinarily resident Shareholder or a Shareholder who carries on a trade in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Fund is connected, should be taxed as an “offshore income gain” for UK tax purposes, and should be subject to current UK income tax or corporation tax rates, as appropriate.

If such approval were to be granted and not withdrawn by HM Revenue & Customs, a disposal (including a redemption) of Participating Shares by a United Kingdom resident or ordinarily resident Shareholder or a Shareholder who carries on a trade in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Fund is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation on chargeable gains, depending on the Shareholder’s circumstances and subject to any available exemption or relief.

As of 6 April 2016, higher rate and additional rate taxpayers will pay capital gains tax at a rate of 20 per cent. This rate would apply to any capital gain realised on a disposal (including a redemption) of Participating Shares by an individual Shareholder who is resident or ordinarily resident in the United Kingdom for taxation purposes.

Shareholders who are bodies corporate resident in the United Kingdom for taxation purposes will, upon disposal of Participating Shares, benefit from indexation allowance which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index.

The Directors intend to apply for “reporting fund” status for each Cell where this is deemed to be in the best interests of the investors. Further details of the tax status of each Cell in relation to the “reporting fund regime” are provided in the Supplementary Offering Memorandum of each Cell.

The attention of prospective investors is also drawn to the provisions of section 13 Taxation of Chargeable Gains Act 1992 which look through non-resident closely controlled companies to UK residents who are also participators in the Fund. Such UK residents may be liable to capital gains tax or corporation tax on chargeable gains on a proportionate share of the Fund’s capital gains. However, these rules apply only to Shareholders who together with connected persons would be attributed a share of 10 per cent. or more of the Fund’s capital gains. In addition, an exception from the rules may apply subject to conditions where, amongst other things, 35 per cent. of the Participating Shares are held by the public (as the Fund expects to be the case).

## Taxation of Dividends

### The Fund

The Fund will not be required to withhold UK tax at source when paying a dividend.

### Individuals

UK resident individual Shareholders who receive a dividend from the Fund will no longer be entitled to a tax credit equal to one-ninth of the dividend payment, to set against the individual's income tax liability on the dividend payment as in prior years. They will instead receive a "deemed" 7.5% credit to set against the individual's income tax liability on the dividend payment. Such UK resident individual Shareholders will generally be taxable on the total of the dividend payment and the tax credit (the "gross dividend"), which will be regarded as the top slice of the Shareholder's income. Where an individual Shareholder has taxable income in excess of £150,000 per annum and is a 45% tax payer he or she will be subject to income tax on the gross dividend at the current rate of 38.1 per cent, but will be able to set the tax credit off against this liability such that the individual will be liable to income tax in an amount equal to 30.6 per cent. of the gross dividend.

The Finance Act 2009 restricts the tax credit, but only where individual Shareholders hold 10 per cent or more of the Fund's Participating Shares.

### Corporates

UK tax resident corporate Shareholders may be exempt from taxation on dividends paid by the Fund, depending on their circumstances and subject to certain conditions being satisfied. Non-exempt dividends will be subject to corporation tax.

### Offshore Funds

United Kingdom resident Shareholders participating in a "reporting fund" will also be charged to income tax or corporation tax (as appropriate) on their proportionate share of the "reported income" to the extent such amount exceeds any actual distributions received by the Shareholders. In such a case, UK shareholders will be taxable on the excess of the "reported income" (if any) as if the same were additional distributions which will generally be deemed to have been paid on the date the report is issued to such Shareholders by the Directors.

### Transfer of assets abroad

Individual Shareholders who are or may become ordinarily resident in the UK should be aware of the provisions of sections 714 to 751 (inclusive) of the Income Tax Act 2007 which could render them liable to income tax on the income payable to a non-resident or non-domiciled person such as the Fund. These provisions seek to prevent the avoidance of income tax by UK resident individuals who transfer assets to non-resident and non-domiciled persons where the transferor (i.e. the UK resident individual) has or is deemed to have

power to enjoy the income of the non-resident or non-domiciled transferee. The provisions do not however apply if such a Shareholder can satisfy HM Revenue and Customs that (i) it would not be reasonable to conclude from all the circumstances of the case that avoiding liability to tax was the purpose or one of the purposes of effecting the transaction, or (ii) the transaction was a genuine commercial transaction and it would not be reasonable to conclude from all the circumstances of the case that one or more of the transactions was more than incidentally designed for the purpose of avoiding liability to taxation.

### **Inheritance Tax**

No liability to inheritance tax will generally arise in respect of Participating Shares owned directly by a person who is neither domiciled nor deemed to be domiciled in the UK. UK domiciliaries should seek their own advice as to inheritance tax.

### **Controlled Foreign Companies Regime**

Any UK Shareholder who, either alone or together with connected or associated persons, is entitled to at least 25 per cent of the Participating Shares may be subject to the rules on controlled foreign companies contained at sections 747 to 756 Taxes Act. Investors should be aware that the controlled foreign company regime is the subject of a consultation by the UK Government, however it is not possible to predict with accuracy the scope or timing of any changes.

### **Stamp Duty and Stamp Duty Reserve Tax**

The following comments are intended as a general guide to the UK stamp duty and stamp duty reserve tax (“SDRT”) position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services, to whom special rules apply. These comments apply irrespective of the tax residence or domicile of the Shareholder.

No UK stamp duty or SDRT will be payable on the issue of the Participating Shares.

UK stamp duty may be chargeable (generally at the rate of 0.5 per cent of the amount or the value of the consideration for the transfer, rounded up the nearest £5) on any instrument of transfer of Participating Shares executed in the UK or which relates to any property situated, or any matter or thing done or to be done, in the UK. If an instrument of transfer is chargeable to UK stamp duty, that instrument may not be produced in civil proceedings in the United Kingdom and may not be available for any other purpose in the United Kingdom until any United Kingdom stamp duty that is due, and any interest and penalties for late stamping, have been paid.

Any agreement to transfer Participating Shares should not be subject to SDRT, provided that the Participating Shares are not and will not be registered in any register of the Fund kept in the UK and that the Participating Shares are not and will not be paired with Participating Shares issued by a company incorporated in the UK.

### **Foreign Account Tax Compliance Act (FATCA)**

FATCA was introduced by the US Treasury and Internal Revenue Service (IRS) to prevent perceived tax evasion by US persons. FATCA requires US persons with both direct and indirect ownership of certain non-US entities and accounts to report these to the US authorities.

Guernsey signed an intergovernmental agreement (“IGA”) with the US on 13 December 2013 regarding the implementation of FATCA. This IGA legislated disclosure and due diligence requirements to be imposed on certain Shareholders or entities that are both directly and indirectly controlled by US persons, unless a relevant exemption applies. The information to be disclosed includes details about Shareholders, ultimate beneficial owners and their investments/returns from the Fund.

The terms of the US-Guernsey IGA enable Guernsey resident Financial Institutions (“FI”) that comply with the reporting and due diligence requirements for Guernsey’s domestic legislation, to not be subject to FATCA withholding on payments made or received. If the Fund does not comply then withholding may be applied.

### **OECD Common Reporting Standard**

The OECD created a global standard for the automatic exchange of information with respect to financial accounts. This standard includes a Common Reporting and Due Diligence Standard (“CRS”), which sets out due diligence procedures to identify reportable financial accounts.

The OECD model competent authority agreement (“MCAA”), together with the CRS create a common standard on reporting, due diligence and exchange of financial account information.

Under the CRS, jurisdictions will obtain relevant financial account information from reporting FIs and exchange this information automatically with other jurisdictions that are signed up to the standard.

The standard is implemented through IGAs which are updated for specific domestic legislation.

Guernsey committed to the adoption of the CRS with effect from 1 January 2016, with first reporting taking place in 2017.

## **ACCOUNTS AND ACCOUNTING DATE**

The accounting date of the Fund is 31st March in each year or such other date as the Directors of the Fund shall determine from time to time having given due notice to all holders. Annual individual Cell level financial statements will be prepared and circulated to relevant Cell shareholders within a period of six months following the relevant accounting date. The Fund will prepare interim Cell accounts at the sole discretion of the Board and on a case by case basis save for certain Cells listed on the TISE, where interim accounts will be prepared and circulated to Cell shareholders within four months of the half year end.

## **RISK WARNINGS**

Prospective investors should be aware that the value of shares and the income from them can fluctuate. Changes in the rates of exchange between currencies may cause the value of shares in the Fund or of its investments to fall as well as increase in value. Consequently, investors may not get back, on redemption or otherwise, the amount originally invested.

Investment transactions by the Fund and any funds in which it invests may not be regulated by the rules of any stock exchange or investment exchange or other regulatory body or authority.

In calculating a Cell's Net Asset Value the Manager may rely on estimates of the Net Asset Value of any funds in which the Cell invests, which will be supplied by the managers or administrators of those Cells.

Some of the investments made by the Fund may not be readily realisable and their marketability may be restricted.

The success of the Fund and each of its Cells will depend on the Manager and/or if appointed, the Investment Manager and/or Investment Advisor. Past performance of the Fund's Cells can be obtained from the Manager. There can be no guarantee that the investment objectives of the Fund will be achieved nor should past performance be seen as indicative of future performance. No assurance can be given that the assessment by the Manager, the Investment Manager and/or the Investment Advisor (where applicable) of the short-term or long-term prospects or volatility thereof of the type of investments referred to in the Supplementary Offering Memoranda will prove accurate.

A Cell may invest in securities which are denominated in currencies other than the base currency of that Cell. The ability of a Cell to hedge currency risks may be affected by limited forward markets for the hedging of the base currency against the currency of investment. A Cell may invest in derivatives.

The segregation of liabilities within each Cell permitted by Guernsey law might not necessarily be recognised in jurisdictions where the Company's assets are located. A Cell may hold its investments directly and in such cases, there will be no limited liability structure acting as a holding company for a Cell.

The Fund's performance may be affected by changes in market or economic conditions, and legal, regulatory and tax requirements. The Fund will be responsible for paying the fees, charges and expenses referred to herein regardless of the level of profitability.

The above indicate certain general risks which investors should be aware of and are not exhaustive and do not purport to be a complete explanation of all the risks and considerations involved in investing in the Fund. Particular risks associated with the individual investment objective and policy of a particular Cell will be assumed by the Manager to be known and understood by the investors in question.

Each investor must fully research such risks and the Manager accepts no responsibility, and will be under no liability or obligation in respect of the same. In addition to the factors above investors should read the "Risk Factors" section in the Supplementary Offering Memorandum of the relevant Cell.

## **GENERAL INFORMATION**

### **Incorporation**

The Fund was incorporated in the Island of Guernsey with limited liability under the provisions of The Law as a limited company (Registered no. 34809) on 15th January 1999 and has been established as a protected cell company for the purpose of the Companies Law.

### **Authorised Share Capital**

The authorised capital of the Fund is as follows:

- (a) £425,100 divided into 100 Management Shares of £1.00 each and 42,500,000 Unclassified Shares of £0.01 each;
- (b) \$425,000 divided into 42,500,000 Unclassified Shares of \$0.01 each; and
- (c) €425,000 divided into 42,500,000 Unclassified Shares of €0.01 each

Unclassified Shares may be issued as Participating Shares of any Cell. The 100 Management Shares in issue were issued at par and are beneficially

owned by the Manager. All information relating to share classes and shares issued are available from the Manager on request. All Unclassified Shares that have been issued as Participating Shares have been fully paid-up. On a show of hands at a general meeting every holder of Management Shares and Participating Shares who is present is entitled to one vote. All issued shares are in registered form.

### **Management Shares of £1 each**

The Management Shares have been created so that Participating Shares may be issued. To qualify as redeemable Participating Shares, the shares are required under Guernsey Law, to have a preference over some other class of share capital. The Management Shares are not redeemable, carry one vote each on a poll and do not carry any right to dividends. Assets not attributable to any particular Cell will constitute the core assets of the Fund for the purposes of the Companies Law. In a winding up the surplus of any such assets shall be distributed among the holders of Management Shares pro rata their respective holdings.

### **Participating Shares**

The Directors may issue up to:

- (a) 42,500,000 Unclassified Shares of £0.01 each in the capital of the Fund as Participating Shares;
- (b) 42,500,000 Unclassified Shares of \$0.01 each in the capital of the Fund as Participating Shares; and
- (c) 42,500,000 Unclassified Shares of €0.01 each in the capital of the Fund as Participating Shares

for such initial issue price as they may resolve.

The Participating Shares of each Cell carry the right to dividends payable out of profits attributable to that Cell. Each holder of Participating Shares is entitled, on a poll, to one vote for each Participating Share held. Assets attributable to each Cell will constitute the cellular assets of such Cell for the purposes of the Companies Law. Subject to the provisions of individual Supplementary Offering Memoranda, in a winding-up the cellular assets available for distribution shall be distributed among the holders of Participating Shares of the Cell in question pro rata to their respective holdings in such Cell. A fraction of a Participating Share will rank pari passu and proportionately with a whole Participating Share.

### **Winding up Procedure**

The Fund may be wound up upon the happening of any of the following events:

- (i) revocation of the authorisation of the Fund as an authorised Class B Collective Investment Scheme, or

- (ii) the passing of a Special Resolution (as defined in the Articles) by the holders of Participating Shares of all Cells that it shall be wound up.

The Fund will be wound up in accordance with the Articles of the Fund and any applicable Guernsey laws and regulations.

As soon as practicable after the Fund falls to be wound up, the Custodian will realise the property of the Fund and, after payment of all liabilities and costs, distribute the proceeds of the realisation to the shareholders and the Manager in proportion to their respective interests.

Individual Cells may not be wound up separately but an investor will be entitled to redeem all shares held by him in that Cell in accordance with the procedures referred to within this document.

### **Voting Rights (including proxies)**

At any meeting of shareholders of the Fund, resolutions may be passed by a show of hands at the meeting unless a poll is required. A poll of shareholders can be demanded by the Chairman of the meeting or by one or more shareholders with not less than one-tenth in value of the shares for the time being in issue.

Only shareholders or their proxies may vote at general meetings of the Fund.

Shareholders representing not less than one-tenth in value of the shares of the Fund in issue may, in writing, request the Manager to convene a meeting.

The quorum for a meeting of shareholders shall be shareholders present in person or by proxy holding or representing one-twentieth in value of all the shares for the time being in issue. At any separate class meeting held in respect of an individual Cell the necessary quorum shall be one shareholder present in person or by proxy holding not less than ten per cent of the issued shares of the relevant Cell.

A meeting duly convened and held in accordance with the provisions set out in the Articles of the Fund shall be competent by Extraordinary Resolution (as defined in the Articles):

- (a) to sanction any modification, alteration or addition to the provisions of the Articles which shall be agreed by the Custodian and the Manager;
- (b) to remove the Manager,
- (c) to remove the Custodian;
- (d) to approve an arrangement for the reconstruction or amalgamation of the Fund with another body or scheme whether or not that other scheme is a collective investment scheme;

- (e) to increase the maximum of the Manager's fee provided that any such increase shall become effective at a specified date not earlier than 90 days after the date on which the resolution is passed.

The investors of a particular Cell will have the power without sanction of an Extraordinary Resolution, to approve any departure by the Manager from the agreed investment objective and policy.

## **Resolutions**

The Articles provide:

An Ordinary Resolution is a resolution of the members (or of a class of members) of the Fund or a Cell, as applicable, passed by a simple majority.

A Special Resolution is a resolution of the members (or of a class of members) of the Fund or a Cell, as applicable, passed by a majority of not less than 75%.

An Extraordinary Resolution requires a majority in favour of not less than three-quarters of the votes cast.

## **MISCELLANEOUS**

- (A) There are no provisions of Guernsey law which confer pre-emption rights on existing shareholders on the allotment of equity securities for cash.
- (B) Participating Shares are in registered form. Temporary documents of title will not be issued.
- (C) Save as stated below, none of the Directors nor any member of their respective immediate families has any interest in the share or loan capital of the Fund the existence of which is known to, or could with reasonable diligence, be ascertained by, the relevant Director.
- (D) None of the Directors has a service contract with the Fund, and no such contract is proposed.
- (E) No loan or guarantee has been granted or provided by the Fund to or for the benefit of any Director.
- (F) None of the Directors, nor any member of their respective immediate families, has or has had any interest in any transaction or transactions which are or were unusual in their nature or conditions or significant to the business of the Fund and which were affected by the Fund since its incorporation.
- (G) The Fund has not established any place of business outside of Guernsey.

(H) There are no actual, pending or threatened legal or arbitration proceedings by or against the Fund.

(I) **Articles of Incorporation**

The following is a summary of certain of the provisions of the Articles.

**Variation of rights and alteration of capital**

- (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Fund is being wound up, only be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. Participating Shares of each Cell shall constitute a separate class for these purposes.
- (ii) The Fund at any time may by Ordinary Resolution (as defined in the Articles) increase its share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.
- (iii) The Fund may by Ordinary Resolution, but subject to the Custodian's approval:
  - (1) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (2) subdivide all or any of its shares into shares of a smaller amount than is fixed by the Memorandum of Incorporation; and
  - (3) cancel any shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**Issue of shares**

Subject to any resolution of the Fund in general meeting to the contrary, the unissued shares (whether forming part of the original or any increased share capital) shall be at the disposal of the Board to allot to such persons on such terms and conditions and at such times as the Board determines provided that no shares shall be offered to any person unable to satisfy the Board that such person is not a US Person.

## **Commissions**

The Fund may on any issue of Participating Shares pay such commission or brokerage as the Directors shall from time to time determine and as may be lawful PROVIDED THAT any such commission shall not exceed such percentage of the subscription price of any such Participating Shares being offered for subscription as may be stated from time to time in this Offering Memorandum or any Supplementary Offering Memoranda or similar document prepared in relation to the Fund and its Cells.

## **Transfer of shares**

- (i) Subject to such of the restrictions noted below, any member may apply to transfer in writing all or any of his Participating Shares.
- (ii) Where a transfer of Participating Shares does not result in a change in beneficial ownership, the Manager may process such a transfer without the consent of the Board. An application for such a transfer should be made in the form attached as a schedule to each Cell's Supplementary Offering Memorandum.
- (iii) Where such a transfer involves a change in beneficial ownership the Participating Shares may not be transferred to any person at any time without the prior consent of the Board, which consent may be given for a particular transfer or for transfers generally and may be unconditional or subject to conditions. Such consent will not be unreasonably withheld by the Board unless in their opinion such a transfer is to a person who may cause the Fund to pay any tax or suffer any regulatory or fiscal restrictions in any jurisdiction in which the Fund would otherwise not have suffered. The form of the application for such a transfer shall be decided upon by the Board as they deem appropriate in each circumstance.
- (iv) Participating Shares may not be offered, sold, transferred, acquired or delivered, directly or indirectly, in the United States of America or any of its territories, possessions or areas subject to its jurisdiction or to, or for the account of, a US Person (as defined in the Articles) at any time without the prior consent of the Board, which consent may be given for a particular transfer or for transfers generally and may be unconditional or subject to conditions as outlined below.

- (v) If it shall come to the notice of the Board that any person (i) who is a US Person (unless such person is a US Person who acquired Participating Shares pursuant to a transaction in respect of which the Directors and the Managers are satisfied is exempt from registration under the US Securities Act of 1933 and state securities laws and that such transaction would not require the Fund to register under the US Investment Company Act of 1940) or (ii) who is in breach of any of the laws or regulations of any jurisdiction by virtue of his holding of Participating Shares or (iii) whose ownership of Participating Shares may in the opinion of the Directors and the Manager subject the Fund or its shareholders to adverse tax or regulatory consequences or other pecuniary disadvantage, the Directors may service a notice (a “Redemption Notice”) upon the person (or any one of such persons where shares are registered in joint names) appearing in the Register of Holders as holders of the Participating Share or shares concerned (the “Relevant Shares”) requiring the holder within thirty days (or such extended time as in all the circumstances the Directors shall consider reasonable) to redeem (and/or procure the disposal of interests in) the Relevant Shares to another person who would not cause any of the conditions described in paragraph (iii) above to exist.

If within 30 days after the giving of a Redemption Notice (or such extended time as the Board considers reasonable) the Redemption Notice has not been complied with, the Board may arrange for the Fund to redeem the Relevant Shares. For this purpose the Board may authorise in writing any officer or employee of the Fund to execute on behalf of the Vendor a Redemption Notice in respect of the Relevant Shares.

**(K) Directors**

- (i) Unless otherwise determined by the Board, the number of Directors shall be not less than 4. Subject to (xi) below, the Directors have power to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re- election.
- (ii) No share qualification for Directors is required.
- (iii) The remuneration of each Director shall be determined from time to time by the Board provided always that the aggregate remuneration of all Directors in any twelve month period shall not exceed £12,000 or such higher amount as may be approved by Ordinary Resolution of shareholders.

- (iv) The Directors shall be entitled to be repaid all reasonable out of pocket expenses properly incurred by them in or with a view to the performance of their duties or in attending meetings of the Board or of committees of the Board or general meetings.
- (v) If any Director, having been requested by the Board, shall render or perform extra or special services or shall travel or go to or reside in any country which is not his usual place of residence for any business or purpose of the Fund, he shall be entitled to receive such sum as the Board may think fit for expenses and also (subject to paragraph (iii) above) such remuneration as the Board may think fit either as a fixed sum or as a percentage of profits or otherwise and such remuneration may as the Board shall determine be either in addition to, or in substitution for, any other remuneration which he may be entitled to receive.
- (vi) A Director may hold any other office or place of profit under the Fund (other than the office of Auditor) in conjunction with his office of Director of such terms as to tenure of office or otherwise as the Directors may determine.
- (vii) No Director or intending Director shall be disqualified by his office from contracting with the Fund as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Fund in which any Director is in any way interested be liable to account to the Fund for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature of his interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or agreement is first taken into consideration or if the Director was not at the date of that meeting interested in the proposed contract or arrangement then at the next meeting of the Directors held after he becomes so interested. A general notice in writing given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract or arrangement which may thereafter be made with that company or firm shall (if the Director shall give the same at a meeting of the Directors or shall take reasonable steps to procure that the same is brought up and read at the next meeting of the Directors after it is given) be deemed a sufficient declaration of interest in relation to any contract or arrangement so made.

- (viii) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent or more of the issued shares of any class of such company (or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this paragraph to be a material interest in all circumstances)).
- (ix) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Fund or any company in which the Fund is interested the Director may be counted in the quorum for the consideration of such proposals and such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under sub-paragraph (viii) above) shall be entitled to vote in respect of each resolution except that concerning his own appointment.
- (x) The Directors are not required to retire at any specified age.
- (xi) The office of a Director shall be vacated if:
  - (1) he resigns his office by notice in writing;
  - (2) he becomes bankrupt or makes any arrangements or composition with his creditors generally;
  - (3) he becomes of unsound mind;
  - (4) he is requested by all the other Directors (not being less than 3 in number) to vacate his office;
  - (5) he is absent from board meetings for four successive meetings without leave expressed by a resolution of the board and the Directors resolve that he vacate his office;
  - (6) he becomes resident in the United Kingdom and but for this provision a majority of the Directors would have been resident in the United Kingdom; or
  - (7) he is removed from office by an Ordinary Resolution of the shareholders of the Fund.

**(L) Borrowing Powers**

The Board may exercise all the powers of the Fund to borrow money, to give guarantees and to mortgage, pledge or charge all or part of its undertaking, property and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any liability or obligation of the Fund or of any third party. The Articles contain a restriction on the amount (but not type) of borrowings by the Fund to the effect that, save with the sanction of an Ordinary Resolution of shareholders, the Fund and its subsidiaries shall not borrow, or give guarantees of security in respect of borrowings or other obligations if, at the time of any such transaction, their aggregate liability in respect thereof would exceed such percentage of the aggregate net asset value of the Fund as may be stated in this Offering Memorandum or any Supplementary Offering Memorandum.

**(M) Indemnity**

The Articles contain provisions, subject to the Companies Law, indemnifying the Directors, Secretary, Manager, Custodian and other officers and servants of the Fund against any actions, costs, charges, losses, damages and expenses incurred or sustained by reason of any contract entered into or act or omission in or about the execution of their duty or supposed duty unless due to their own wilful act, neglect or default, and provide that the amount for which such indemnity is provided shall immediately attach as a lien to the property of the Fund and have priority as between the shareholders over all other claims. The Articles also contain provisions, subject to the Companies Law, exempting the foregoing from liability in certain circumstances unless due to their own wilful act or default.

**(N) Suspension of dealings**

The Directors may declare suspension of valuations and dealings in the Fund or in any particular Cell in certain circumstances including in the event that:

- (a) by reason of the closure of or the suspension of trading on any futures exchange money market or stock exchange or for any other reason circumstances exist as a result of which, in the opinion of the Directors, it is not reasonably practicable on the valuation day in question fairly to determine the Net Asset Value for Participating Shares of the Cell or Cells in question or it is likely that at some time on or before the relevant settlement day it will not be reasonably practicable for the Fund to realise or dispose of investments held for such Cell or Cells; or
- (b) a breakdown occurs in any of the means normally employed by the Directors in assessing the value of investments.

Notice of any such suspension shall be given by the Fund or its authorised agent to holders of Participating Shares who have requested redemption thereof within 48 hours of the announcement of such suspension in such manner as the Directors may determine.

**(O) General**

- (i) As of the date of this document the Fund has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges, debentures or other borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.
- (ii) The Fund, the Manager and any Custodian may, if lawfully required to do so, disclose information in their possession regarding the Fund or its affairs or any Member.
- (iii) The Management Agreement and the Custodian Agreement also contain provisions which, in certain circumstances and subject to certain qualifications, entitle the Manager and the Custodian to hold Participating Shares, deal in investments on its own account (including in transactions with the Fund) and receive commissions without accounting for any profits to investors.

**Material agreements**

**(a) Custodian Agreement**

The Custodian Agreement dated 29<sup>th</sup> October 2004 between the Fund and the Custodian (amended by a variation agreement dated 14 March 2005), and as per each Cell's addendum to the Custodian Agreement from time to time, whereby the Custodian was appointed as custodian of the Fund's assets and the assets of each Cell. The Custodian Agreement exempts the Custodian from liability not due to its negligence, fraud or wilful default and provides the Custodian with an indemnity from the assets of each Cell in respect of losses or damages it may incur in the performance of its duties for that Cell. The Agreement may be terminated by, inter alia, not less than 90 days' notice in writing given by the Fund to the Custodian or by the Custodian to the Fund.

(b) Management Agreement

The Management Agreement dated 26<sup>th</sup> October 2004 between the Fund and the Manager (and amended by a variation agreement dated 14 March 2005) whereby the Fund appointed the Manager to act, subject to the approval of the directors of the Fund, as manager of the assets of the Fund and of each Cell and to carry out certain other duties including the valuation of the assets of each Cell and the issue and redemption of Participating Shares. The Manager has also been appointed as Registrar under the terms of the Management Agreement. The Management Agreement indemnifies and exempts the Manager from liability not due to its negligence, fraud or wilful default. The Agreement may be terminated by either the Manager or the Fund giving not less than three months' notice in writing to the other or in certain circumstances prescribed by the Class B Rules by notice in writing given by the Fund to the Manager.

**Inspection of the Register of Holders**

The Register of Holders of the Fund may be inspected by a holder or his authorised representative free of charge during normal office hours except that the register may be closed at such times and for such periods (not exceeding 30 days in any one year) as may be from time to time determined. A holder or his authorised representative may be supplied, free of charge, with a copy in print of the entries on the register relating to that holder.

**Documents available for inspection**

Copies of the following documents may be inspected at and obtained from the registered offices of the Fund and the Manager during usual business hours on each weekday (Weekends and public holidays excepted):

- (a) the Memorandum and Articles;
- (b) each of the material agreements referred to above (and any amending documents);
- (c) this document; and
- (d) the Companies (Guernsey) Law 2008, as amended;

Supplementary Offering Memoranda in respect of each Cell that is not listed on the TISE will be available for inspection only by the investors of that Cell.

The most recent annual Report and Accounts in respect of each Cell that is not listed on the TISE will be available for inspection only by the investors of that Cell.

Investment management or investment advisory agreements in respect of each Cell that is not listed on the TISE will be available for inspection (and may be obtained) only by the investors of that Cell.

Individual reports and accounts in respect of each Cell that is not listed on the TISE will be available for inspection (and may be obtained) only by the investors of that Cell.

### **Data Protection**

Shareholders are referred to the Privacy Notice at Appendix I for details regarding the processing of their personal data.

## Appendix I

### Privacy Notice

This Privacy Notice sets out how personal data is collected, processed and disclosed in connection with the Fund and each Cell, being (i) the Barclays Wealth Balanced Fund Sterling Class Cell, (ii) Barclays Wealth PCC Sterling Bond Fund Cell, (iii) Dabao Holdings Cell, (iv) Disruptive Capital Investments Cell, (v) The Olympic Cell and (vi) Fixed Interest Fund Sterling Class Cell.

We take privacy and security of your information seriously and will only use such personal information as set out in this Privacy Notice.

As a result of your investment (or an investment made by a person firm or entity with which you have a connection) in a Cell, your personal information may be provided to the Fund each of which will act as independent data controllers. The Fund and the Manager may process your personal information or such data in respect of your directors, officers, employees or beneficial owners.

As each of the Fund and the Manager are entities incorporated in Guernsey, the Fund and the Manager are obliged to comply with the provisions of the Guernsey data protection laws. References to "we" in this Privacy Notice include the Fund, the Cells and the Manager as the context requires.

This Privacy Notice is issued by the Fund and the Manager. This Privacy Notice should be read in conjunction with Zedra Fund Manager (Guernsey) Limited's main Website Ts & Cs, Privacy Policy, Cookies Policy, any other relevant legal notices etc..

#### 1. Where we obtain your personal data:

##### 1.1 Your personal data comprises the following categories:

1.1.1 information obtained from identification documentation (including name, contact details, nationality and national identity numbers (where applicable));

1.1.2 employment history, income and personal wealth;

1.1.3 tax status and tax identification numbers;

1.1.4 bank account details;

##### 1.2 We may also collect, store and use the following "special categories" of more sensitive personal information:

1.2.1 information about your health, including any medical condition, health and sickness records, including:

1.2.1.1 where you leave employment and under any share plan operated by a group company the reason for leaving is determined to be ill-health, injury or disability, the records relating to that decision;

1.2.1.2 details of any absences (other than holidays) from work including time on statutory parental leave and sick leave;

1.2.1.3 where you leave employment and the reason for leaving is related to your health, information about that condition needed for pensions and permanent health insurance purposes; and

1.3.2 information about criminal convictions and offences.

1.4 We primarily collect your personal data from the following sources:

1.4.1 from information which you or your authorised representative gives to us, including but not limited to:

1.4.1.1 information set out in any subscription agreement with the Fund (acting for and on behalf of the relevant Cell);

1.4.1.2 such other forms and documents as we may request that are completed in relation to the administration/management of any investment in a Cell;

1.4.1.3 client due diligence documentation as part of our regulatory requirements; and

1.4.1.4 any personal data provided by you by way of correspondence with us by phone, e-mail or otherwise;

1.4.2 personal data we receive from you or any third party sources which may include:

1.4.2.1 entities in which you or someone connected to you has an interest;

1.4.2.2 your legal and/or financial advisors;

1.4.2.3 other financial institutions who hold and process your personal data to satisfy their own regulatory requirements;

1.4.2.4 credit reference agencies and financial crime databases for the purposes of complying with our regulatory requirements; [and]

1.4.2.5 information collected via website (including cookies and IP addresses), emails (e.g. traffic headers for analyzing patterns of network traffic and managing client relationships)

1.5 We may also collect and process your personal data in the course of dealing with advisors, regulators, official authorities and service providers by whom you are employed or engaged or for whom you act.

## 2. Why we collect your Personal data:

### *Lawful grounds for processing:*

2.1 The Fund and the Manager are entitled to hold and process your personal data on the following lawful grounds:

2.1.1 the processing is necessary for the legitimate interests of the Fund or the Manager provided your interests and fundamental rights do not override those interests;

2.1.2 where the Applicant is a natural person, the processing is necessary to comply with our respective contractual duties to you under the terms of our subscription agreement with you and all supplemental agreements thereto;

2.1.3 to comply with the legal and regulatory obligations of the Fund and the Manager;

2.1.4 (on exceptional occasions) where we have obtained your consent; and

2.1.5 (on rare occasions) where it is needed in the public interest.

Some of the grounds for processing described above will overlap and there may be several grounds which justify our use of your personal data.

### *Inaccurate or Amended Information*

2.2 Please let us know if any of your personal data (including correspondence details) changes as soon as possible. Failure to provide accurate information or to update changed information may have a detrimental impact upon your investment, including the processing of any subscription or redemption instructions or the suspension of your account. Failure to provide information where the same is required for anti-money laundering, pursuant to automatic exchange of information agreements, or other legal requirements means that the Fund may not, or may no longer, be able to accept you as an investor in a Cell.

### *Purposes of processing*

2.3 Pursuant to paragraph 2.1, the Fund and the Manager may process your personal data for the purposes set out below ("**Purposes**"). Those based wholly or partly on our legitimate interests are set out in paragraphs 2.3.1 to 2.3.7 inclusive):

2.3.1 conducting credit reference checks;

2.3.2 to facilitate the opening of your account with the Fund, the management and administration of your holdings in a Cell and any related account on an on-going basis which are necessary for the performance of your contract with the Fund, including without limitation the processing of redemption, conversion, transfer and additional subscription requests, and the payment of distributions;

2.3.3 communicating with you as necessary in connection with your affairs and generally in connection with your investment in a Cell;

2.3.4 operating the Fund's and the Manager's IT systems, software and business applications;

2.3.5 supporting our IT and business applications support teams, accounting, legal, reporting, internal audit and risk management, administrative, transfer, document storage, record keeping and other related functions, including but not limited to processing personal data in connection with the Fund and the Cells;

2.3.6 monitoring and recording telephone and electronic communications and transactions:

2.3.6.1 for quality, business analysis, training and related purposes in order to improve service delivery;

2.3.6.2 for investigation and fraud prevention purposes, for crime detection, prevention, investigation and prosecution of any unlawful act (or omission to act); and

2.3.6.3 to enforce or defend the Fund's or the Manager's rights, or through third parties to whom we each may delegate such responsibilities or rights in order to comply with a legal or regulatory obligations imposed on each of us;

2.3.7 disclosing your personal data (including identity and interest in a Cell to any bank, financial institution or other third party lender providing any form of facility, loan, finance or other form of credit or guarantee to the Fund or a Cell;

2.3.8 detecting and preventing crime such as fraud, money laundering, terrorist financing, bribery, corruption, tax evasion and to prevent

the provision of financial and other services to persons who may be subject to economic or trade sanction on an ongoing basis ("**Regulatory Assessments**");

2.3.9 facilitating the internal administration of the Fund and the Manager and retaining your personal data as part of our Regulatory Assessments or future services entered into by you;

2.3.10 liaising with or reporting to any regulatory authority (including tax authorities) with whom the Fund is either required to cooperate or report to, or with whom it decides or deems appropriate to cooperate, in relation to an investment, and which has jurisdiction over the Fund and the Cells or its investments in a third country without the same or similar data protection laws as Guernsey or any EU member state (a "**Third Country without Adequacy**");

2.3.11 communicating with our professional advisers for the purposes of obtaining professional advice;

2.3.12 conducting business analytics and diagnostics;

We will only use your personal information for the purposes for which we collected it unless we reasonably consider that we need to use it for another reason and that reason is compatible with the original purpose. If we need to use your personal information for an unrelated purpose, we will notify you and we will explain the legal basis which allows us to do so. Please note that we may process your personal information without your knowledge or consent, in compliance with the above rules, where these are required or permitted by law.

2.4 To the extent that such personal data contains special category data such as, for example: data relating to racial or ethnic origin, political opinion, religious or philosophical belief, trade union membership or criminal data then the processing of such data shall solely be for the purpose of complying with any duty imposed on the Fund and/or the Manager by an enactment including, but not limited to, legislation and regulatory obligations relating to anti-money laundering and combatting the financing of terrorism and all other related legislation.

2.5 Neither the Fund nor the Manager makes decisions about you based on automated processing of your personal data]<sup>1</sup>

### 3. **Sharing personal data**

3.1 The Fund and/or the Manager may share your personal data and In sharing your personal data for the reasons set out in this Privacy Notice, we may need to transfer it to other entities, including other Zedra Companies, located in the European Union, all of which will

apply the GDPR, as well as to entities in jurisdictions which are considered to provide an adequate level of protection for your personal data as is provided under the GDPR.

If we transfer your personal data to entities in countries outside the European Union which do not provide an adequate level of protection for your personal data, including Zedra Companies, we will ensure that your personal data will always be protected by appropriate safeguards to give you enforceable rights and legal remedies. You may ask us at any time what safeguards have been put in place to protect such personal data.

#### **4. Retention of personal data**

4.1 Your personal data will be retained for a period of at least ten years after the termination of our relationship with you in order to meet our regulatory and legal obligations but we may retain your personal data for a longer period for the following reasons:

4.1.1 for the Fund, the Manager and/or any authorised third parties to carry out the Purposes for which the data was collected or as long as is set out in any relevant agreement you enter into with us);

4.1.2 in order to establish or defend legal rights or obligations or to satisfy any reporting or accounting obligations; and/or

4.1.3 any retention period that is required by data protection laws and any applicable laws or regulatory requirements.

4.2 We endeavor to store your personal data securely in accordance with accepted market standards and may do so either electronically or manually.

4.3 Whilst we have taken every reasonable care to ensure the implementation of appropriate technical and security measures, we cannot guarantee the security of your personal data over the internet, via email or via our websites nor do we accept, to the fullest extent permitted by law, any liability for any errors in data transmission, machine, software or operating error or any other cause.

#### **5. Your rights**

5.1 You have, under certain circumstances, the following rights in respect of personal data:

5.1.1 the right to access and port personal data;

5.1.2 the right to rectify personal data;

- 5.1.3 the right to restrict the use of personal data;
- 5.1.4 the right to request that personal data is erased;
- 5.1.5 the right to object to processing of personal data; and
- 5.1.6 where the Fund or the Manager has relied on consent to process the personal data, the right to withdraw consent at any time by contacting us via the contact details below.

5.2 You also have the right to lodge a complaint with the Guernsey Data Protection Authority or a supervisory authority in the EU member state of your usual residence or place of work or of the place of the alleged breach if you consider that the processing of your personal data carried out by the Fund, the Manager or any other service provider to the Fund, has breached data protection laws. You may also appeal to certain courts against (i) any failure of the Guernsey Data Protection Authority to give written notice of whether the complaint is either being investigated or not being investigated and where applicable, the progress and the outcome of the investigation and (ii) a determination of the Guernsey Data Protection Authority not to investigate the complaint or a determination that a controller or processor has not breached or is not likely to breach an operative provision in connection with the complaint.

5.3 In limited circumstances we may approach you for your written consent to allow us to process certain particularly sensitive data or to use data for another purpose. Where you may have provided your consent to the collection, processing and transfer of your personal data for a specific purpose, you have the right to withdraw your consent for that specific processing at any time. To withdraw your consent, please contact the Board. Once we have received notification that you have withdrawn your consent, we will no longer process your information for the purpose or purposes you originally agreed to, unless we have another legitimate basis for doing so in law.

## 6. **Data protection officer**

We have appointed a data protection officer (DPO) to oversee compliance with this privacy notice. If you have any questions about this privacy notice or how we handle your personal data, please contact the DPO. You have the right to make a complaint at any time.

## 7. **How to contact us:**

If you have any questions about our use of your personal data, our retention procedures or our security processes, please contact the following:

The DPO, Stuart Esslemont, at Zedra, 50 la Colomberie, St. Helier, Jersey, JE2 4QB

The Manager at 3<sup>rd</sup> Floor, Cambridge House, le Truchot, St. Peter Port, Guernsey, GY1 3UW.

**8. Changes to this Policy**

This Privacy Notice is dated November 2020.

We reserve the right to amend this Privacy Notice at any time without notice, in which case the date of the policy will be revised.