

# **OFFERING MEMORANDUM**

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

**November 2024**

## ZEDRA PCC (NO.1) LIMITED

Zedra PCC (No.1) Limited (the "Fund") is registered in Guernsey as a protected cell company limited by shares pursuant to the Companies (Guernsey) Law, 2008 as amended (the "Companies Law") with registered number 34809. The Fund is a collective investment scheme registered by the Guernsey Financial Services Commission (the "Commission") as an open-ended private investment fund pursuant to The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended (the "POI Law") and The Private Investment Fund Rules and Guidance, 2021 (the "Rules").

The Commission, in granting registration, has not reviewed this document but has relied upon specific warranties provided by Zedra Fund Managers (Guernsey) Limited (the "Manager"). The Commission takes no responsibility for the financial soundness of the Fund or the correctness of any of the statements made or opinions expressed with regard to it. Investors in the Fund are not eligible for the payment of any compensation under the Collective Investment Schemes (Compensation of Investors) Rules 1988.

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 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 Official List of The International Stock Exchange ("TISE") (formerly, the Channel Islands Stock Exchange LBG).

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 TISE.

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 Factors within the Supplemental Offering Memorandum of the relevant Cell.

## ZEDRA PCC (NO.1) LIMITED

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## MANAGEMENT AND ADMINISTRATION

Fund	Zedra PCC (No.1) Limited First Floor Le Marchant House Le Truchot St. Peter Port Guernsey GY1 1GR
Directors of the Fund	Neil Fell Mark Cleary David Piesing Elaine Kennedy
Manager, Secretary and Registrar	Zedra Fund Managers (Guernsey) Limited First Floor Le Marchant House Le Truchot St. Peter Port Guernsey GY1 1GR
Auditors	Grant Thornton Limited St. James Place St. James Street St. Peter Port Guernsey GY1 2NZ
Legal Advisers (Guernsey)	Carey Olsen (Guernsey) LLP Carey House Les Banques St. Peter Port Guernsey GY1 4BZ

## INTRODUCTION

Zedra PCC (No.1) Limited (the “Fund”) is registered as a protected cell company limited by shares pursuant to the Companies Law with registered number 34809. The Fund was incorporated on 15<sup>th</sup> January 1999 under the name Deloitte and Touche PCC No.1 Limited. On 28<sup>th</sup> November 2003 it changed its name to Walbrook PCC No.1 Limited and further changed its name to Barclays Wealth PCC (No.1) Limited on 24<sup>th</sup> July 2008 following the acquisition of the Walbrook group of companies by a subsidiary of Barclays Bank Plc, BPB Holdings S.A on 18<sup>th</sup> May 2007. It subsequently changed its name to Zedra PCC (No.1) Limited on 23<sup>rd</sup> March 2016 following the acquisition of Barclays Trusts business by the Zedra Group.

The Fund is a collective investment scheme pursuant to the POI Law. On 4th November 2004 the Fund was authorised by the Commission as an open-ended collective investment scheme of Class B pursuant to the POI Law and The Collective Investment Schemes (Class B) Rules 1990. On 2 May 2024 the Fund varied its regulatory authorisation and converted to an open-ended private investment fund pursuant to the POI Law and the Rules.

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.

## 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. 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. 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.

**Neil Fell** joined Zedra as Head of Fund Operations, Guernsey in February 2023, Neil was appointed to the Board of Zedra Fund Managers (Guernsey) Limited in September 2023 and also sits on client boards. Prior to joining Zedra, Neil was a Director of Oak Fund Services (Guernsey) Limited for 15 years. In addition to overseeing the client accounting team, he was the client relationship director for a portfolio of clients and sat on a number of client boards. Prior to Oak, Neil was Director of Client Accounting at Close Fiduciary Services. A Fellow of the Institute of Chartered Accountants England and Wales (ICAEW), Neil qualified as a chartered accountant with Ernst &Young LLP where, as senior manager, he was the principal client contact on a portfolio of financial services clients, primarily investment funds.

**Mark Cleary** has extensive experience of fund administration, fund management and governance and in-depth knowledge of both public and private markets. Mark joined ZEDRA in 2016 as a director of their Guernsey funds business and later became a director of their Jersey funds business in 2018. Prior to joining ZEDRA in 2016, Mark headed the risk function for a leading investment management boutique and immediately prior to that he worked for Barclays Wealth as head of their fund solutions business in Jersey. Mark holds a B.Sc. (Hons) in Financial Services from the University of Manchester and was awarded the CFA® designation in 2012. Mark is also a Chartered Director, a Fellow of the Institute of Directors and holds an International Diploma in Governance, Risk and Compliance from the International Compliance Association (ICA).

**David Piesing** is a Guernsey resident. He worked as a director and head of wealth structuring for the Praxis Group in Guernsey for 29 years, where he managed a large and varied portfolio of fiduciary structures covering a wide range of asset classes in addition to carrying out extensive business development work over many years in the UK, the US and the UAE. David remains a part-time consultant with Praxis. He is also a non-executive director of several Guernsey venture capital funds. David is a member of STEP and is a Fellow of the Chartered Corporate Governance, having originally qualified as a Chartered Secretary in 1986.

**Elaine Kennedy** is a Fellow of the Institute of Chartered Certified Accountants, Elaine has historic experience in audit, tax and accountancy roles and over the last 20 years, Elaine has held senior positions and built considerable experience in providing fiduciary services to a large range of private and corporate clients with particular expertise in transactional, tax and legal compliance work. Elaine has extensive experience in working with corporate incentive clients from inception to exit events, as well as managing complex trust and company structures for UHNW clients. She works with a wide variety of clients from global listed companies, large institutions and a variety of private clients. With long standing business development experience, she has also



worked and has long standing relationships with a large network of UK and International intermediaries. Elaine has a BA (Hons) from University College Dublin, has been an advisory panel member of various share plan bodies and been a speaker at various conferences in the UK, Europe and the Middle East.

## **Manager**

The Manager, Secretary and Registrar is Zedra Fund Managers (Guernsey) Limited (formerly Barclays Wealth Fund Managers (Guernsey) Limited and Walbrook Fund Managers Limited), a non-cellular company limited by shares which was registered in 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 administrator of the Fund.

The Manager specialises in the provision of fund administration to open and closed ended collective investment schemes and the Directors of the Manager are: Neil Fell, Elaine Kennedy, Andrew Cunningham and Wim Ritz. Biographies for Neil Fell and Elaine Kennedy are set out above.

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 3 May 2024 (as amended from time to time), 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 provides a Corporate 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.

## **Bankers/custodians/brokers**

Any banking, custodial and brokerage (if applicable) arrangements for the safekeeping of investments for and on behalf of each Cell will be set out in the Supplementary Offering Memorandum prepared in respect of that Cell.

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

An Investment Adviser 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 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 TISE).

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

Due to requirements designed to combat money laundering, terrorist financing and proliferation 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's 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 TISE 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 TISE 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 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 TISE).

Participating Shares may also be sold directly on 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 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.

If at any time the Net Asset Value of any particular Cell shall on each Valuation Day falling within any consecutive three month period be less than such sum as the Directors shall from time to time determine and disclose in the Supplemental Offering Memorandum of the relevant Cell, the Fund may by four weeks' notice to all holders of Participating Shares of that Cell, redeem at the Redemption Price per share for that Cell all (but not some) of the Participating Shares of that Cell.

Without prejudice to the winding up provisions under the Articles, the Directors may determine in their absolute discretion that there is good and sufficient reason to discontinue the operation of the Fund or a Cell and may implement a "managed wind down" of the Fund or the relevant Cell by compulsorily redeeming all Participating Shares of the Fund or the relevant Cell in one or more tranches, with a view to making regular distributions on the Participating Shares following the realisation of investments. Upon the Directors resolving to implement a managed wind down, and to ensure equality between all shareholders, the Directors may instigate a process of liquidation of all the assets of the Fund or the relevant Cell and pay the proceeds, net of any costs and provisions for liabilities of the Fund or the relevant Cell to shareholders, in accordance with the rights attached to their shares. During this time, dealing in affected Participating Shares will be suspended (with the exception of

permitting a compulsory redemption of Participating Shares as aforesaid) and all redemption requests served on the Fund prior to the managed wind down (but which have not been redeemed) shall be deemed to be cancelled and of no effect.

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

### **Valuation**

The Net Asset Value of each Cell shall be determined on each Valuation Day, and shall be equal to the value of all of the assets less all of the liabilities of the Cell. 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 bid 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 publicly 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 may be invested or otherwise made use of by the Directors for the benefit of the Fund until claimed. No dividends shall bear interest against the Fund. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a Participating Share into a separate account shall not constitute the Fund a trustee in respect thereof and any dividend unclaimed after a period of six years from the date of declaration shall be forfeited and shall revert to the Fund.

## **Suspension of Determination of Net Asset Value and/or Dealings**

The Directors may in respect of any one or more cells determination of the Net Asset Value and/or the issue of Participating Shares and/or redemption of Participating Shares for the whole or any part of a period during which the following events occur:

- (a) when one or more recognised markets which provides the basis for valuing a portion of the assets are closed other than for or during holidays or if dealings therein are restricted or suspended;
- (b) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Fund, disposal of assets is not reasonably practicable without being seriously detrimental to the interests of the shareholders or if in the opinion of the Directors redemption prices cannot fairly be calculated;
- (c) in the event of a breakdown of the means of communications normally used for valuing any part of the Fund or if for any reason the value of any part of the Fund may not be determined as rapidly and accurately as required;
- (d) during any period when the Fund is unable to repatriate moneys or during which any transfer of moneys involved in the realisation or acquisition of investments cannot in the opinion of the Directors be effected at regular values or normal rates of exchange;
- (e) during any period when, in the opinion of the Directors, there exists unusual circumstances which make it impracticable or unfair towards the shareholders to continue dealing with Participating Shares; or

- (f) it is desirable for the protection of the Fund or in the interests of the shareholders of the Fund or the relevant Cell as a whole.

Additionally, the Directors may declare a suspension of the redemption of Participating Shares at any time if:

- (a) the Directors are of the opinion that it is not reasonably practicable or in the best interests of the shareholders to realise or to dispose of Investments; or
- (b) the Directors are of the opinion that there is good and sufficient reason to do so having regard to the interests of the continuing shareholders; or
- (c) during any period when the Fund has insufficient liquid assets to make payment to those shareholders who have requested redemptions.

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.

If the determination of the Net Asset Value is suspended beyond the day on which it would normally be determined by reason of a declaration by the Directors pursuant to foregoing the right of the shareholder to have his/her Participating Shares redeemed shall be similarly suspended and during the period of suspension the request for redemption may be withdrawn.

## **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 set out in the Supplementary Offering Memorandum prepared in respect of each Cell.

### **Other Expenses**

The following expenses (which list is not exhaustive) 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. Trading, investment and all other expenses (such as custody fees, brokerage commissions, clearing fees, all other costs of executing transactions, interest charges, financing charges and applicable withholding and other taxes) related to the purchase, sale, transmittal or custody of investment assets and related items.
- 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; fees and expenses that may arise in connection with preparing tax information and/or making tax filings or other reporting in respect of those jurisdictions in which investors are or are expected to be domiciled may be paid at the discretion of the Manager;
- 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 revisions thereof and the Annual and Interim Financial Reports.
- H. The costs incurred in keeping the Register of Holders.
- I. Expenses incurred in the preparation of the printing of certificates, tax vouchers, warrants, proxy cards and contract notes.
- J. Any fees and expenses arising from registering the Fund in foreign territories.
- K. 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.

- L. Where the Fund or any Cell wishes to list on TISE the Fund will incur an application fee and a yearly fee to maintain the listing on TISE as set out in 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.
- M. Fees and expenses of accountants, lawyers, and other advisors or service providers of the Fund as may be incurred by the Fund or the Directors.
- N. Fees and expenses of the Directors.
- O. Fees and expenses in respect of the annual audit of the Fund.
- P. 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.
- Q. The costs of establishment of any subsidiary and on-going organisational fees and expenses relating thereto.
- R. Insurance costs including directors and officers insurance.

## **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.

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.

## Guernsey Taxation

### *The Fund*

The Fund has applied for an exemption from liability to income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended (“the Exempt Ordinance”). Exemption must be applied for annually and will be granted, subject to the payment of an annual fee, which is currently fixed at £1,600, provided that the Fund meets the conditions to qualify under the applicable legislation for exemption. It is the intention of the Directors to conduct the affairs of the Fund so as to ensure that it will continue to qualify for exempt company status for the purposes of Guernsey taxation.

As an exempt company, the Fund will be treated as if it were not resident in Guernsey for the purposes of Guernsey income tax. The exemption from income tax and the treatment of the Fund as if it were not resident in Guernsey for the purposes of Guernsey income tax would be effective from the date the exemption is granted and will apply for the year of charge in which the exemption is granted.

Under current law and practice in Guernsey, the Fund will only be liable to tax in Guernsey in respect of income arising or accruing from a Guernsey source, other than from a relevant bank deposit and will not be required to file an annual income tax return to the Director of the Revenue Service provided it is not treated as a “self-managed fund” for the purposes of The Income Tax (Substance Requirements) (Implementation) Regulations, 2021 (“the Substance Law”). It is not anticipated that such Guernsey source taxable income will arise in this case and it is not expected that the Fund will be classified as a self-managed fund for the purposes of the Substance Law.

Distributions made by exempt companies to non-Guernsey residents will be free of Guernsey withholding tax and reporting requirements. Where a tax exempt company makes a distribution to shareholders that are Guernsey tax resident individuals the company will only need to report the relevant details of those distributions.

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, which is currently zero per cent.

Following written communication from the EU Code of Conduct Group on Business Taxation in November 2017, the States of Guernsey made a commitment to address concerns that Guernsey did not have a legal substance requirement for doing business in, or through it, as a jurisdiction. This resulted in the introduction of Economic Substance Regulations (“ESR”), which took effect for accounting periods commencing on or after the 1 January 2019.

Broadly, the ESR require Guernsey tax resident entities that generate income in a given tax year from a “relevant activity” to demonstrate that they have sufficient economic substance in Guernsey. There are a series of tests within the ESR to determine whether an entity has sufficient economic substance, which are; 1) the entity must be directed and managed in Guernsey 2) the entity

must perform its core income generating activities (“CIGA”) in Guernsey and 3) the entity must be able to demonstrate that it has adequate people, premises and expenditure commensurate with the level and type of business activity in Guernsey.

Where an entity is unable to demonstrate that it meets the tests under the ESR then it would be deemed to fail. Failure to comply with the ESR can result in financial penalties, information exchange with tax authorities in other jurisdictions and persistent failures can result in the entity being struck-off from the company register.

PCCs are required to consider the ESR at the whole entity level to reflect the PCCs tax status as a single legal entity; however, the PCC must also consider the activities of the cells for the purposes of determining whether it meets the CIGA aspect of the ESR test.

To the extent that an exempt company under the Exempt Ordinance generates income from a “relevant activity”, as defined in the ESR, then it may be required to comply with the ESR; however, there is a specific carve-out in the ESR for regulated funds, with the exception of “self-managed” funds that will be treated as though they are performing fund management activities for the purposes of the ESR.

Therefore, on the basis that the Fund is a collective investment scheme that qualifies as an exempt company under the Exempt Ordinance, the carve-out for the purposes of the ESR should apply and the Company should not be in scope.

Guernsey currently does not levy taxes upon capital transactions or inheritances. Furthermore, there is no Value Added Tax/Goods and Services Tax in Guernsey. No stamp duty is chargeable in Guernsey on the issue, transfer or redemption of shares in the Fund.

### *The Shareholders*

Distributions by the Fund to Shareholders who are not resident in Guernsey for tax purposes (and who do not carry on a business through a permanent establishment in Guernsey with which their investment in the Fund is connected) can be paid to such Shareholders, either directly or indirectly, without the withholding of Guernsey tax and without giving rise to any other liability to Guernsey income tax.

Shareholders who are individuals resident for tax purposes in Guernsey (which includes Alderney and Herm for these purposes), or who are not so resident but who carry on a business through a permanent establishment in Guernsey with which their investment in the Fund is connected, will incur Guernsey income tax at the applicable rate on a distribution paid to them by the Fund. So long as the Fund has been granted tax exemption the Fund will only be required to provide the Guernsey Revenue Service such particulars relating to any distribution paid to such Shareholders as the Guernsey Revenue Service may require, including the names and addresses of such Shareholders, the gross amount of any distribution paid and the date of the payment.

As already referred to above, Guernsey currently does not levy taxes upon capital transactions or inheritances. Furthermore, there is no Value Added Tax/Goods and Services Tax in Guernsey, nor are there any estate duties (save for registration fees and ad valorem duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty is chargeable in Guernsey on the issue, transfer or redemption of shares in the Fund.

#### *FATCA - the U.S.-Guernsey IGA*

On 13 December 2013 the Chief Minister of Guernsey signed an intergovernmental agreement with the United States ("U.S.-Guernsey IGA") regarding the implementation of FATCA. Under FATCA and legislation enacted in Guernsey to implement the U.S.-Guernsey IGA, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Fund. The Fund will be required to report this information each year in the prescribed format and manner as per local guidance.

Under the terms of the U.S.-Guernsey IGA, Guernsey resident financial institutions that comply with the due diligence and reporting requirements of Guernsey's domestic legislation will be treated as compliant with FATCA and, as a result, should not be subject to FATCA withholding on payments they receive and should not be required to withhold under FATCA on payments they make. If the Fund does not comply with these obligations, it may be subject to a FATCA deduction on certain payments to it of U.S. source income (including interest and dividends) and proceeds from the sale of property that could give rise to U.S. source interest or dividends and "foreign passthru payments". The U.S.-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance that is published in draft form.

#### *Common Reporting Standard*

On 13 February 2014, the Organization for Economic Co-operation and Development released the "Common Reporting Standard" ("CRS") designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed the multilateral competent authority agreement ("Multilateral Agreement") that activates this automatic exchange of FATCA-like information in line with the CRS. Since then further jurisdictions have signed the Multilateral Agreement and in total over 100 jurisdictions have committed to adopting the CRS. Many of these jurisdictions have now adopted the CRS with effect from 1 January 2016 or 1 January 2017. Guernsey adopted the CRS with effect from 1 January 2016.

Under the CRS and legislation enacted in Guernsey to implement the CRS, Guernsey Financial Institutions are required to identify, review and report on accounts maintained by them and which are held by residents for tax purposes (whether individuals or entities) of jurisdictions with which Guernsey has agreed to exchange information. As such, certain disclosure requirements will be imposed in respect of certain Account Holders, or entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exclusion applies. Certain due diligence obligations will also be imposed. Where applicable, information to be disclosed will include details about the account holders (which includes any reportable controlling persons of certain entity account holders), the value of their Account and the total gross amount paid or credited to the account holder during the period. The Fund will be required to report this information each year in the prescribed format and manner as per local guidance. The CRS is implemented through Guernsey's domestic legislation in accordance with guidance which is supplemented by guidance issued by the Organization for Economic Co-operation and Development.

All prospective investors should consult with their own tax advisers regarding the possible implications of FATCA, the CRS and any other similar legislation and/or regulations on their investment in the Fund.

If the Fund fails to comply with any due diligence and/or reporting requirements under Guernsey legislation implementing the U.S.-Guernsey IGA and/or the CRS then the Fund could be subject to (in the case of the U.S.-Guernsey IGA) U.S. withholding tax on certain U.S. source payments, and (in all cases) the imposition of financial penalties introduced pursuant to the relevant implementing regulations in Guernsey. Whilst the Fund will seek to satisfy its obligations under the U.S.-Guernsey IGA and the CRS and associated implementing legislation in Guernsey to avoid the imposition of any financial penalties under Guernsey law, the ability of the Fund to satisfy such obligations will depend on receiving relevant information and/or documentation about each Shareholder and the direct and indirect beneficial owners of the Shareholders (if any). There can be no assurance that the Fund will be able to satisfy such obligations.

#### *Request for Information*

The Fund reserves the right to request from any Shareholder or potential investor such information as the Fund deems necessary to comply with FATCA and the CRS, or any obligation arising under the implementation of any applicable intergovernmental agreement, including the U.S.-Guernsey IGA and the Multilateral Agreement, relating to FATCA, the CRS or the automatic exchange of information with any relevant competent authority.

#### **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.

The Manager intends that the Fund should be managed and conducted so that it does not become resident in the United Kingdom for UK taxation purposes. Accordingly, and provided that the Fund does not carry on a trade in the United Kingdom through a permanent establishment situated therein for UK taxation purposes, the Fund will not be subject to UK corporation tax on income and capital gains arising to it. The Manager intends that the affairs of the Fund are conducted so that no such permanent establishment will arise insofar as this is within their control, but it cannot be guaranteed that the conditions necessary to prevent any such permanent establishment coming into being will at all times be satisfied. Interest and other income received by the Fund which has a United Kingdom source may be subject to withholding taxes in the United Kingdom.

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.

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.

### **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.

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. These apply to a company that is not resident in the United Kingdom for tax purposes but, if it were, would be controlled in such a manner as to be regarded as a "close company" for United Kingdom tax purposes. In such circumstances, United Kingdom Shareholders may have attributed to them part of any chargeable gain accruing to such non-UK resident company (i.e. the Fund) that is proportionate to their interest in same. However, these rules apply only to Shareholders who together with connected persons would be attributed a share of more than 25 per cent. of the Fund's capital gains. In addition, the Fund would not be regarded as a non-UK resident "close company" 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**

Since 6 April 2016, 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. UK resident individual Shareholders are entitled to a dividend allowance each year; they will only pay tax on any dividend income above the dividend allowance. The dividend allowance for the tax year from 6 April 2023 was £1,000 and this will further reduce to £500 for the tax year from 6 April 2024. Such UK resident individual Shareholders will be taxable on their dividend income (above the dividend allowance) at their highest marginal rate, as dividends are always treated as the top slice of the Shareholder's income. Where an individual Shareholder has taxable income in excess of £125,140 per annum and is an additional rate tax payer they will be subject to income tax on their dividend income at the current dividend tax rate of 39.25 per cent. The dividend allowance does not reduce the taxable income of an individual when they calculate their tax rate band.

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 "reportable income", even if it has not been distributed to the extent such amount exceeds any actual distributions received by the Shareholders. In such a case, UK shareholders will be taxable on the difference between their proportionate share of the "reportable income" and the income that is distributed (i.e. the "excess 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 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, for consideration over £1,000, at the rate of 0.5 per cent of the amount or the value of the consideration for the transfer, rounded up to 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.

## **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 TISE, where interim accounts will be prepared and circulated to Cell shareholders within four months of the half year end.

## **RISK FACTORS**

Whilst prospective investors should make their own evaluation of the risks inherent in an investment in the Fund, they should consider among other matters the risks set out in the Supplementary Offering Memorandum of the relevant Cell before making a decision to invest. The list of considerations set out below in the Supplementary Offering Memorandum of the relevant Cell is

for information purposes only and does not purport to provide a true and complete list of all the risks associated with becoming an investor.

## **GENERAL INFORMATION**

### **Incorporation**

The Fund was incorporated in Guernsey as a protected cell company limited by shares under the provisions of the Companies Law (Registered no. 34809) on 15th January 1999.

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 18th May 2007, then subsequently was acquired by Zedra S.A.

### **Share Capital**

Subject to the Articles, the Directors are empowered to issue an unlimited number of Management Shares and Participating Shares.

The 100 Management Shares in issue were issued at £1.00 par value each and are beneficially owned by the Manager.

Participating Shares shall be issued with a par value of £0.01, €0.01 or \$0.01 as determined at their time of issue and as set out in the Supplemental Offering Memorandum of the relevant Cell.

Except with the consent of the majority of votes cast at a separate class meeting of the holders of all classes of the Participating Shares, no further shares of any other class than Participating Shares and Management Shares shall be issued.

All information relating to share classes and shares issued are available from the Manager on request. All Participating Shares are issued fully paid. 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**

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 core assets shall be distributed among the holders of Management Shares pro rata their respective holdings.

### **Participating Shares**

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 at any time by Special Resolution and the Directors shall be bound to convene an extraordinary general meeting for the purpose of passing a Special Resolution for the winding up of the Fund if the Fund's authorisation under the POI Law is revoked (unless the Commission otherwise agrees).

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 Directors will realise the property of the Fund and, after payment of all liabilities and costs, distribute the proceeds of the realisation to the shareholders 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 more than not less than of the total voting rights of all the shareholders having the right to vote on the resolution.

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

Shareholders representing more than 10% of such of the capital of the Fund as carries the right of voting at general meetings of the Fund may, in writing, request the Manager to convene a meeting.

The quorum for a meeting of shareholders shall be two shareholders holding at least 5% of the total voting rights of the Company present in person or by proxy or by attorney. 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 10% of the issued shares of the relevant Cell.

## MISCELLANEOUS

- (A) There are no provisions of Guernsey law which confer pre-emption rights on existing shareholders on the issue of equity securities (including Participating Shares) for cash.
- (B) 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.
- (C) None of the Directors (with the exception of Mr Piesing) has a service contract with the Fund, and no such contract is proposed.
- (D) No loan or guarantee has been granted or provided by the Fund to or for the benefit of any Director.
- (E) 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.
- (F) The Fund has not established any place of business outside of Guernsey.
- (G) 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 may from time to time alter its share capital in accordance with the Companies Law.

## **Issue of shares**

The unissued shares shall be at the disposal of the Board to issue 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 pay commission in money or shares to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares in the Fund or procuring or agreeing to procure subscriptions whether absolute or conditional for any shares in the Fund provided that the rate or amount of commission shall be fixed by the Board. The Fund may also pay brokerages.

## **Transfer of shares**

- (i) Any Shareholder may transfer all or any of his shares by instrument in writing in the usual or common form or in any other form which the Directors may approve. The instrument of transfer shall be executed by the transferor (and in the case of partly paid shares by the transferee) and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. .
- (ii) An application for such a transfer should be made in the form attached as a schedule to each Cell's Supplementary Offering Memorandum.
- (iii) The Directors may, in their discretion and without assigning any reasons therefor, refuse to register a transfer of any share to any person of whom they shall not approve as transferee. If the Directors refuse to register a transfer of any share they shall within one month after the date on which the transfer was lodged with the Fund send to the transferee notice of the refusal.
- (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 Manager 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 three. 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) A Director need not be a member of the Fund.
- (iii) The remuneration of the Directors shall be determined from time to time by the Board and is not expected to exceed, in the aggregate, £25,000 per annum. However, the Board may grant special remuneration to any Director who, being so called upon, shall be willing to render any special or extra services to the Fund or in respect of a particular Cell, in which case the £25,000 per annum threshold may be exceeded. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by a lump sum or by way of salary or commission or by any or all of those modes or otherwise. Actual Directors' remuneration will be disclosed to shareholders in the annual accounts.

- (iv) The Directors may also be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund or in connection with the business of the Fund.
- (vi) Subject to the provisions of the Companies Law, and provided that he has disclosed to the other Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - (1) may be a party to, or otherwise interested in, any transaction or arrangement with the Fund, or in which the Fund is otherwise interested;
  - (2) may act by himself or through his firm in a professional capacity for the Fund (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
  - (3) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise directly or indirectly interested in, any body corporate promoted by the Fund, or with which the Fund has entered into any transaction, arrangement or agreement or in which the Fund is otherwise interested; and
  - (4) shall not by reason of his office, be accountable to the Fund for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- (v) Any Director may act by himself or through his firm in a professional capacity for the Fund, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Fund.
- (vi) Any Director may continue to be or become a director, managing director, manager or other officer, employee or member of any company promoted by the Fund or in which the Fund may be interested or with which the Fund has entered into any transaction, arrangement or agreement, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager, or other officer or member of any such other company.
- (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 ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of the Companies Law or any other law or enactment;
- (4) he is requested by all the other Directors (not being less than two 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 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) 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 and the Manager may, if lawfully required to do so, disclose information in their possession regarding the Fund or its affairs or any Member. Additionally, the Fund or its agents shall, if required to do so under the legislation of any jurisdiction to which any of them are subject, be entitled to release or disclose any information in their possession regarding the Fund or its affairs or any of its Members (or their direct or indirect owners or account holders), including without limitation information required under FATCA/CRS.

**Material agreements**

- (a) The Management Agreement dated 3 May 2024 between the Fund and the Manager (as amended from time to time) 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 sooner in certain circumstances prescribed therein. The Management Agreement contains provisions which, in certain circumstances and subject to certain qualifications, entitle the Manager 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.
- (b) A service contract dated 3<sup>rd</sup> May 2024 between the Fund and Mr Piesing with respect to his appointment as a non-executive director of the Fund.
- (c) The particulars of any material agreements entered into by the Fund for the account of a particular Cell shall be disclosed in the relevant Supplementary Offering Memorandum.

## **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 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 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 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 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.

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 at Zedra, 19-21 Broad Street, St. Helier, Jersey, JE2 3RR

The Manager at 1st Floor, Le Marchant House, Le Truchot, St. Peter Port, Guernsey, GY1 1GR.

**8. Changes to this Policy**

This Privacy Notice is dated February 2024.

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.