

The Directors of CC Funds SICAV p.l.c. whose names appear in the Directory to this Prospectus accept responsibility for the information contained herein. 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 Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.



## Prospectus

(hereinafter referred to as the “Prospectus”)

15 March 2021

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

## CC FUNDS SICAV p.l.c.

(hereinafter referred to as the “Company”)

an open-ended collective investment scheme organised as a multi-fund public limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Cap. 370, Laws of Malta). The Company qualifies as a ‘Maltese UCITS’ in terms of the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18, Laws of Malta).

### CALAMATTA CUSCHIERI INVESTMENT MANAGEMENT LIMITED

(the “Investment Manager”)

### SPARKASSE BANK MALTA PUBLIC LIMITED COMPANY

(the “Depositary”)

### CC FUND SERVICES (MALTA) LIMITED

(the “Administrator”)

**Important Notice:** This Prospectus may not be distributed unless accompanied by, and is to be read in conjunction with, the Offering Supplement relating to the Investor Shares being offered in a particular Sub-Fund. An Offering Supplement may modify, supplement or exclude any term or condition stated in this Prospectus as applicable to the related Sub-Fund, as well as include terms and conditions which, although not included in this Prospectus, shall apply to the related Sub-Fund. The Investment Manager has also issued one or more Key Investor Information Documents in respect of every Sub-Fund or class of Investor Shares thereof.

CC FUNDS SICAV P.L.C. (INCLUDING THE SUB-FUNDS) IS LICENSED AS A COLLECTIVE INVESTMENT SCHEME BY THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”) UNDER THE INVESTMENT SERVICES ACT (CAP. 370, LAWS OF MALTA). AUTHORISATION OF THE COMPANY AND ITS SUB-FUNDS BY THE MFSA DOES NOT CONSTITUTE A WARRANTY BY THE MFSA AS TO THE PERFORMANCE OF THE COMPANY AND ITS SUB-FUNDS AND THE MFSA SHALL NOT BE LIABLE FOR THE PERFORMANCE OR DEFAULT OF THE COMPANY AND ITS SUB-FUNDS. THE MFSA, AS THE LISTING AUTHORITY, ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THIS PROSPECTUS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS WHATSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. REVISED AND UPDATED VERSION OF THE PROSPECTUS DATED 14<sup>th</sup> MAY, 2020.

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## IMPORTANT INFORMATION

### Sole Basis of Offer

The Investor Shares are offered solely on the basis of the information and representations contained in this Prospectus and the Offering Supplement relating to a particular Sub-Fund which should accompany it. A Key Investor Information Document (“**KIID**”) will be provided free of charge to any prospective investor, however, prospective investors are cautioned that the Prospectus and any Offering Supplement should also be read in their entirety before making an application to acquire Investor Shares. If you are in any doubt about the contents of this Prospectus and the relevant Offering Supplement, you should consult an independent investment advisor.

No persons have been authorised by the Company, its Directors or the Investment Manager to make any representations or issue any advertisement or to give any information in connection with the offering or sale of Investor Shares other than those contained in this Prospectus, the Offering Supplements and any KIID. Consequently if any further information is given or representations are made, they may not be relied upon as having been authorised by the Company, its Directors or the Investment Manager. Any purchase or subscription made by any person on the basis of information or representations not contained in or inconsistent with the information or representations contained in the Prospectus, the Offering Supplements and the KIIDs shall be solely at the risk of the investor.

Neither the delivery of this Prospectus, any Offering Supplement and any KIID nor the offer, issue or sale of Investor Shares shall constitute a representation that the information given in this Prospectus, any Offering Supplement and any KIID is correct as of any time subsequent to the date thereof. The Prospectus, any Offering Supplement and any KIID may be amended from time to time. Investors or prospective investors should ensure therefore that they are relying on the latest published version of the Prospectus, any Offering Supplement and any KIID, a copy of which may be obtained from the Administrator. The Prospectus, Offering Supplement and any KIID should be read in their entirety before making an application to acquire Investor Shares.

### Licensing Status and MFSA Disclaimer

The Company is organised under the laws of Malta as a multi-fund public limited liability company with variable share capital (SICAV) pursuant to the Companies Act. The Company may issue several Classes of Investor Shares which may, alone or jointly with other Classes of Investor Shares, constitute Sub-Funds. The Company and its Sub-Funds are authorised in terms of the ISA as open-ended collective investment schemes and licensed and regulated by the MFSA. The Company qualifies as a ‘Maltese UCITS’ in terms of the UCITS Regulations.

Authorisation of the Company and its Sub-Funds by the MFSA does not constitute a warranty by the MFSA as to the performance of the Company and its Sub-Funds and the MFSA shall not be liable for the performance or default of the Company and its Sub-Funds.

### Listing

The Malta Government Bond Fund and Malta Balanced Income Fund, Sub-Funds of the Company (the “**Listed Sub-Funds**”), have applied for the primary listing of their Investor Shares on the Malta Stock Exchange.

The information contained in this Prospectus and the Offering Supplements of the Listed Sub-Funds, as well as any other documents which may be requested by the MFSA (as the Listing Authority of the MSE in respect of the Listed Sub-Funds) constitutes the listing documents for the purposes of the application for admissibility to the primary listing of the Investor Shares of the Listed Sub-Funds on the MSE. This information includes particulars which are given in compliance with the listing rules of the MSE for the purpose of giving information in relation to the Company.

The Company has appointed Michael Grech Financial Investment Services Limited as Sponsoring Stockbroker, whose registered office is at The Brokerage, Level 0, St. Marta Street, Victoria VCT2550, Gozo, Malta, to act as sponsoring stockbroker to the primary listing on the MSE.

The admission of the Investor Shares for the primary listing on the MSE, or the approval of the Prospectus and any Offering Supplement pursuant to the listing requirements of the MSE, do not constitute a warranty and/or representation by the MSE as to (i) the competence of the service providers to, or any other party connected with, the Company or any of the Sub-Funds; (ii) the adequacy and accuracy of the information contained in this Prospectus and in each Offering Supplement; or (iii) the suitability of the Company or the Listed Sub-Funds for investment or for any other purpose.

The Sponsoring Stockbroker has been appointed to apply for the primary listing of the Investor Shares issued by the Listed Sub-Funds on the MSE. Further details of this primary listing are also found in the Offering Supplements of the Listed Sub-Funds.

This Prospectus and the Offering Supplements of the Listed Sub-Funds include particulars given in compliance with the listing rules of the MSE for the purpose of giving information with regard to the issuer and thus constitute the listing document. The Directors, whose names appear in this Prospectus, accept full responsibility for the information contained in this Prospectus and the Offering Supplements of the Listed Sub-Funds as the listing document, and confirm, having made all reasonable enquiries, which to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

While the Listed Sub-Funds are listed on the MSE, the Directors may exercise the discretion afforded to them under the Articles to decline to register any transfer of Investor Shares in the Listed Sub-Funds, provided that this will not prevent dealings in such Investor Shares from taking place on an open and proper basis.

### Information Available to Investors

A copy of the Prospectus, any Offering Supplement and any KIID can be obtained from the Administrator during ordinary office hours at the Administrator's offices.

The Company and its Sub-Funds are constituted under the Companies Act; consequently the rules relating to the Company and its Sub-Funds as well as the rights of holders of Shares are set out in detail in the Memorandum and Articles. The Company's latest Memorandum and Articles and the other documents listed in the Section entitled "General and Statutory Information" are available for inspection by prospective investors during ordinary office hours at the Company's Registered Address.

Please refer to the Directory to this Prospectus for relevant office addresses.

A copy of this Prospectus, together with any Offering Supplements thereto, have been lodged with the Registrar of Companies in accordance with the ISA and the Companies Act and are therefore also available for inspection at the

Registry of Companies in Malta, together with the Memorandum and Articles.

## Restrictions on Distribution outside Malta

The offer of Investor Shares in the Company is deemed to be an offer of securities to the public in terms of the Companies Act, however, the distribution of this Prospectus, the Offering Supplements, any KIID and the offering of Investor Shares may be restricted in other jurisdictions. In this regard, the attention of prospective investors is brought to the part entitled “Restricted Offer” below. In terms of the Memorandum and Articles, the Directors may impose such restrictions as they think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or requirements of any country or governmental authority.

## Restricted Offer

This Prospectus, any Offering Supplements in respect of the Sub-Funds and any KIID do not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus, any Offering Supplement, any KIID and the offering of Investor Shares in certain jurisdictions is restricted. Persons to whose attention this Prospectus may come are required to inform themselves about, and to observe, such restrictions.

A Prospective investor should inform themselves as to: (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Investor Shares; (b) any foreign exchange restrictions which may affect them; and (c) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Investor Shares. The Directors may from time to time declare categories of persons who do not qualify under applicable laws to purchase Investor Shares.

This Prospectus, any Offering Supplement and any KIID may be translated into other languages and any such translation shall contain the same information and shall make the same statements as are included in the English version of the relative source documents. To the extent that there is any inconsistency between the English versions and the versions translated into any other language, then the English versions shall prevail except to the extent required by the laws of any jurisdiction where the Investor Shares are being offered.

## Investment Risk

Investment in any Sub-Fund carries risks normally attributable to investment in collective investment schemes of this type. Investors and potential investors in the Company and its Sub-Funds are invited to obtain individual professional advice where appropriate so as to be fully aware of how they may be affected financially by such risks. Investors should also inform themselves of, and consider carefully, the tax implications of investing in the Company and its Sub-Funds, of any laws, rules or regulations or conditions which could affect (by virtue, for instance, of the investor’s domicile, residence or nationality) the investment return on the Sub-Funds, and the right to acquire, own or dispose of an investment in the Company. There can be no assurance that the Company’s or its Sub-Fund’s investment objectives will be achieved and investment results may vary substantially over time. Prospective investors should be aware that the value of investments, as reflected in the NAV per Share, can go down as well as up and the attention of investors is drawn to the Section entitled “Risk Factors”. Prospective investors should carefully consider whether an investment in Investor Shares is suitable for them in the light of their circumstances and financial resources.

### Right to Refuse Any Subscription Application

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

### Applicable Law

This Prospectus, the Offering Supplements, any KIID and any statements made therein are based on and subject to Maltese law.

## Structure of this Document

Due to the structure of the Company and the fact that several Classes of Investor Shares in the Sub-Funds may be offered, the Company has issued this Prospectus which includes general information in connection with the Company and several Offering Supplements, one for each Sub-Fund. The Company has issued and will issue one or more KIIDs in relation to each Sub-Fund.

The Prospectus covers all the matters which are generally relevant and/or common to the Sub-Funds. The Offering Supplements contain specific information directly related to a Sub-Fund and the Classes of Investor Shares constituting that Sub-Fund. Each Offering Supplement forms an integral part of this Prospectus. Each KIID will provide a summary of the essential characteristics of the Sub-Fund and any Classes forming the subject of such KIID and the relevant parts of this Prospectus.

In the case of the Company constituting a new Sub-Fund, a new Offering Supplement, and KIID(s) dedicated to the particulars of that Sub-Fund, will be issued.

A prospective investor will be provided by the Company and/or the Investment Manager with a copy of the relevant KIID free of charge before committing to invest. Both the Prospectus and the relevant Offering Supplement for the specific Sub-Fund are also available free of charge upon request from the Administrator or the Investment Manager. Any Offering Supplement should be read in conjunction with this Prospectus.

In the event of any inconsistency between the contents of this Prospectus and the contents of an Offering Supplement, unless otherwise expressly stated in this Prospectus, the contents of the Offering Supplement shall prevail in respect of the related Sub-Fund.

# Interpretation

## Definitions

The following words shall, unless the context otherwise requires or implies, have the meanings set opposite them when used in this Prospectus:

Accounting Period	Unless otherwise determined by the Directors, a financial period of the Company commencing in the case of the first such period on the date of registration of the Company and terminating on 31 <sup>st</sup> December, 2011 and in any other case commencing on 1 <sup>st</sup> January of each year and ending on 31 <sup>st</sup> December of the same year.
Accounting Currency	Euro.
Administrator	CC Fund Services (Malta) Limited.
Approved Counterparty	<p>Counterparties who:</p> <ul style="list-style-type: none"> <li>(a) are not the Investment Manager;</li> <li>(b) form part of a group whose head office or parent company is licensed, registered or based in Malta, or in any member of the OECD or the EEA;</li> <li>(c) are subject to prudential supervision in accordance with provisions equivalent to EU Directive 93/6/EEC or EU Directives 73/239/EEC and 79/267/EEC as amended; and</li> <li>(d) have a credit rating of at least A (Standards &amp; Poor's) or A2 (Moody's), an equivalent rating by another internationally renowned credit rating agency or such other rating acceptable to the MFSA.</li> </ul> <p>In the case of an OTC FDI transaction, such counterparty must satisfy the Investment Manager or the Company that it has:</p> <ul style="list-style-type: none"> <li>i. agreed to value the transaction at least weekly, and</li> <li>ii. will close out the transaction at the request of the Investment Manager or the Company at fair value.</li> </ul>
Approved Collateral	Collateral provided by an Approved Counterparty in connection with an FDI which satisfies the requirements imposed by MFSA Rules and the Licence Conditions.
Approved Institution	A credit institution that has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member



State, provided that it is subject to prudential rules considered by the MFSA as equivalent to those laid down in EU law.

Approved Regulated Market	A stock exchange or any other regulated market, which operates regularly, and is recognised and open to the public, has adequate liquidity and adequate arrangements in respect of the transmission of income and capital. A list of the Approved Regulated Markets selected for the Company as of the date hereof appears in Appendix 1 of this Prospectus and, if any additional ones are selected in relation to a particular Sub-Fund, in the related Offering Supplement; updated lists are available by direct application to the Investment Manager.
Articles	The Articles of Association of the Company.
Auditors	The auditors for the time being of the Company.
Authorised Distributors	The entities or individuals which may be appointed by the Company to distribute Investor Shares subject to the terms of an agreement with such persons in each case.
Base Currency	The currency in which a Class of Shares is denominated; in respect of each Sub-Fund and the Classes of Investor Shares comprised therein, as stated in the related Offering Supplement.
Benchmarks Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
Board	The Board of Directors of the Company.
Business Day	Except where otherwise stated in the Offering Supplement or determined by the Board, any day that is not a Saturday or a Sunday and not a public, national or bank holiday in Malta.
Class	A class of Shares. A Class or Classes of Investor Shares may alone or together constitute a Sub-Fund and may have different rights from any other Class or Classes in the same Sub-Fund, as set forth in the relevant Offering Supplement.
CIS	Collective investment schemes.
Closing Date	The date on which the Initial Offering Period for a particular Class of Investor Shares ends. The Closing Date for each Class of Investor Shares will be set forth in the Offering Supplement for the related Sub-Fund.
Companies Act	The Companies Act (Cap. 386, Laws of Malta).

Company	CC Funds SICAV p.l.c.
Company Secretary	The person occupying the post of company secretary of the Company from time to time.
Data Protection Legislation	The data protection and information privacy laws of Malta, including the Data Protection Act (Cap. 580, laws of Malta) and any subsidiary and replacement legislation, including regulation (EU) 2016/679 known as the General Data Protection Regulation.
Dealing Day	Any Business Day that is a Subscription Day and/or a Redemption Day.
Depository or Custodian	Sparkasse Bank Malta Public Limited Company.
Deposits	Deposits of cash held with an Approved Institution.
Directors	The Directors of the Company.
EEA	The European Economic Area. Unless otherwise specified, references to the EEA and its member states shall encompass the EU and its member states.
EU	The European Union.
Euro/€/EUR	The single currency of the EU.
FDI	A financial derivative instrument (including an OTC FDI).
Founder Shares	Non-participating Shares with no nominal value.
Group Companies	Companies which are included in the same group for the purposes of consolidated accounts as defined in EU Directive 2013/34/EU (as amended) in accordance with recognised international accounting rules.
Initial Offering Period	In relation to any particular Class of Investor Shares, the period specified in the related Offering Supplement during which such Investor Shares are offered at the Initial Offering Price.
Initial Offering Price	The price at which Investor Shares will be offered during the Initial Offering Period. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details during which such Investor Shares are offered at the Initial Offering Price.
Investment Advisor	Such person(s), if any, engaged by the Company and/or the Investment Manager to advise the Company and/or the Investment Manager in respect of the investment and re-investment of the assets of a Sub-Fund.
Investment Management Agreement	Any agreement which may be entered into between the Investment Manager and the Company relating to the engagement and

	responsibilities of the Investment Manager.
Investment Management Fee	The investment management fee which may be payable to the Investment Manager, if any, as specified in the Offering Supplement of any Sub-Fund.
Investment Manager	Calamatta Cuschieri Investment Management Limited.
Investor Shares	Participating Shares of no par value, which may be divided into different Classes, and which may include fractions of a whole share. Investor Shares are issued in relation to a particular Sub-Fund.
ISA	The Investment Services Act (Cap. 370, Laws of Malta).
Key Investor Information Document/KIID	The Key Investor Information Document containing salient information relating to a particular Sub-Fund or Class or Classes, as required by the UCITS Regulations.
Licence Conditions	The conditions in the relevant licence issued by the MFSA to the Company and in respect of any Sub-Fund.
Listing Authority	The MFSA, or such other person or body appointed in accordance with Article 2 of the Financial Markets Act (Cap. 345, Laws of Malta) and Article 7A of the Malta Financial Services Authority Act (Cap. 330, Laws of Malta), including where the context so permits, any committee, employee, officer or servant to whom any function of the Listing Authority may for the time being be delegated.
Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c.
Malta	The Republic of Malta.
Maltese UCITS	A UCITS whose registered office and head office are situated in Malta, that is harmonised in accordance with the UCITS Directive and is licensed in terms of the ISA.
Member State	A member state of the EU.
Memorandum and Articles	The Memorandum of Association and the Articles of Association of the Company.
MFSA	The Malta Financial Services Authority or any other successor competent authority in terms of the ISA.
MFSA Rules	Any guidelines, guides, or rules, issued by the MFSA, and any amendments thereto from time to time in force, which may be applicable to the Company and the Sub-Funds.
Minimum Holding	The minimum amount or minimum value of Investor Shares that must be held by any investor in a Sub-Fund. In relation to any particular Class

of Investor Shares, see the related Offering Supplement for details.

Minimum Additional Investment	The minimum amount or minimum value of Investor Shares for which an additional subscription by an existing Shareholder may be made. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Minimum Initial Investment	The minimum amount or minimum value of Investor Shares for which an initial subscription may be made. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Money Market Instruments	Instruments normally dealt in on the money market which are liquid, and whose value can be accurately determined at any time.
NAV	Net Asset Value.
NAV per Share	The NAV attributable to a Class of Investor Shares divided by the number of outstanding Investor Shares of that Class.
Offering	The offering of Investor Shares for subscription as described in this Prospectus and any Offering Supplement.
Offering Period	Subject to the terms of this Prospectus, the period during which Investor Shares will be made available at the Offering Price. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Offering Price	The price at which Investor Shares may be purchased after the Closing Date, in accordance with the provisions of this Prospectus. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Offering Supplement	An offering document in relation to Investor Shares in a particular Sub-Fund of the Company, including all relevant appendices, amendments and exhibits thereto, if any, as the same may from time to time be consolidated. In the event of any incompatibility between the terms of an Offering Supplement and this Prospectus, the terms of the Offering Supplement shall, to the extent of such incompatibility, prevail with respect to the related Sub-Fund.
Officers	In relation to the Company includes a director, manager or company secretary of the Company.
OTC FDI	A financial derivative instrument which is dealt in an “over-the-counter” market.
Performance Fee	The performance fee which, in the case of a Class of Investor Shares, may be payable to the Investment Manager. In relation to any particular Class

of Investor Shares, see the related Offering Supplement for details.

Prospectus	All constituent parts of this Prospectus, including all relevant appendices, amendments, addenda, supplements and exhibits thereto, as the same may, from time to time be consolidated, together with any Offering Supplement which may be issued from time to time.
Recently Issued Transferable Securities	Means securities in respect of which the terms of issue include an undertaking that application will be made for admission to official listing on an Approved Regulated Market and such admission is secured within a year of issue.
Redemption Day	In relation to a Class of Investor Shares, a Business Day on which Investor Shares may be redeemed by the Company. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Redemption Notice	The form, a specimen of which is available from the Administrator, or from an Authorised Distributor, which has to be submitted to the Company by a Shareholder for the purposes of requesting a redemption of Investor Shares.
Redemption Price	The price at which Investor Shares may be redeemed, in accordance with the provisions of this Prospectus. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Redemption Proceeds	The Redemption Price multiplied by the number of Investor Shares being redeemed by the redeeming Shareholder, net of any applicable charges payable or equalisation adjustments.
Reference Currency	The Base Currency used for a Sub-Fund's performance measurement and accounting purposes; it may differ from a Sub-Fund's investment currency or from one or more of the Base Currencies of the Classes of Investor Shares comprised in that Sub-Fund.
Remitting Bank	The bank or financial institution from which a Subscriber's subscription monies are sent to the Company.
Shareholder(s)	Any person(s) holding Shares of the Company.
Shares	Shares of no par value in the capital of the Company, which may be divided into different Classes, and which may include fractions of a whole share and includes the Founder Shares and the Investor Shares.
Sponsoring Stockbroker	Michael Grech Financial Investment Services Limited.
Sub-Fund	The distinct Class or Classes of Investor Shares constituting that Sub-Fund to which are allocated assets and liabilities distinct from other assets and liabilities allocated to other Sub-Funds. A Sub-Fund may pursue investment objectives and adhere to investment policies

different from those of the other Sub-Funds and may be made up of more than one Class of Investor Shares.

Subscriber	A person who has completed a Subscription Application for Investor Shares in a Sub-Fund of the Company.
Subscription Application	The form, a specimen of which is available from the Administrator or from an Authorised Distributor, which has to be submitted to the Company by a prospective investor for the purpose of applying and, if accepted, subscribing to Investor Shares.
Subscription Day	In relation to a Class of Investor Shares, a Business Day on which Investor Shares may be issued by the Company. In relation to any particular Class of Investor Shares, see the related Offering Supplement for details.
Substantial Proportion	More than 20% (twenty per cent) of the Sub-Fund's net assets.
Transferable Securities	<p>Securities being:</p> <ul style="list-style-type: none"> <li>a. shares in companies and other securities equivalent to shares in companies;</li> <li>b. bonds and other forms of securitised debt; and</li> <li>c. other negotiable securities which carry the right to acquire any such Transferable Securities by subscription or exchange.</li> </ul> <p>The definition of Transferable Securities shall exclude the techniques and instruments referred to in Article 51 of the UCITS Directive.</p>
UCITS	<p>Undertakings for the collective investment in transferable securities which are harmonised in accordance with the UCITS Directive and which have:</p> <ul style="list-style-type: none"> <li>a. as sole object the collective investment in transferable securities and/or in other liquid financial assets of capital raised from the public and which operate on the principle of risk-spreading; and</li> <li>b. units which, at the request of holders, may be repurchased or redeemed, directly or indirectly, out of those undertakings' assets. Action taken by a UCITS to ensure that the stock exchange value of its units does not significantly vary from their net asset value shall be regarded as equivalent to such re-purchase or redemption.</li> </ul>
UCITS Directive	EU Directive 2009/65/EC of the 13th July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities as amended.
UCITS Regulations	The Investment Services Act (Marketing of UCITS) Regulations (S.L.

370.18, Laws of Malta).

U.S. Person	"U.S. Person" as defined in Rule 902 of Regulation S of the Securities Act.
U.S./United States	United States of America.
USD/US\$/US Dollars	The lawful currency of the United States.
Valuation Day	Such Business Day when all the assets and liabilities attributable to a Sub-Fund are valued. In relation to any particular Class of Investor Shares, as may be specified in the related Offering Supplement, provided that a Valuation Day shall always be a Business Day.

## General

For the purposes of this Prospectus unless the context otherwise requires or implies:

- a. words importing the singular include the plural and vice versa;
- b. words which are gender neutral or gender specific include each gender;
- c. other parts of speech and grammatical forms of a word or phrase defined in the Prospectus has a corresponding meaning;
- d. an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate and a government agency;
- e. a reference to "includes" means to include without limitation;
- f. a reference to a law, directive or regulation is a reference to that law, directive or regulation as amended, consolidated, replaced or recast;
- g. a reference to a document includes all amendments or supplements to that document, or replacements or novations of it;
- h. a reference to a Section, Part, Paragraph or Appendix refers to a Section, Part, Paragraph or Appendix of this Prospectus;
- i. a reference to an entity in the Prospectus (as the context requires) includes that entity's successors and permitted assigns; and
- j. all references to currencies shall include any successor currency.

## Principal Features

The following should be read in conjunction with the full text of this Prospectus and is qualified in its entirety by and subject to the detailed information contained elsewhere in the Prospectus.

### Company Structure

**CC Funds SICAV p.l.c.** is a collective investment scheme established as a multi-fund investment company with variable share capital (SICAV) with limited liability registered under the laws of Malta and licensed by the MFSA under the ISA.

The Company qualifies as a 'Maltese UCITS' in terms of the UCITS Regulations. The Company is expected to consist of several Sub-Funds, each of which will be capitalised through the issue of one or more Classes of Investor Shares. The capital raised for each Sub-Fund will be invested in line with its investment objectives, subject to its investment policies and restrictions.

### Segregated Assets

The assets and liabilities acquired and assumed for each Sub-Fund through this investment process are, and shall be treated for all intents and purposes of law as, a patrimony separate from the assets and liabilities of each other Sub-Fund. Accordingly, the liabilities incurred in respect of each Sub-Fund shall be paid out of the assets forming part of the patrimony of such Sub-Fund. In the event that the liabilities of a particular Sub-Fund exceed its assets, then the proportion of liabilities in excess of the assets shall not be allocated to the other Sub-Funds. The creditors of that Sub-Fund whose liabilities exceed its assets shall have no claim or right of action against the assets of the other Sub-Funds and of the Company. In terms of Maltese law, the legal status of each Sub-Fund as a patrimony separate from the assets and liabilities of each other Sub-Fund shall be respected in any proceedings which may be instituted in terms of the Companies Act when such proceedings either relate to the dissolution and consequential winding-up of the Company or its reconstruction. Furthermore the proceedings which may be instituted under the Companies Act relating to dissolution and consequential winding-up of companies and company reconstructions shall apply in the same way to each Sub-Fund as though it were a distinct legal entity and with such modifications as are necessary in view of the fact that a Sub-Fund is not a company. Any such proceedings in relation to any one Sub-Fund shall not have any effect on the assets of any other Sub-Fund or of the Company. The Directors shall hold or shall cause to be held such separate accounts, records, statements and other documents as may be necessary to evidence the liabilities and assets of each Sub-Fund as distinct and separate from the assets and liabilities of all the other Sub-Funds.

Where a Sub-Fund is constituted by more than one Class of Investor Shares, the assets and liabilities attributable to a Class of Investor Shares in that Sub-Fund do not constitute a separate patrimony from the assets and liabilities attributable to the other Classes of Investor Shares in the same Sub-Fund.

### Offer Documents

The Offer of Investor Shares in any Sub-Fund of the Company is governed by this Prospectus as the same may be amended and updated from time to time.



This Prospectus is accompanied by the Offering Supplements issued in connection with the following Sub-Funds, namely:

- **Euro High Income Bond Fund;**
- **Global High Income Bond Fund;**
- **Malta Government Bond Fund;**
- **Emerging Market Bond Fund;**
- **Global Balanced Income Fund;**
- **Malta Balanced Income Fund;** and
- **Global Opportunities Fund.**

The Investment Manager has also issued one or more KIIDs in respect of the above Sub-Funds.

When Investor Shares in other Sub-Funds are issued in the future, this Prospectus will be accompanied by an Offering Supplement for each new Sub-Fund. The Investment Manager will also issue one or more KIIDs in respect of new Sub-Funds.

## New Classes

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

This Prospectus is to be at all times accompanied by an Offering Supplement for the Sub-Funds which are the subject of the Offering. Offerings in other Sub-Funds may be made again in the future. Information about Sub-Funds other than the ones referred to herein may be obtained from the offices of the Company, the Investment Manager or the Administrator.

## Investment Objective, Policies and Restrictions

Details of the specific investment objective and policies for each Sub-Fund will be formulated by the Directors at the time of creation of the Sub-Fund and will be stated in the related Offering Supplement.

There is no guarantee that any of the investment objectives will be met.

## Investment Risks

Shareholders should be aware that the Sub-Funds in the Company are designed to achieve particular economic targets related to the strategies stated for the particular Sub-Fund and implemented by that Sub-Fund.

Such strategies may carry with them particular risks that are not typical of equity or bond funds. The Shareholder is urged to review carefully the risk factors stated for the Sub-Funds in the relevant part of this Prospectus and any specific risk factors relative to any particular Sub-Fund which may be stated in the Offering Supplement for such Sub-Fund.

## Management of the Company

The Company has appointed **Calamatta Cuschieri Investment Management Limited** as its investment manager. The Investment Manager will be responsible for the management of the business and activities of the Company. The Investment Manager has also delegated certain administrative functions to **CC Fund Services (Malta) Limited**.

## Dividend Policy

The Offering Supplement of any particular Sub-Fund will set out the Dividend Policy applicable to that Sub-Fund.

Under the Memorandum and Articles, and where provided for under the relative Offering Supplement, the Directors may declare dividends out of a Sub-Fund from the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses provided that the amount of dividends so declared should be determined in conformity with any requirements imposed by the MFSA in terms of the ISA, MFSA Rules and the Licence Conditions. Any decision to pay or make any dividend or other distribution in respect of any Investor Shares listed on the MSE, or to pass any interest payment or dividend in respect of any Investor Shares listed on the MSE, shall be communicated to the MSE following authorisation by the Board of Directors.

The Company will be obliged and entitled to deduct an amount in respect of Malta tax from any dividend payable to a Shareholder in any Sub-Fund who is or is deemed to be taxable in Malta, and to pay such sum to the Malta tax authorities – Please refer to the Section entitled “Taxation” below for further details.

Shareholders should note that the NAV per Share of certain Sub-Funds may decrease over time as the Company declares and pays dividends to Shareholders in these Sub-Funds.

Where Investor Shares in a Sub-Fund are listed on a regulated market, dividends (if any) will be paid in accordance with that market’s policy, provided that any such distributions will in any event be effected in compliance with any requirements imposed by the MFSA in terms of the ISA, MFSA Rules and the Licence Conditions.

## The Offering

Subject only to the maximum number of Investor Shares specified in the Memorandum and Articles which are at the relevant time available for issue, not being exceeded, the Company may, at its sole discretion, accept Subscription Applications for Investor Shares at any time.

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

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

The Company is entitled to close the Offering for Investor Shares in a Sub-Fund at its sole discretion.

## Pricing

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

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

### Minimum Holding in Sub-Funds

The Offering Supplement of each Sub-Fund will give details of the minimum number or value of Investor Shares that shall be held in each Sub-Fund. In exceptional cases, the Directors shall have discretion to permit, in respect of this minimum, a lesser amount.

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

### Minimum Initial Investment for Investor Shares in the Sub-Funds

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

### Minimum Additional Investment

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

### Subscription Applications

Investor Shares may be acquired on any Subscription Day, as is described in this Prospectus.

Subscription Applications for Investor Shares may be submitted to the Company at the office of the Administrator, whether directly or through Authorised Distributors, in the prescribed form, a copy of which is available from the Administrator or from an Authorised Distributor; in respect of each Sub-Fund, refer to the relative Offering Supplement.

Subscription Applications can only be accepted if they are received by the Company at the office of the Administrator and if the Company has received the subscription amounts in cleared funds as required by this Prospectus, within the deadlines stated in the relative Offering Supplement. See the part entitled “Purchase of Shares” under the Section entitled “Purchase, Exchange and Transfer of Investor Shares” for further details.

### Redemption

Investor Shares may be redeemed on any Redemption Day, as is described in this Prospectus. See the part entitled “Redemption of Shares” for further details.

A redemption request must be received by the Company at the office of the Administrator with such prior notice before the relevant Redemption Day as may be stated in the Offering Supplement for the related Sub-Fund. Redemption requests received after such date will be processed on the next but one Redemption Day, provided that

the Directors may accept, at their sole discretion, a shorter notice.

## European Benchmarks Regulation

The Company will, where relevant, work with the applicable benchmark administrator for each benchmark used by the Company to confirm that the benchmark administrators are, or intend to procure that they are, included in the register maintained by ESMA under the Benchmarks Regulation.

Furthermore, where relevant, a plan has been adopted or will be adopted by the Company to address the contingency of a benchmark used by the Company changing materially or ceasing to be provided in accordance with the Benchmarks Regulation.

## Securities Financing Transactions and Total Return Swaps

None of the Sub-Fund(s) currently make use of securities financing transactions, total return swaps, repurchase and reverse repurchase agreements and securities lending transactions.

Prior to entering into such transactions, Shareholders will be informed accordingly or this Prospectus will be revised to include such disclosure as is necessary to comply with the requirements of Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and reuse and amending Regulation (EU) No 648/2012.

## Accounting Currency

For the purposes of the compilation of the annual financial statements of the Company, the reporting currency for the Company shall be the Accounting Currency.

# Investment Objectives, Policies and Restrictions

## Objectives and Policies

A detailed description of the investment objectives and policies of each Sub-Fund will be found in the relevant Offering Supplement.

## Restrictions

The investment restrictions applying to each Sub-Fund of the Company under the MFSA Rules and Licence Conditions are set out below. These are, however, subject to the qualifications and certain exemptions contained in the MFSA Rules and in the Licence Conditions. Any additional investment restrictions for particular Sub-Funds will be formulated by the Directors at the time of the creation of such Sub-Funds and will be stated in the relevant Offering Supplement.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders, including in order to comply with the laws and regulations of the countries where Shareholders are resident.

The Sub-Funds may only invest in those assets which may be held for safekeeping by the Depositary in terms of the relative Depositary Agreement.

### Part A - Permitted Investments

Subject to the limits for each type of permitted asset class as stated in Part B below, investments of a Sub-Fund shall be limited to:

- A1. Transferable Securities and Money Market Instruments which are admitted to or dealt on an Approved Regulated Market;
- A2. Recently Issued Transferable Securities;
- A3. Units of other CISs which qualify as UCITS and are so authorised in terms of the UCITS Directive, provided that no more than 10% of the assets of the UCITS whose acquisition is contemplated, can, according to their prospectus or instruments of incorporation, be invested in aggregate in units of other UCITS or other CIS.
- A4. Units of other CISs not authorised in terms of the UCITS Directive that, other than the requirement that they be harmonised in accordance with the UCITS Directive, otherwise satisfy the definition of a UCITS and the following additional requirements:
  - i. such other CISs are authorised under laws which provide that CISs are subject to supervision considered by MFSA to be equivalent to that laid down in EU law, and that co-operation between authorities is sufficiently ensured;
  - ii. the level of protection for unit-holders in such other CISs is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
  - iii. the business of the other CISs is reported in half yearly and annual reports to enable an assessment

to be made of the assets and liabilities, income and operations over the reporting period;

- iv. no more than 10% of the assets of the other CIS whose acquisition is contemplated, can, according to their prospectus or instruments of incorporation, be invested in aggregate in units of other UCITS or other CISs.
- A5. Deposits with Approved Institutions, which are repayable on demand, or have the right to be withdrawn and maturing in no more than 12 months.
- A6. FDIs, including equivalent cash-settled instruments dealt in on an Approved Regulated Market or dealt in over-the-counter (“**OTC FDIs**”) provided that:
- i. the underlying assets consist of instruments covered by this Part A, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives and stated in this Prospectus or relevant Offering Supplement;
  - ii. the counterparties to OTC FDI transactions are Approved Counterparties; and
  - iii. the OTC FDIs are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company’s initiative.
- A7. Money Market Instruments not dealt on an Approved Regulated Market, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings and they are:
- iv. issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
  - v. issued by an undertaking any securities of which are dealt on an Approved Regulated Market; or
  - vi. issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the MFSA to be at least as stringent as those laid down by EU law; or
  - vii. issued by other bodies falling within the categories which the MFSA may from time to time prescribe, provided that investments in such instruments are subject to investor protection equivalent to that laid down in (i), (ii) or (iii) above and provided that the issuer:
    - is a company whose capital and reserves amount to at least €10,000,000 and which presents and publishes its annual accounts in accordance with EU Directive 2013/34/EU (as amended);
    - is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group; or
    - is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

- A8. The Company may acquire movable and immovable property which is essential for the direct pursuit of its business; it may hold ancillary liquid assets but may not acquire precious metals or certificates representing them.

#### Part B – Investment Limits

When investing in any one or more of the Permitted Investments stated in Part A above, a Sub-Fund shall observe the following limits:

##### Transferable Securities and Money Market Instruments

- B1. A Sub-Fund may not invest more than 10% of its assets in Transferable Securities and Money Market Instruments other than those referred to in paragraphs A1, A2 and A7.
- B2. A Sub-Fund may invest no more than 5% of its assets in Transferable Securities or Money Market Instruments issued by the same body.
- B3. The limit referred in paragraph B2 above may be increased to 10% provided that the total value of Transferable Securities and Money Market Instruments held in bodies in which the Sub-Fund invests more than 5%, is less than 40%.
- B4. The limit of 5% (in paragraph B2) may be raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. Sums deriving from the issue of these bonds shall be invested, in conformity with the law, in assets which during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. If a Sub-Fund invests more than 5% of its assets in these bonds issued by one issuer, the total value of those investments in each of which it holds more than 5% of its assets may not exceed 80% of the value of the assets of the Sub-Fund.
- B5. The limit of 5% (in paragraph B2) may be raised to 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by:
- i. a Member State or its local authorities;
  - ii. a non-Member State;
  - iii. a public international body of which one or more Member States are members.
- B6. The Transferable Securities and Money Market Instruments referred to in paragraphs B4 and B5 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph B3.

##### Deposits with Credit Institutions

- B7. A Sub-Fund may not invest more than 20% of its assets in Deposits made with the same Approved Institution.

### Transactions in FDIs

- B8. The Company may, in respect of a Sub-Fund, enter into FDIs falling under paragraph A6 above for investment or for efficient portfolio management.

The risk exposure of a Sub-Fund to an Approved Counterparty in an OTC FDI may not exceed 5% of its assets. This limit is raised to 10% where the counterparty is an Approved Institution. The exposure per counterparty of an OTC FDI shall be measured on the basis of the maximum potential loss incurred by the Sub-Fund if the counterparty defaults.

The exposure to one counterparty in an OTC FDI may be reduced where the counterparty provides the Sub Fund with Approved Collateral. Furthermore, the Company may, in respect of a Sub-Fund, net the mark-to-market value of its OTC FDI positions with the same counterparty, thus reducing the Company's exposure to its counterparty, provided that the Company has in respect of that Sub-Fund a contractual netting agreement with its counterparty which creates a single legal obligation such that, in the event of the counterparty's failure to perform owing to default, bankruptcy, liquidation or any other similar circumstance, the Company would have a claim to receive or an obligation to pay only the net sum of the positive and negative mark-to-market values of included individual FDIs.

FDIs which are transacted on an Approved Regulated Market where the clearinghouse meets the following conditions shall be deemed to be free of counterparty risk:

- i. is backed by an appropriate performance guarantee;
- ii. is characterised by a daily mark-to-market valuation of the derivative positions; and
- iii. is subject to at least daily margining.

### Overall Single Issuer Exposure

- B9. Notwithstanding the limits laid down in paragraphs B2, B7 and B8 above a Sub-Fund may not combine

- i. investments in Transferable Securities or Money Market Instruments issued by;
- ii. deposits made with;
- iii. counterparty risk exposures arising from OTC FDIs undertaken with; and
- iv. other exposures arising from OTC FDIs relating to;

a single body in excess of 20% of its assets.

- B10. The limits referred to in paragraphs B2, B3, B4, B5, B7, B8 and B9 above may not be combined, so that exposure to a single body shall not exceed 35% of the assets of a Sub-Fund.

- B11. Group Companies are regarded as a single issuer for the purposes of paragraphs B2, B3, B4, B5, B6, B7, B8, B9 and B10. However, a limit of 20% of the assets of a Sub-Fund may be applied to investment in Transferable



Securities and Money Market Instruments within the same group and this subject to the prior approval of the MFSA.

B12. Notwithstanding the limits stated above, a Sub-Fund may, applying the principle of risk spreading, and subject to the prior approval of the MFSA, invest up to 100% of its assets in different Transferable Securities and Money Market Instruments issued or guaranteed by:

- i. any Member State or its local authorities;
- ii. non-Member States; or
- iii. public international bodies of which one or more Member States are members,

provided that:

- i. the Company is satisfied that Shareholders have protection equivalent to that of shareholders in a CIS complying with the other limits laid down in this Prospectus;
- ii. the Company holds, in respect of a Sub-Fund, securities from at least six different issues; and
- iii. the securities from any one issue shall not exceed 30% of the assets of the Sub-Fund.

Where a Sub-Fund proposes to invest in Transferable Securities and/or Money Market Instruments within the limits set in this paragraph, the Offering Supplement in respect of this Sub-Fund shall:

- state the names of the States, local authorities or public international bodies issuing or guaranteeing securities in which it intends to invest more than 35% of its assets; and
- include a prominent statement drawing attention to such authorization and indicating the States, local authorities and/or public international bodies in the securities of which it intends to invest or has invested more than 35 per cent of its assets.

#### Investment in Collective Investment Schemes (CIS)

B13. A Sub-Fund may not invest more than 20% of its assets in any one CIS referred to in paragraphs A3 and A4 above.

Subject to the prior approval of the MFSA, when a Sub-Fund has acquired CISs referred to in this paragraph B13, the assets of these CISs do not have to be combined for the purposes of the limits laid down in paragraphs B2 to B11.

B14. Investment in CISs referred to in paragraph A4 shall not, in aggregate, exceed 30% of the assets of a Sub-Fund.

B15. When a Sub-Fund invests in the units of other CISs that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, such entities may not charge

subscription, conversion or redemption fees on account of the Sub-Fund's investment in the units of such other CISs.

B16. Where a commission (including a rebated commission) is received by the Investment Manager or an Investment Advisor by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Sub-Fund. Investments to Track an Index

B17. Notwithstanding the limits stated in paragraphs B2 and B3 above and without prejudice to the limits laid down in paragraphs B19, B20 and B21, a Sub-Fund may invest up to 20% of its assets in shares and/or debt securities issued by the same body where the investment policy of a Sub-Fund is to replicate an index. When the investment objective of a Sub-Fund is to replicate an index this will be stated in the related Offering Supplement.

The Index is subject to MFSA approval and will be recognised by the MFSA on the basis of the criteria set out below:

- its composition is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers; and
- it is published in an appropriate manner.

B18. The limit in paragraph B17 above may be raised to 35%, where, in the opinion of the Investment Manager and subject to the prior approval of the MFSA, this is justified by exceptional market conditions. The investment up to this limit is only permitted for a single issuer.

#### General Provisions

B19. The Company, or the Investment Manager acting in connection with all of the CISs it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

B20. A Sub-Fund may acquire no more than:

B20.1 10% of the non-voting shares of any single issuing body;

B20.2 10% of the debt securities of any single issuing body;

B20.3 25% of the units of any single CIS;

B20.4 10% of the Money Market Instruments of any single issuing body.

The limits laid down in paragraphs B20.2, B20.3 and B20.4 above may be disregarded at the time of acquisition, if at that time, the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue cannot be calculated.

B21. Subject to the MFSA's prior approval, paragraphs B19 and B20 shall not be applicable to:

- B21.1. Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;
- B21.2. Transferable Securities and Money Market Instruments issued or guaranteed by a non-Member State;
- B21.3. Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;
- B21.4. Shares held by a Sub-Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that non-Member State, where under the legislation of that non-Member State such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that non-Member State. This waiver is applicable only if in its investment policies, the company from the non-Member State complies with the limits laid down in paragraphs B2 to B10, B13 to B16, B19 and B20 and provided that where these limits are exceeded paragraphs B22 and B23 below are observed;
- B21.5. Shares held by a Sub-Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unitholders' request exclusively on their behalf.
- B22. A Sub-Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of their assets.
- B23. Recently authorised Sub-Funds of the Company may derogate from the provisions of paragraphs B2 to B15, B17 and B18 for six months following the date of their launch, provided each Sub-Fund observes the principle of risk spreading.
- B24. A Sub-Fund may not carry out uncovered sales of:
  - B24.1. Transferable Securities;
  - B24.2. Money Market Instruments;
  - B24.3. Units of CIS; or
  - B24.4. FDIs.

#### Financial Derivative Instruments (FDIs)

- B25. Position exposure to the underlying assets of FDIs when combined, where relevant, with positions resulting from direct investments, may not exceed the investment limits included in paragraphs B2 to B11.
- B26. Subject to the prior approval of the MFSA, the requirements of paragraph B25, shall not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in paragraph

### Efficient Portfolio Management

B27. The Company on behalf of a Sub-Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or FDIs for efficient portfolio management purposes. Provided that such transactions shall fulfil the following criteria:

B27.1 they are economically appropriate in that they are realised in a cost-effective way;

B27.2 they are entered into for one or more of the following specific aims:

- reduction of risk; or
- reduction of cost; or
- generation of additional capital or income for the Sub-Fund with a level of risk which is consistent with the risk profile of the Sub-Fund and the risk diversification rules laid down in paragraphs B2 to B11; and

B27.3 their risks are adequately captured by the risk management process of the Investment Manager.

### Borrowing and Lending Powers

B28. The Company may only borrow, for the account of a Sub-Fund, up to 10% of the value of the assets of that Sub-Fund provided that such borrowing is on a temporary basis and that the Company's overall risk exposure shall not exceed 210% of its NAV under any circumstances. The assets of such Sub-Fund may be charged as security for any such borrowings.

The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the purposes of the 10% limit mentioned above, provided that the offsetting deposit: (a) is denominated in the Base Currency of the Sub-Fund; and (b) equals or exceeds the value of the foreign currency loan outstanding.

The Company may not borrow for investment purposes.

Without prejudice to the powers of the Company to invest in Transferable Securities, the Company may not lend cash, or act as guarantor on behalf of third parties.

Any special borrowing restrictions relating to a Sub-Fund will be formulated by the Directors at the time of the creation of a Sub-Fund. There are no special borrowing restrictions currently in operation.

### Leverage

B29. A Sub-Fund's global exposure relating to FDIs shall not exceed the NAV of that Sub-Fund. The exposure is calculated taking into account:

- the current value of the underlying asset;
- the counterparty risk;
- future market movements; and

- the time available to liquidate positions.

The Company shall use the Commitment Approach or a Value at Risk (“**VaR**”) model in order to measure the global exposure and leverage of any Sub-Fund arising out of its FDI positions as set out in the Offering Supplement relating to a Sub-Fund.

#### Breaches of Investment Restrictions

If the limits laid down above are exceeded for reasons beyond the control of the Investment Manager or the Company, or as a result of subscription rights, the Investment Manager or the Company shall take such steps as are necessary to ensure a restoration of compliance, in respect of that Sub-Fund, with such restriction(s) as soon as possible, taking due account of the interests of its Shareholders, but in any event (unless otherwise authorised by the MFSA), within a period of six (6) months from the date when such excess was discovered.

#### Alterations to the Investment Objectives, Policies and Restrictions

Any changes to the investment objective of any Sub-Fund shall require the consent in writing of a simple majority of the holders of the issued Investor Shares of the relevant Sub-Fund, or the sanction of an ordinary resolution passed at a separate general meeting of the holders of the Investor Shares of such Sub-Fund in terms of the Memorandum and Articles.

The change in the investment objectives should only become effective after all pending redemptions linked to the change in the investment objective have been satisfied. Any applicable redemption fee shall be waived accordingly.

The Directors may however, at their sole discretion, alter the investment policies and restrictions as may be applicable to the Company or to a Sub-Fund, provided that:

- any material alterations to the investment policies and restrictions as may apply to the Company as a whole shall be notified to all the Shareholders of the Company;
- any material alterations to the investment policies and restrictions as may apply to a Sub-Fund shall be notified to the Shareholders holding Investor Shares in the particular Sub-Fund;

within a period of at least thirty (30) Business Days’ prior to when the alterations are to come into force.

**THE COMPANY’S INVESTMENT PROGRAMMES ARE SPECULATIVE AND ENTAIL A NUMBER OF RISKS. MARKET RISKS ARE INHERENT IN ALL SECURITIES AND INVESTMENTS. THE PRACTICES OF ENGAGING IN DERIVATIVE INSTRUMENTS MAY, IN CERTAIN CIRCUMSTANCES, INCREASE THE ADVERSE IMPACT TO WHICH THE INVESTMENT PORTFOLIO OF A PARTICULAR SUB-FUND MAY BE SUBJECT. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY’S INVESTMENT OBJECTIVE WILL BE REALISED. AN INVESTOR MAY LOSE SOME OR ALL OF HIS INVESTMENT.**

## Investment Manager

The Company has appointed Calamatta Cuschieri Investment Management Limited as the investment manager to the Company and the Sub-Funds pursuant to an Investment Management Agreement between the Company and the Investment Manager.

The Investment Manager was incorporated in Malta on 10<sup>th</sup> June, 2011 (Company Registration Number C53094) as a private limited liability company having an authorised share capital of €150,000 and an issued share capital of €125,000. The Investment Manager is licensed by the MFSA to *inter alia* provide investment management services to UCITS Funds and other collective investment schemes (License Number IS/53094). The Investment Manager qualifies as a 'Maltese Management Company' in terms of the UCITS Regulations.

The Directors of the Investment Manager are:

### **Mr. Alan Cuschieri**

Mr. Alan Cuschieri is the Co-CEO of Calamatta Cuschieri Group. Mr Cuschieri graduated from the University of Bournemouth, UK and holds a Bachelor of Arts (Hons.) in Financial Services. He also holds an International Capital Markets Certification from the London Securities Institute. Mr. Cuschieri took a leading role in the founding of CC Funds and has also been one of the key persons who helped to grow the CC Group from a family business with 25 employees to a Malta's largest independent financial services firms which today employs over 160 individuals.

### **Mr. Nicholas Calamatta**

Mr. Nicholas Calamatta is a Co-CEO of Calamatta Cuschieri and is part of the company's management team where he focuses on group strategy. He is responsible for coordinating the firm's Investment Services and sits on the main Investment Committee of the group. Mr. Calamatta joined Calamatta Cuschieri in 2005. During his first 9 years with the company, he provided personalised investment advice and wealth management services to a large number of clients. He was appointed director at Calamatta Cuschieri Investment Services in 2007.

### **Mr. Michael Galea**

Mr. Michael Galea is the Chief Operating Officer of Calamatta Cuschieri and oversees the daily operations of the Group with a particular focus on the areas of investment advisory, operations, compliance and human resources as well as fund management and fund services. He currently sits on several committees & boards covering the areas of investment funds, portfolio management & risk management. Prior to joining Calamatta Cuschieri, where he also set up and ran the Treasury Department for several years, Mr Galea was Head of Markets & Investments of a local wealth management Bank. Mr Galea holds a B.Com (Hons) Banking & Finance degree as well as a Masters in Business Administration, both from the University of Malta.

### **Mr. Charles Borg**

Mr Charles Borg is a fellow of the Chartered Institute of Bankers (UK) and holds a banking degree and a Masters degree in financial legislation from the University of Malta. He retired from Bank of Valletta p.l.c. in December 2015 following a career spanning 34 years during which he occupied various senior management positions, including that of Chief Executive Officer between 2012 and 2015. He has occupied directorship positions of listed companies in Malta and was appointed chairman of the Housing Authority during the period between 2009 and 2011. He also chaired the audit boards of the European Investment Fund, which is a subsidiary of the European Investment Bank,

and of Mapfre Middlesea Insurance. Mr Borg also served as a director on the World Savings Bank in Brussels and was also the President of the Institute of Financial Services and the President of the Malta Bankers Association. Since January 2016, Mr Borg has held an executive capacity within the PG Group, responsible for the group's overall strategy and management, and is also an executive director of PG p.l.c. Mr Borg is currently the chairman of Peninsula Investments Limited, a Maltese consortium which owns the 5\* Westin Dragonara Resort.

In terms of the Investment Management Agreement, the Investment Manager is responsible for the development of an overall strategy for the investment of the assets of the Sub-Funds in accordance with the investment objectives, strategies and restrictions set out in the applicable Offering Supplement as well as the taking of all investment and trading decisions and to select, allocate and monitor the assets of the Sub-Funds in a manner consistent with the overall strategies and the investment objectives and restrictions set out in the relevant Offering Supplement. In terms of the Investment Management Agreement, the Investment Manager is also responsible for the provision of administration services to the Company and the Sub-Funds, however, this may be delegated to an administrator approved by the Company and in this regard the Administrator has been engaged (see the section entitled "Administrator" below for further details). The Investment Manager may also perform additional services, including assisting the Administrator in the calculation and/or the verification of the NAV and the NAV per Share, under the terms of the MFSA Rules and any Offering Supplement or as may be otherwise agreed between the Company and the Investment Manager.

In addition to the delegation of administration services described above, the Investment Manager may, in terms of the Investment Management Agreement and subject to applicable MFSA Rules, delegate certain of its other functions, powers, discretions, privileges and duties including the day to day investment management of the assets of the Company and the Sub-Funds. In such cases and in terms of the Investment Management Agreement, the Investment Manager will remain liable thereunder for any act or omission of its delegate as if the act or omission were its own.

The Investment Management Agreement may be terminated (generally or in relation to specific Sub-Funds) at any time by either party upon not less than ninety (90) days' prior written notice or forthwith in case of material breach of obligations or liquidation of a party. The Investment Management Agreement also provides that the Investment Manager shall not be liable to the Company for any loss arising in connection with the subject matter of the Investment Management Agreement, howsoever any such loss may have occurred unless: (i) such loss arose because of the Investment Manager acting in bad faith and in a manner which is not in the best interests of the Company or a Sub-Fund; or (ii) the Investment Manager's conduct constituted actual fraud, wilful misconduct, gross negligence, or material breach of its obligations under the Investment Management Agreement.

The Investment Management Agreement is regulated by the laws of Malta and subject to the jurisdiction of the Maltese courts.

The fees payable to the Investment Manager are set out in the Section entitled "Fees, Compensation and Expenses" below and in the Investment Management Agreement.

The Investment Manager maintains a policy (the "**ESG Policy**") which integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes in respect of ESG, where applicable. The ESG Policy forms an integral part of its investment process and seeks to mitigate ESG and sustainability risks by ensuring that the Investment Manager only invests in companies or assets that are operated in an environmentally responsible manner, with respect for human rights and labour rights and providing good, healthy and safe working conditions and promote good governance conduct, always to the extent applicable and appropriate. Where applicable, consideration

of potential ESG and sustainability risks related to a company or asset is integrated in the Investment Manager's investment process, from transaction sourcing and selection to approvals and execution.

The consideration of sustainability risks and opportunities, when applied, may have a material impact on long-term returns for Shareholders. Please refer to the section entitled '**Risk Factors**' in this respect.

Potential risks are further identified in the due diligence process, by means of screening for ESG controversies or further ESG analysis as warranted in context of the specific investments and addressed for each investment on a case-by-case basis pursuant to the Investment Manager's risk management framework and ESG Policy.

The Investment Manager does not deem sustainability risks to be relevant to the Company and its Sub-Funds. Consequently, the Investment Manager does not make investments decisions in respect of the Company and its Sub-Funds based on sustainability risks and does not consider the adverse impacts of sustainability factors on the returns it offers to its Shareholders as this does not fit in with any of the current investment strategies of the Sub-Funds.



## Depository

The Company has appointed Sparkasse Bank Malta p.l.c., as depository and banker of the Sub-Funds, subject to what is provided hereunder.

Sparkasse Bank Malta p.l.c. is a public limited company registered under the laws of Malta, with registration number C27152 and registered office at 101 Townsquare, Ix-Xatt Ta' Qui-Si-Sana, Sliema SLM 3112, Malta.

The parent undertaking of Sparkasse Bank Malta p.l.c. is Anteilsverwaltungssparkasse Schwaz ("AVS"), a corporate entity governed by the Austrian Savings Bank Act, established in Austria, whose activities consist in holding and managing its assets, mainly its participation in Sparkasse Schwaz AG and Sparkasse Bank Malta p.l.c. AVS currently holds 100 % of the shares of Sparkasse Schwaz AG and 90% of the shares in Sparkasse Bank Malta p.l.c. The remaining 10% of the shares in Sparkasse Bank Malta p.l.c. are held by Sparkasse Schwaz AG. Sparkasse Schwaz AG is a savings bank established in Austria; it is a member of the Austrian savings banks forming part of the Erste Group.

Sparkasse Bank Malta p.l.c. (the "Depository") is licensed by the MFSA to carry out the business of banking as a credit institution in terms of the Banking Act (Chapter 371, Laws of Malta), and to provide investment services and to act as custodian for collective investment schemes under the Investment Services Act (Cap. 370, Laws of Malta). The Depository provides safekeeping and related services to various other funds and entities in various jurisdictions, and is actively involved in the provision of a comprehensive range of financial services in Malta.

The Depository has been appointed to perform safekeeping functions, cash flow monitoring, oversight duties and certain ancillary services, in respect of the Sub-Funds, pursuant to agreements entered into in respect of each Sub-Fund, between the Company, the Investment Manager and the Depository (the "Depository Agreement(s)").

The Depository will perform its depository functions in accordance with the Depository Agreement(s), which includes provisions reflecting the relevant requirements applicable to a depository under the UCITS Directive, as transposed into Maltese law. The Depository's duties include the following:

- (i) ensuring that the Sub-Funds' cash flows are properly monitored, and in particular that all payments made by or on behalf of applicants upon a subscription of Investor Shares in any Sub-Fund has been received and that all the cash of the Sub-Funds has been booked in cash accounts opened in the name of the Company (for the Sub-Funds) or in the name of the Depository acting on behalf of the Company (for the Sub-Funds) with a central bank, a credit institution authorised in accordance with Directive 2013/36/EU, or a bank authorised in a third country;
- (ii) safekeeping of the assets of the Sub-Funds, which means (a) holding in custody all financial instruments that can be registered in a financial instruments account opened in the Depository's books and all financial instruments that can be physically delivered to the Depository (if any), and (b) for other assets, verifying the ownership of such assets and maintaining records accordingly; and
- (iii) the following oversight duties:
  - (a) to ensure that the sale, issue, repurchase, redemption and cancellation of Investor Shares in each Sub-Fund are carried out in accordance with the requirements prescribed by the MFSA, if any, applicable to the Sub-Funds and with the Memorandum and Articles;

- (b) to ensure that the value of the Investor Shares of the Sub-Funds is calculated in accordance with the provisions of the Memorandum and Articles;
- (c) to carry out the instructions of the Investment Manager or the Company, unless they conflict with the requirements prescribed by the MFSA, if any, applicable to the Sub-Funds and with the Memorandum and Articles;
- (d) to ensure that in transactions involving the assets of the Sub-Funds, any consideration is remitted to the Company within the usual time limits; and
- (e) to ensure that the income of the each Sub-Fund is applied in accordance with the Memorandum and Articles.

The Company and the Investment Manager are required to ensure that all assets of the Sub-Funds are entrusted to the Depositary for safekeeping, and the Depositary has accepted to perform the safekeeping function in respect of each Sub-Fund's assets, in accordance with the Depositary Agreement(s). The Company and the Investment Manager have agreed not to invest in or hold any types of financial instruments and other assets that are not listed in the relevant annexes to the Depositary Agreement(s).

Cash of each Sub-Fund will be held by the Depositary as banker. The Depositary may perform certain investment services (in particular, the execution and, or receipt and transmission of orders in relation to financial instruments) for the Sub-Fund(s).

The Depositary is entitled to receive a fee out of the assets of each relevant Sub-Fund for its services, details and to receive reimbursement, out of the assets of each relevant Sub-Fund, of all its out-of-pocket expenses, as stipulated in the Depositary Agreement(s).

The Depositary may delegate all or part of its services, functions and duties under the Depositary Agreement(s) to third parties, save for its cash flow monitoring and oversight duties. A description of the safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates for the performance of the safekeeping functions, and information on any conflicts of interest that may arise from such a delegation will be provided to investors, by the Company or the Investment Manager, upon request.

The Depositary is liable to the Company, in respect of each Sub-Fund, and to the Shareholders of each Sub-Fund for the loss of a financial instrument held in custody, by the Depositary or the relevant delegate. In the case of such a loss of a financial instrument held in custody, the Depositary will return a financial instrument of identical type or the corresponding amount to the Company, in respect of each Sub-Fund, without undue delay. The Depositary is not liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Furthermore, the Depositary is liable to the Company, in respect of each Sub-Fund, and to the Shareholders of each Sub-Fund for losses (other than the loss of a financial instrument as referred to above), suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the relevant provisions of the ISA, the Investment Services Act (Custodians of Collective Investment Schemes) Regulations (S.L. 370.32, Laws of Malta) and the Investment Services Rules for Investment Services Providers issued thereunder, as applicable to the Depositary.

The Depositary's liability as aforesaid will not be affected the delegation of its safekeeping functions.

If any Shareholder of a Sub-Fund intends to invoke the liability of the Depositary it must notify the Company and the Investment Manager of its intention to invoke the liability of the Depositary, and the Company or the Investment Manager will be required to ensure that the exercise of any action or claim by one or more shareholders does not lead to unequal treatment of the other shareholders.

The Depositary will verify the calculation of the Performance Fee in terms of the Investment Services Act (Performance Fee) Regulations (S.L. 370.12, Laws of Malta) (the “Performance Fee Regulations”), if any, and that such Performance Fee is payable in accordance with the relevant provisions of the Performance Fee Regulations.

The Depositary Agreement(s) contain provisions whereby the Company agrees to indemnify the Depositary (out of the assets of each relevant Sub-Fund) against any actions, proceedings, claims, loss or damages, costs, demands and expenses (including legal and professional expenses) which may be brought against, suffered or incurred by the Depositary in relation to the Depositary’s performance of its services, duties or functions, and the insolvency, acts or omissions of the Company, Investment Manager, the Administrator or any other service provider, or any delegate or third party appointed by the Company or the Investment Manager; except where and to the extent that the Depositary is liable for the same in terms of the Depositary Agreement(s).

The Depositary Agreement(s) may be terminated by the Depositary or by Company and the Investment Manager, by giving not less than six (6) months’ written notice, and on certain other grounds set out in the Depositary Agreement(s).

The Depositary is not responsible for the valuation of the assets of the Sub-Funds, the calculation of the Net Asset Value, or the marketing or distribution of the Investor Shares of the Sub-Funds.

The Depositary is not responsible for the contents of the Prospectus or any Offering Supplement, nor for the approval thereof. The Depositary’s contact details are:

Sparkasse Bank Malta p.l.c.  
101 Townsquare,  
Ix-Xatt Ta’ Qui-Si-Sana,  
Sliema SLM 3112,  
Malta

Tel: +356 2133 5705  
Fax: +356 2133 5710  
E-mail(s): [info@sparkasse-bank-malta.com](mailto:info@sparkasse-bank-malta.com)  
Website: [www.sparkasse-bank-malta.com](http://www.sparkasse-bank-malta.com)

## Administrator

The Investment Manager has delegated fund administration services to and appointed **CC Fund Services (Malta) Limited** as the Administrator of the Company and its Sub-Funds by means of an Administration Agreement. The Administrator was incorporated in Malta on the 2<sup>nd</sup> December, 2008 with the object of providing services as an administrator to investment companies and other collective investment schemes. The Administrator is recognised by the MFSA in terms of the ISA as a fund administrator.

Under the Administration Agreement, the Investment Manager engaged the Administrator to perform certain financial, accounting, corporate, administrative, registrar and transfer agency and other services for the Company and the Sub-Funds on behalf of the Investment Manager. By means of the same Administration Agreement the Company agreed to remunerate the Administrator directly for its services and also appointed the Administrator as its company secretary and as registered office provider.

Pursuant to the Administration Agreement, the Administrator is responsible, under the supervision of the Investment Manager, for the administration of the Company and its Sub-Funds. In performing its duties in terms of the Administration Agreement, the Administrator shall be responsible for certain day-to-day tasks, including: (a) communicating with the Company's Shareholders, (b) communicating with others in relation to the Company, (c) processing subscriptions of new Shareholders, (d) maintaining the Company's principal corporate records and books of accounting, (e) arranging for and coordinating the audit of the Company's financial statements by independent auditors, (f) disbursing distributions with respect to the Shares, legal fees, accounting fees, and officers' and Directors' fees on behalf of the Company, (g) calculating the Net Asset Value of the Shares and furnishing each Shareholder with reports on the investment performance of the Company, (h) as Company Secretary conducting meetings of the Company's Shareholders and Directors and (i) processing redemptions of the Shares.

For the purpose of calculating the Net Asset Value, the Administrator will rely on, and shall not be responsible for the accuracy of, financial data furnished to it by the Investment Manager, any sub-advisors, any broker and/or independent third party pricing services. The Administrator will not be responsible or liable for the accuracy of information furnished by other persons in performing its services for the Company. The Administrator in no way acts as guarantor or offeror of the Shares or any underlying investment, nor is it responsible for the actions of the Company's sales agents, any broker or the Investment Manager. Moreover, the Administrator is not responsible for any trading decisions of the Company (all of which will be made by the Investment Manager) or the effect of such trading decisions on the performance of the Company.

The Administration Agreement may be terminated by the Investment Manager or the Administrator by not less than ninety (90) days' prior written notice. The Administration Agreement may also be terminated immediately by the Company, the Investment Manager or the Administrator in certain extraordinary circumstances mentioned in the Administration Agreement. As the Administrator is acting as a delegate of the Investment Manager, if the Investment Management Agreement is terminated then the Administration Agreement will also terminate. On termination the Company shall pay all fees, expenses or other costs reasonably incurred to the date of termination under the Administration Agreement. The Administrator, with the prior approval of the Investment Manager and the Company, such approval not to be unreasonably withheld, may choose to out-source some of the services it provides to the Company.

Under the Administration Agreement the Company indemnifies the Administrator and holds it harmless from and against all liabilities, damages, loss, claims and expenses (including without limitation legal fees on a full indemnity

basis and amounts reasonably paid in settlement) arising out of any claims asserted or threatened against the Administrator, its directors, officers, employees, servants or agents in the performance of any of its obligations or duties hereunder (including without limitation complying with instructions given to the Administrator by or on behalf of the Investment Manager); provided, however that the Administrator shall not be entitled to such indemnification with respect to any liabilities, damages, costs, claims and expenses which were caused by the Administrator's own gross negligence, fraud, willful misconduct or, reckless or willful disregard of its duties under the Administration Agreement. Any indemnity expressly given to the Administrator in this Agreement shall be in addition to, and without prejudice to, any indemnity allowed at law.

The Administration Agreement is regulated by the laws of Malta and subject to the jurisdiction of the Maltese courts.

The fees payable to the Administrator are set out in the Section entitled "Fees, Compensation and Expenses" below and in the Administration Agreement.

## Conflicts of Interest

As mentioned in the Section entitled “Risk Factors” below, potential investors should be aware that there may be situations in which each and any of the Directors, the Investment Manager, the Depositary, the Administrator and their respective delegates including investment advisors, sub-investment managers and sub-custodians, where applicable (together the “**Interested Parties**”), could encounter a conflict of interest in connection with the Company. Should a conflict of interest actually arise, the Interested Parties will endeavour to ensure that it is resolved fairly. In particular, potential investors should be aware of the following:

- a) Certain Directors of the Company or entities in which they may have a financial or managerial interest, may sell Investor Shares of the Company and receive a portion of each, or all, of the brokerage commissions, transaction charges, advisory fees or management fees paid by the Company as attributable to such Investor Shares. Thus, to the extent of such purchases, such Directors may have a conflict of interest between their duty to act for the benefit of the Shareholders in limiting expenses of the Company and the Sub-Fund and their interest in receiving such fees and/or commissions.
- b) Some of the Directors may have a direct or indirect beneficial interest in the Founder Shares or in the allocations which may be payable from time to time to the holders of the Founder Shares. This may lead to a conflict of interest between the interest of such Directors or other consultants to generate returns for the holders of the Founder Shares, and their role as Directors of the Company. Thus, to the extent of such interests, such Directors may have a conflict of interest between their duty to act for the benefit of the Shareholders in limiting expenses of the Company and the Sub-Funds and their interest in receiving such fees, returns and allocations. Any such conflicts that might arise will be resolved, in so far as is practicable, in a manner which is fair to all interested parties.
- c) The Investment Manager may make investments for other clients without making the same available to the Company and its Sub-Funds where, having regard to their obligations under the relevant management agreement, the Investment Manager considers that it is acting in the best interests of the Company, so far as reasonably practicable having regard to its obligations to other clients.
- d) The Investment Manager, the Depositary and the Administrator may carry out such functions for other investment companies engaging in the same activities as the Company.
- e) The Company may effect the sale or purchase of investments through a broker who is associated with the Investment Manager or the Depositary, provided that the amount of commission payable to such broker is not in excess of that which would have been payable had the sale or purchase been effected through a broker who is not so associated.
- f) The Company may, to the extent permissible under the MFSA Rules, enter into derivative contracts or other transactions of a similar nature with companies or other entities forming part of the same group of companies as the Investment Manager and the Administrator or which are associated, directly or indirectly with the Investment Manager, the Administrator or with which any of the directors of the Company may be connected or employed. The Company may enter into such dealings provided that they are on an arm’s length basis and on terms no less favourable to the Company than could reasonably have been obtained had the dealing been effected with an independent third party. Should a conflict of interest arise, the Directors, the Investment Manager and the Administrator will endeavour to ensure that it is resolved fairly and that the Company is not

disadvantaged.

- g) Mr. Nicholas Calamatta and Mr. Alan Cuschieri, Directors of the Company, are also involved in the Investment Manager and the Administrator. As a result, it could be said that the Investment Management Agreement and the Administration Agreement were not negotiated on arm's length terms. However, all the Directors have fiduciary duties to the Company and consequently have exercised and will exercise good faith and integrity in handling all the Company's affairs.

## Directors and Officers of the Company

### Directors and Officers

The Company is administered by its Board of Directors. The Directors of the Company are:

#### **Mr. Alan Cuschieri**

Please refer to page 30 above.

#### **Mr. Nicholas Calamatta**

Please refer to page 30 above.

#### **Mr. Alexander Cuschieri**

Mr. Alexander Cuschieri is a founder of Calamatta Cuschieri and heads the Group's Board of Directors. Apart from his Directorship responsibilities, Mr. Cuschieri focuses his energy in providing his personalised and experienced investment advice to the firm's private clients. His major areas of expertise include high yield fixed income and international equities.

Mr. Cuschieri served on the Board of Directors of Mid-Med Bank plc from 1996 to 1999, and was nominated by the Government and elected by shareholders in alternate years.

Mr. Cuschieri commenced his career as a banker in 1969 joining Barclays Bank DCO and subsequently with Mid-Med Bank plc. During his successful career with Mid-Med Bank, Mr. Cuschieri held managerial posts both at Branch Level and Head Office where his flair in the field of finance was recognised at the Bank's Treasury Department in the 1990s. Mr. Cuschieri is an Associate Member of the Chartered Institute of Bankers, London (ACIB).

#### **Mr. Carmel J. Farrugia**

Mr. Carmel J. Farrugia worked in the banking sector since 1976 and sat on a number of boards and committees within the HSBC Malta Group. Prior to retirement in December 2009, he held the post of Head of Global Banking & Markets and was a senior executive director of HSBC Malta plc. Mr. Farrugia still holds a non-executive directorship with HSBC Bank Malta p.l.c. as well as non-executive directorships in other Maltese companies.

The Company is managed by the Board. The Company has also engaged:

- the Investment Manager to provide the services set out under the Section entitled "The Investment Manager";
- the Administrator to provide certain of the services set out under the Section entitled "The Administrator"; and
- the Depositary to carry out safekeeping functions in relation to the assets of the Sub-Fund(s) as well as a supervisory role as required by the MFSA Rules.

Each of the Investment Manager and the Depositary may delegate some of their functions for the more efficient achievement of the Company's objectives. In this respect the Investment Manager has engaged the Administrator to assist it amongst others with the fund accounting and the administration of the share subscription and redemption processes.



## Company Secretary

The Directors have appointed CC Fund Services (Malta) Limited, as company secretary.

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

## Risk Factors

The discussion below is of general nature and is intended to describe various risk factors which may be associated with an investment in the Investor Shares in a Sub-Fund to which the attention of investors is drawn. See also the section of the relevant Offering Supplement entitled “Risk Factors” for any additional risks particular to the Investor Shares in that Sub-Fund. However, these are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment. Investors should consult their own advisors before considering an investment in the Investor Shares in a particular Sub-Fund. The factors of relevance to the Investor Shares in a particular Sub-Fund will depend upon a number of interrelated matters including, but not limited to, the nature of the Investor Shares.

No investment should be made in the Investor Shares in a particular Sub-Fund until careful consideration of all those factors has been made.

### General

The assets and liabilities of the Company and its Sub-Funds are as a general rule subject to normal market fluctuations and other risks inherent in owning such assets and assuming such liabilities. The value of investments and the income therefrom, and therefore the value of and income from Investor Shares relating to each Sub-Fund can go down as well as up and an investor may not get back the amount he invests. Due to the charges which may be payable on the acquisition or disposal or redemption or exchange of shares, an investment in Investor Shares in a particular Sub-Fund should be viewed as medium to long term. An investment in a Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Investor Shares. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Investor Shares.

### Management Risk

Any Sub-Fund is open to the risk of unprofitable outcomes that is losses incurred or profits foregone as a result of what turn out to be poor decisions or to take or not to take certain actions at the right time. At any time certain policies, strategies, investment techniques and risk analysis may be employed for a Sub-Fund in order to seek to achieve its investment objective; however, there can never be any guarantee that the desired results will be obtained.

### Insufficient Risk Recognition

An investment in the Investor Shares in a particular Sub-Fund involves risks. These risks may include or relate to, among others, equity market, bond market, foreign exchange, interest rate, credit, market volatility and political risks and any combination of these and other risks. Some of these risk factors are briefly discussed below.

Investors should understand the risks associated with an investment in the Investor Shares in a particular Sub-Fund and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisors of (i) the suitability of an investment in the Shares in the light of their own particular financial, fiscal and other circumstances, (ii) the information set out in this Prospectus, (iii) the risks associated with the use by the Sub-Fund of derivative techniques (if applicable), (iv) the nature of the Sub-Fund’s assets, and (v) information set out in the relevant Offering Supplement.

Investors in the Investor Shares in a particular Sub-Fund should recognise that the Investor Shares may decline in value and should be prepared to sustain a substantial loss of their investment in the Investor Shares.

Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Investor Shares. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Investor Shares.

### Segregation of Liability

The provisions of the Companies Act provide for segregated liability between Sub-Funds and as such, under Maltese law, the assets of one Sub-Fund will not be available to satisfy the liabilities of another Sub-Fund. However, it should be noted that the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. It is the Company's policy to obtain from any person or entity dealing with the Company, an express acknowledgement that he/it will have no recourse or right against the Company and any Sub-Funds except to the extent of the assets of any particular Sub-Fund and, in that case, only in respect of his/its dealings with that particular Sub-Fund. Nonetheless, there can be no guarantee that the courts of any jurisdiction outside Malta will respect the limitations on liability as set out above.

### Suspension Risk

Investors are reminded that in certain circumstances their right to have their Investor Shares redeemed may be suspended.

### Lack of Operating History

A Sub-Fund with a relatively short history will lack an established track record which could be utilised to evaluate properly its potential performance.

### Counterparty Risk

A Sub-Fund will be exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default. In the event of a bankruptcy or other default, the relevant Sub-Fund could experience both delays in liquidating the underlying securities and losses, including a possible decline in value of the underlying securities during the period when the relevant Sub-Fund seeks to enforce its rights thereto. This will have the effect of reducing levels of capital and income in the Sub-Fund and may give rise to a lack of access to income during this period together with the expense of enforcing the Sub-Fund's rights.

### Credit Risk

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

### Credit Ratings

The management of any Sub-Fund may involve substantial reliance on credit ratings. Credit ratings are assigned by rating agencies such as Standard & Poor's or Moody's. It is important to understand the nature of credit ratings in order to understand the nature of securities. The level of a credit rating is an indication of the probability that (in the opinion of the rating agency) payments will be made on the relevant bond(s) or other obligation(s) to which the credit rating relates. Bonds with a rating of AAA, AA, A or BBB by S&P are generally called "investment grade" bonds, with AAA representing the credit rating of the highest quality. While credit ratings can be a useful tool for financial analysis, they are not a guarantee of quality or a guarantee of future performance in relation to the relevant obligations. Ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Ratings may also be withdrawn or revised at any time.

## Exchange Rates

Investors in the Investor Shares in a particular Sub-Fund should be aware that their investment might involve exchange rate risks. For example, the Investor Shares may be denominated in a currency other than the investor's reference currency, which could be the currency of the investor's home jurisdiction and/or the currency in which an investor wishes to receive his monies or in which he prefers to maintain his capital or otherwise that currency to which the investor prefers or requires to be exposed to primarily.

Exchange rate risks may also arise indirectly when the base currency of the investor is the same as that of the Investor Shares, especially if the underlying assets attributed to the Sub-Fund are denominated in other currencies. The Company may attempt to reduce this risk through hedging arrangements details of which would (if employed) be stated in the relevant Offering Supplement.

Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro-economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Investor Shares.

## Hedging Transactions

The Company in respect of the Sub-Funds may employ various techniques in respect of the Sub-Funds to attempt to reduce a portion of the risks inherent in their respective investment strategies. The ability to achieve the desired effect through a particular technique is dependent upon many factors, including the liquidity of the market at the desired time of execution. Thus substantial risk remains so that such techniques cannot always be implemented or effective in reducing losses. Hedging transactions, including the use of FDIs, which may be used by the Company have risks associated with them, including possible default by the other party to the transaction, illiquidity, a lack of regulation in certain over-the-counter markets and, to the extent that the view of the management of the Company as to certain market movements is incorrect, the risk that the use of hedging transactions could result in losses greater than if they had not been used. Use of put and call options may result in losses. The use of currency transactions can result in losses being incurred as a result of a number of factors including the imposition of exchange controls, suspension of settlements, or the inability to deliver or receive specified currency.

The use of options and futures transactions entails certain other risks. In particular the variable degree of correlation between price movements of futures contracts and price movements in the related portfolio position of the Company creates the possibility that losses on the hedging instrument may be greater than gains in the value of that position. In addition, futures and options markets may not be liquid in all circumstances. As a result, in certain markets, the

Company might not be able to close out a transaction without incurring substantial losses, if at all. Although the use of futures contracts and options transactions for hedging should tend to minimise the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in value of such position. Finally, the daily variation margin requirements for futures contracts could create a greater ongoing potential financial risk than could purchases of options, where the exposure is limited to the cost of the initial premium. Losses resulting from the use of hedging transactions could reduce NAV, and possibly income and such losses can be greater than if the hedging transactions had not been utilised.

## Interest Rates

Investors in the Investor Shares in a particular Sub-Fund should be aware that an investment in the Investor Shares might involve interest rate risk in that there may be fluctuations in the currency of denomination of the Sub-Fund's assets and/or the Investor Shares in that Sub-Fund.

Interest rates are determined by factors of supply and demand in the international money markets, which are influenced by macro-economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long-term interest rates may affect the value of the Investor Shares in a particular Sub-Fund. Fluctuations in interest rates of the currency in which the Investor Shares in a particular Sub-Fund are denominated and/or fluctuations in interest rates of the currency or currencies in which the Sub-Fund's assets are denominated may affect the value of the Investor Shares in that Sub-Fund.

## Loss or Insolvency at Clearing Firm or Sub-Custodian

If a clearing firm utilised by or on behalf of the Company (including by or on behalf of a sub-investment manager) were to become insolvent, the Company could have some or all of the positions on accounts maintained with that firm closed out without its consent.

Even if all such positions are not closed out under these circumstances, delays or other difficulties may be experienced in attempting to close out or exercise options positions. Widespread insolvency among clearing firms that clear securities options could also impair the ability of the entity, where applicable, responsible for overseeing and/or ensuring settlement of trades in such securities options to honour all exercised options, in spite of the system of safeguards which it may have in place. Such widespread insolvency could result in substantial losses to the Company and its Sub-Funds.

The Depositary's liability for loss or prejudice arising from the insolvency, acts or omissions of sub-custodians and other delegates, and of clearing systems, settlement systems, dematerialised book entry systems, central securities depositories or similar systems used by the Depositary, may be limited in terms of the relevant Depositary Agreement to the extent permitted under the UCITS Directive. Accordingly, in the event of any loss or prejudice arising from the insolvency, acts and omissions of such persons, the Company may have to enforce its rights against such persons directly. Furthermore, any delegation made by the Depositary pursuant to any Depositary Agreement poses credit or counterparty risk and operational and legal risk and may be susceptible to systemic risk; if any such risk materialises, assets of the Sub-Fund may be lost or become unavailable (for instance, if the Sub-Fund's assets are not segregated on the sub-custodian's books, the Sub-Fund's assets cannot be identified and reattributed to the Sub-Fund, or if the sub-custodian becomes insolvent, the Company or its investors may be subject to the remedies under the UCITS Directive not be able to claim back their assets immediately).

## Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Investor Shares and the Sub-Fund's assets. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments, which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro-economic factors and speculation.

## Liquidity Risk

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the assets held by a Sub-Fund and may therefore prevent the calculation of the NAV per Share and/or the raising of cash to meet redemptions of Investor Shares in the Sub-Fund concerned.

## Tax and Legal Risks

The tax consequences to the Sub-Fund and investors in the Sub-Fund, the ability of the Sub-Fund as a foreign investor to invest in the markets and to repatriate its assets including any income and profit earned on those assets and other operations of the Sub-Fund are based on existing regulations and are subject to change through legislative, judicial or administrative action in the various jurisdictions in which the Company operates. There can be no guarantee that income tax legislation and laws or regulations governing the Company's operations and investments will not be changed in a manner that may adversely affect the Company or its Sub-Funds.

## European Market Infrastructure Regulation

On 16<sup>th</sup> August, 2012, the European Market Infrastructure Regulation ("**EMIR**") entered into force. EMIR introduces certain requirements in respect of derivative contracts, which will apply primarily to "financial counterparties" such as EU authorised investment firms, credit institutions, insurance companies, UCITS and alternative investment funds managed by EU authorised alternative investment fund managers, and "non-financial counterparties" which are entities established in the EU which are not financial counterparties. Broadly, EMIR's requirements in respect of derivative contracts are (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts.

The implementation of EMIR is achieved largely through secondary measures which are being phased in over time. Certain of EMIR's requirements have applied since 15<sup>th</sup> March, 2013 and additional requirements are coming into force subsequently thereafter and/or are yet to be finalised. The EU regulatory framework relating to derivatives is set not only by EMIR but also by the "recast" Markets in Financial Instruments Directive ("**MiFID II**") and its implementing measures. Prospective investors should be aware that the regulatory changes arising from EMIR and MiFID II may significantly raise the costs of entering into derivative contracts and may adversely affect a Sub-Fund's ability to engage in transactions in derivatives.

## Use of FDIs

While the prudent use of FDIs can be beneficial, FDIs also involve risks of different from, and in certain cases, greater than, the risk presented by more traditional investments.

OTC FDIs, in particular, are typically structured derivative transactions. Structured derivative transactions are complex and may involve a high degree of loss.

The Company and its Sub-Funds will only use FDIs (including OTC FDIs) for the purpose of efficient portfolio management, and as such, the use of FDIs is not speculative.

## Environmental, Social and Governance and Sustainability Criteria

Applying Environmental, Social and Governance (“ESG”) and sustainability criteria in the investment process may result in the exclusion of securities in which the Company might otherwise invest. Such securities could be part of the benchmark against which the Company is managed or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the Company’s performance profile differs to that of funds which are managed against the same benchmark or invest in a similar universe of potential investments but without applying ESG or sustainability criteria.

Furthermore, the lack of common or harmonised definitions and labels regarding ESG and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a fund may invest in a security that another manager or an investor would not.

The Investment Manager currently does not apply any ESG criteria for the Company or any of its Sub-Funds. As a result, the Investment Manager does not apply negative screening to exclude specific sectors or companies based on ESG criteria.

The Company and its Sub-Funds do not aim to achieve long-term capital growth by integrating an ESG approach. This situation may, however, change depending on the regulatory and legal framework. In this case, this Prospectus and/or the relevant Offering Supplement will be updated accordingly.

## Specific Restrictions in Connection with the Investor Shares

Investors should note that there may be restrictions in connection with the subscription, holding and repurchase of and trading in the Investor Shares in a particular Sub-Fund. Such restrictions may have the effect of preventing the investor from freely subscribing, holding, trading and/or repurchasing the share. In addition to the features described below, such restrictions may also be caused by specific requirements such as the minimum amount that may be held or invested in any particular Class of Shares.

## Maximum Repurchase Amount

The Company will have the option to limit the number of Investor Shares in any Sub-Fund repurchased on any Dealing Day (other than at the specified maturity date, where applicable) to a stated percentage of the total NAV of that Sub-Fund on that Dealing Day and, in conjunction with such limitation, to pro rata limit the number of Investor Shares repurchased by any Shareholder on such Dealing Day so that all Shareholders wishing to have Investor Shares in that Sub-Fund repurchased on that Dealing Day realise the same proportion of such Investor Shares. In the event the Company elects to limit the number of Investor Shares repurchased on such date, a Shareholder may not be able to repurchase on such Dealing Day all the Investor Shares that it desires to repurchase. Investors should review this

Prospectus and the relevant Offering Supplement to ascertain when and how such provisions may apply.

### Limited Transferability

Since the Directors may decline to register a transfer of Investor Shares at their sole and absolute discretion, Shareholders may not be able to dispose of their investments privately and therefore would have to utilise the Company's redemption or repurchase programme, which itself may be subject to restrictions, albeit to be exercised in exceptional circumstances, where the circumstances so require, and when suspension is justified having regard to the interest of the Shareholders. Furthermore, the Company may be required by the MFSA to suspend redemptions where it is considered to be in the interest of Shareholders – see the part entitled “Redemption of Shares” below.

### Illiquidity of Investor Shares

There will be no secondary market for the Investor Shares, and consequently, Shareholders can normally dispose of the Investor Shares only by means of redemption on any Redemption Day as described herein. There is no assurance that the Company will be able to liquidate the portfolio securities attributable to the Investor Shares being redeemed without losses. These losses might have an adverse effect on the NAV of that Sub-Fund and thus on the redemption proceeds that will be received by the outgoing investor. In the event of unsettled market conditions, or if for any reason the Company is unable to liquidate its investments or if it is obliged to suspend dealings in its Investor Shares, the Company may be unable to redeem such Investor Shares.

### Substantial Redemptions

Substantial redemption/repurchase of investor Shares in a particular Sub-Fund could require the Company to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Investor Shares in that Sub-Fund. In these circumstances, the Company may defer redemptions/repurchases. Substantial redemptions/repurchases might cause the liquidation of the Company.

Illiquidity in certain markets could also make it difficult for any Sub-Fund of the Company to liquidate positions on favourable terms, thereby resulting in a decrease in the value of the assets. In these circumstances, the non-redeeming Shareholders will bear a disproportionate risk of any decline in the value of a Sub-Fund's assets subsequent to the redemptions.

### Temporary Suspension in Redemptions and Suspension in the determination of the NAV

The Company reserves the right to suspend the determination of the Net Asset Value of a Sub-Fund and the right of any Shareholder to require redemption of any Investor Share and the issue of Investor Shares. In such cases a Shareholder may be unable to redeem his Investor Shares in a Sub-Fund within the normal timeframes described in this Prospectus.

The listing of the Investor Shares on any stock exchange or Approved Regulated Market, including the primary listing on the MSE, will be suspended during such time when the calculation of the Net Asset Value of a Sub-Fund is suspended. Where applicable, the Company shall immediately notify the MSE of any suspension in the calculation of the Net Asset Value or in the process of the redemption.

### Compulsory Redemptions

The Company reserves the right to require a Shareholder to redeem its total shareholding, within one (1) Business Day of a notice of intent to do so, in the event that the holding of Investor Shares by the Shareholder concerned may



result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or the Shareholders as a whole, or, if on any Valuation Day, the total value of the Investor Shares held by the Shareholder is less than the Minimum Holding for the Company or a Sub-Fund. Such compulsory redemptions, which will take place at the prevailing Redemption Price, may crystallise losses and/or deprive an investor of the opportunity to recover losses or otherwise gain from investing in the Sub-Fund concerned.

## Market Disruption Events & Settlement Disruption Events

A determination of a market disruption event or a settlement disruption event in connection with any Sub-Fund's assets (as may be further described in any Offering Supplement) may have an effect on the value of the Investor Shares in that Sub-Fund and may delay settlement in respect of the Sub-Fund's assets.

## Confidential Information

The Investment Manager may, in connection with its other business activities, acquire material non-public confidential information that may restrict it from purchasing assets or selling assets for itself or its clients (including the Company) or otherwise using such information for the benefit of its clients or itself.

## Conflicts of Interest

Conflicts of interest may arise between the Company and certain Relevant Parties (being the persons or entities involved in the management of the Company or offering services to it and/or the Investment Manager, the Investment Advisor, the Administrator, the Depositary or other service providers or counterparties to the Company including any prime brokers, sub-custodians and futures clearers which may be appointed in respect of the Sub-Funds). The Relevant Parties which may be appointed in respect of the Sub-Funds (including their respective principals, shareholders, members, directors, officers, agents or employees) may from time to time act as investment manager, depositary, registrar, broker, administrator, investment advisor, prime broker or futures clearer, distributor or dealer in relation to, or otherwise be involved in, other funds established by parties other than the Company and/or the Sub-Funds, as the case may be, which have similar objectives and which make investments similar to those made on behalf of a Sub-Fund of the Company. Such clients could thus compete for the same trades or investments, and whilst available investments or opportunities for each client are generally expected to be allocated in a manner believed to be equitable to each, certain of the allocation procedures may adversely affect the price paid or received for investments or the size of positions obtained or disposed.

There may also be a conflict of interest as the Investment Manager will be involved in the calculation of the Net Asset Value of Sub-Fund, and the Investment Management Fee is based upon the Net Asset Value. However prospective Shareholders should note that the Administrator will ultimately be responsible for the Net Asset Value calculations, and also that Investment Management Fee and Performance Fee payments will be contained in the accounts of the Company, which will be audited on an annual basis by an independent auditor.

Conflicts may also arise as a result of the other services provided by affiliates of the Investment Manager which may provide advisory, depositary or other services to the Investment Manager. Similarly the Directors may also be directors of other companies in which the Company may invest, which could result in conflicts of interest. Generally, there may be conflicts of interest between the interests of the Company and the interests of the Investment Manager and its affiliates and the Directors to generate fees, commissions and other revenues. In the event that such a conflict of interest arises, the Directors will endeavour to ensure that it is resolved in the best interest of the Company. It should be noted that the Investment Manager of any of the Sub-Funds, as well as its affiliates, may at any time also be offering their services to one or more of the investors in the Sub-Funds.

Furthermore, the Directors or the Investment Manager may have equity stakes in the funds to which they are providing their services, or own or have an interest.

## Taxation

Investors in the Investor Shares in a particular Sub-Fund should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Sub-Funds, capital gains within the Sub-Funds, whether or not realised, income received or accrued or deemed received within the Sub-Fund etc., and this will be according to the laws and practices of the country where the Investor Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Sub-Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Sub-Fund in relation to the Sub-Fund asset, whereas the performance of the Sub-Fund, and subsequently the return investors receive after redemption of the Shares, might partially or fully depend on the performance of the underlying assets. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

## Change of Law

The Company must comply with regulatory constraints, such as a change in the laws affecting the Investment Restrictions, which might require a change in the investment policy and objectives followed by a Sub-Fund.

## Political and/or Regulatory Risk

The performance of the Investor Shares in a particular Sub-Fund or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, laws or regulations (including regarding taxation), the imposition of restrictions on the transfer of capital and changes in regulatory requirements in the Company's home jurisdiction or in countries where a Sub-Fund is invested. The legal infrastructure, accounting, auditing and reporting standards in certain jurisdictions in which the capital of a Sub-Fund may be invested may not offer the same degree of investor protection or information as is normally expected in major securities markets.

## Dependence on Key Individuals

The Investment Manager is responsible for the day to day management of the portfolio of assets of the Company and the Sub-Funds. The Company's success depends to a significant extent, upon the relevant persons to properly manage the Company and the Investment Manager's ability in respect of the day to day management of the assets of the Company. To the extent that such activities relate to the operations of the Company, the Company may be adversely affected if the persons responsible for these activities cease to participate in the operation of the Company or of the Investment Manager. The loss of such a key individual's services (e.g. through death, disability, retirement or leaving the employment of the Investment Manager) could cause the Company to suffer losses.

## Depository Risk

### Country risk linked to the Custody

The Investment Manager may decide from time to time to invest in a country where the Depository has no correspondent. In such a case, the Depository will have to identify and appoint after due diligence a local custodian. This process may take time and deprive in the meantime the Investment Manager of investment opportunities. In the same manner, the Depository shall assess on an ongoing basis the custody risk of the country where the Company's assets are safe-kept. The Depository may identify from time to time a custody risk in a jurisdiction and recommends to the Investment Manager to realise the investments immediately. In doing so, the price at which such assets will be sold may be lower than the price the Company would have received in normal circumstances, potentially affecting the performance of the relevant Sub-Funds.

## Liability for Fees and Expenses

The fees and expenses relating to a Sub-Fund will be paid by the Company out of the assets of the relevant Sub-Fund as set out in the Section entitled "Fees, Compensation and Expenses" and the relevant Offering Supplement. However, to the extent that:

- (a) the arrangements for funding the payment by the Company of the fees and expenses do not generate the necessary funds to discharge all of the Company's liabilities in respect of the Sub-Fund; or
- (b) the Company incurs any fees, expenses or other liabilities which are not budgeted for by the Company and accordingly fall outside the scope of the arrangements referred to in (a) above,

the Company will pay such fees, expenses or liabilities from the Sub-Funds' assets. The Company's liability in respect of such amounts will be borne by the relevant Sub-Fund as more fully described under "Cross Liability between Classes" below.

## Fee Structure

The Company will bear the fees paid to the Investment Manager, the Investment Advisor, the Depository, the Administrator and other service providers. Further, certain of the strategies employed in the Sub-Funds, or in investments made by the Sub-Funds, may require frequent changes in trading positions and consequent portfolio turnover. As a result, an above average portion of a Sub-Fund's capital may be expended in transaction costs.

## Borrowing Risks

The Company in respect of a Sub-Fund may not be able to repay borrowings or may be forced to sell investments at a disadvantageous time in order to repay borrowings. The Company in respect of a Sub-Fund might elect to sell its more liquid assets to repay borrowings, or to meet redemptions, thus increasing its concentration in less liquid securities.

## Indemnities

The Directors and officers, the Investment Manager, the Investment Advisor, the Depository and the Administrator and each of their directors, officers, employees and agents are entitled to be indemnified in certain circumstances. As a result, there is a risk that the Company's assets will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Company.

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

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

## Consequences of Winding-up Proceedings

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including counterparties) to terminate contracts with the Company (including Sub-Fund assets) and claim damages for any loss arising from such early termination. Notwithstanding that Maltese law caters for the insolvency of a sub-fund distinctly from that of an investment company with segregated cells, so that the insolvency of any Sub-Fund does not affect the Company or its unaffected sub-funds, the commencement of such proceedings may result in the Company being dissolved and its assets (including the assets of all Sub-Funds) being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Company's liabilities, before any surplus is distributed to the shareholders of the Company. In the event of proceedings being commenced, the Company may not be able to pay, in full or at all, any amounts due in terms of this Prospectus to the Shareholders, including the redemption amounts for repurchased shares in respect of any Sub-Funds.

## Nominee Arrangements

Where Investor Shares in a Sub-Fund are held by a nominee service provider on behalf of an investor, or and investor holds interests in the Investor Shares of any Sub-Fund through accounts with a clearing system, such investor will only receive payments in respect of redemption proceeds and/or any dividends attributable to the Investor Shares on the basis of the arrangements entered into by the investor with the nominee service provider or clearing system, as the case may be.

Furthermore, any such investor will not appear on the share register of the Company (the “**Register**”), will have no direct right of recourse against the Company and must look exclusively to the nominee service provider or clearing system for all payments attributable to the relevant Shares. The Company and the Directors will recognise as Shareholders only those persons who are at any time shown on the Register for the purposes of (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and voting by Shareholders at any meetings of Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Company, the Directors, the Investment Manager, the Administrator, the Depositary or any other person will be responsible for the acts or omissions of any nominee service provider or clearing system, nor make any representation or warranty, express or implied, as to the services provided by any nominee service provider or clearing system. The Administrator is not authorised to have nominee arrangements which require a licence under the ISA.

## Performance Fees

To the extent that the Investment Manager will be entitled to receive a performance fee from the Company, such fees may create an incentive for the Investment Manager to engage in investment strategies and make investments that are more speculative than would be the case in the absence of such fees.

Furthermore, the increase in NAV which is used as a basis for the calculation of performance fees, may be comprised both of realised gains as well as unrealised gains as at the end of the calculation period, and as a result, performance fees may be paid on unrealised gains which may subsequently never be realised by the Sub-Funds.

Unless otherwise stated in a particular Offering Supplement for a Sub-Fund, the Company has not adopted an equalisation methodology for the calculation of the performance fee which may result in certain inequalities caused by Shareholders subscribing for Investor Shares during the course of the relevant period for which a performance fee is calculated (the “**Performance Period**”). If a Shareholder subscribes for Investor Shares during a Performance Period where a performance fee has been accrued and the Sub-Fund subsequently loses value during the remainder of the Performance Period and the accrual is reversed, this will benefit all Shareholders in the relevant Sub-Fund. This is inequitable because all Shareholders will benefit whilst only the original Shareholders will suffer the cost of the original performance fee accrual. Similarly, if the Sub-Fund loses value after the end of a Performance Period and then the Offering Price at which the Investor Shares are issued is below the high watermark, those new Shareholders will not pay any performance fee on their Investor Shares until the value of their Investor Shares has reached the high watermark. Accordingly, those Shareholders get a “free ride” and do not have to pay any performance fee on the performance from the Offering Price to the high watermark.

## General

Any investor who is in any doubt about the risks of investing in any of the Sub-Funds should consult his or her own financial advisor.

## Description of the Company

### Organisation of the Company

CC Funds SICAV p.l.c. (previously Calamatta Cuschieri Funds SICAV p.l.c.), whose registered office is situated at Ewropa Business Centre, Dun Karm Street, B'Kara BKR9034, Malta, was registered in Malta on the 3<sup>rd</sup> June 2011, with registration number SV 186 and is licensed by the MFSA in terms of the ISA as a collective investment scheme. The Company qualifies as a 'Maltese UCITS' in terms of the UCITS Regulations and the MFSA Rules.

The Company was incorporated as an open-ended multi-fund public limited liability company with variable share capital. An up-to-date list of the Sub-Funds of the Company can be obtained by direct application to the Investment Manager.

### Duration of the Company

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

### Capitalisation of the Company

The share capital of the Company shall be equal at any time to the value of the issued share capital of the Company. The Company may issue up to a maximum of 10,000,001,000 (ten billion, one thousand) Shares without any nominal value assigned to them. The actual value of the paid up share capital of any Sub-Fund shall be at all times equal to the value of the assets of any kind of the particular Sub-Fund after the deduction of such Sub-Fund's liabilities. Shares will be issued as fully paid. No Shares have preferences, pre-emptive, conversion or exchange rights. Other than as stated herein, there are no outstanding options or any special rights relating to Shares.

### Founder Shares

The Company issued 1,000 (one thousand) Founder Shares with no nominal value, which Founder Shares constitute a separate Class of Shares of the Company but do not constitute a Sub-Fund. The Founder Shares are ordinary shares with voting rights and participate in the net assets of the Company on dissolution and liquidation after all the Investor Shares in the Company have been repurchased. Subject to the Founder Shareholders' exclusive right to appoint one Director, the Directors are to be appointed by the holders of the Founder Shares and the voting Investor Shares.

### Investor Shares

The Company has designated the maximum number of Investor Shares on offer in each Class as stated in the relative Offering Supplements.

The Directors may from time to time split Investor Shares into a greater number of Investor Shares or consolidate Investor Shares and such transactions shall be carried out based on the applicable NAV per Share on the last Valuation Day before the transaction is effected.

Investors in the Sub-Funds shall participate in the income and capital of the Company in respect of the Investor Shares in the Sub-Funds in which they invest.

All Investor Shares participate equally in the net assets of the Class and Sub-Fund to which they relate and in any

dividends and other distributions attributable thereto. Investors only have rights to participate, pro-rata, in the assets of Sub-Funds of which they hold Investor Shares at any time and have no rights against the assets of other Sub-Funds in which they have no Investor Shares.

Investor Shares may be issued as fractional shares up to four (4) decimal places. Fractional Investor Shares will be consolidated into whole Investor Shares when a Shareholder holds enough fractional Investor Shares to make up a whole Investor Share. With the exception of voting rights, the holders of fractional Investor Shares carry the same rights as integral shares of the same Class and exercisable in proportion to the fraction held.

## Voting Rights

Subject to any rights or restrictions for the time being attached to any Class or Classes of Investor Shares as may be set out in the Offering Supplement relating to a Sub-Fund, on a show of hands every holder who is present in person or by proxy and entitled to vote, shall have one vote for every voting Investor Share of which he is the holder and on a poll every holder present in person or by proxy shall have one vote for every Investor Share of which he is the holder. Holders who hold a fraction of an Investor Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of an Investor Share.

The holders of the Founder Shares shall have the exclusive right to appoint one Director. Any changes to the name of the Company shall also be decided exclusively by the holders of the Founder Shares. Other than what is stated above, the holders of the Investor Shares shall have full voting rights in respect of matters requiring the approval of Shareholders.

## Alterations to the Company's Share Capital

The Company may increase or reduce the maximum number of Shares which may be issued by the Company by an extra-ordinary resolution (i.e. a resolution notice of which has been given prior to the meeting, and which is approved by 75% of the Shareholders present at the meeting and entitled to vote thereon and at least 51% of all Shareholders who are entitled to vote thereon). Any changes to the capital structure of the Company shall be immediately notified to the MSE.

## Amendment to Memorandum and Articles

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

## Variation of Class Rights

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

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

## Further Issues of Investor Shares

The Investor Shares shall be at the disposal of the Board of Directors, and the Company may, by resolution of the Board, at any time decide to offer further Investor Shares by means of the issue of an Offering Supplement to a maximum amount of Investor Shares comprised in the authorised share capital and, without prejudice to any special rights previously conferred on the holders of existing Investor Shares, to allot, issue, grant options over or otherwise dispose of the Investor Shares or any other classes of Investor Shares (including fractions of Investor Shares) with or without preferred, deferred or other special rights or restrictions, whether with regard to dividend, voting or otherwise and to such persons, at such times and on such other terms as the Board shall think proper, but not in a manner to reduce the financial rights of Shareholders without their consent.

The Company may, at any time, issue additional Classes of Investor Shares constituting other Sub-Funds, which may be designated in any currency and with particular investment objectives, policies and restrictions, and the assets of which may be managed utilising different methodologies, investing in different markets with particular opportunities and investment risk characteristics. Such other Class(es) of Investor Shares will be offered by means of an Offering Supplement for the specific Sub-Fund. When making an Initial Offering of Investor Shares in a newly established Sub-Fund the Directors shall establish the Initial Offering Price for such Investor Shares at the time of offer and this shall be stated in the Offering Supplement for the specific Sub-Fund.

The Company may, at any time, also issue additional classes of Investor Shares in an existing Sub-Fund which may be designated in any currency.

## Repurchase of Investor Shares

Under the Companies Act, the Company is permitted to repurchase or redeem its Investor Shares without restriction. Repurchased or redeemed Investor Shares shall be treated as cancelled and deemed never to have been issued for the purpose of calculation of the maximum number of Investor Shares which may be issued, and shall be available for reissue by the Company at any time in the future. Redemptions of Investor Shares will be based on the NAV per Share in accordance with the Memorandum and Articles and this Prospectus. Reference should be made to the Section entitled “Redemption of Shares” for further details.

## Limiting Changes in Portfolio

On any Dealing Day, a net reduction or increase in the number of Investor Shares in issue of any Sub-Fund would normally result in a reduction or increase, and other adjustments, in the portfolio of assets of that Sub-Fund. Dealing and other transactional costs can be incurred as a result of such changes in the portfolio. In order to mitigate this effect, the Company may arrange or procure, without obligation, that one or more entities will be given the opportunity to match, wholly or partially, with a subscription for Investor Shares, any expected net cash outflow from the redemption or repurchase of Investor Shares requested by other investors, and conversely with a request for redemption of Investor Shares, any expected net cash inflow from subscription for Investor Shares by other investors. The entities concerned may be entitled to charge a fee for their service; see the relevant Offering Supplement for further details. Such matching transactions will invariably be carried on a Dealing Day and at the relevant NAV per Share.

## Closure of a Sub-Fund

Apart from cases where the assets of a Sub-Fund are not sufficient to meet the liabilities in respect of such Sub-Fund, in which case the rules on insolvency will apply to the Sub-Fund in question, Sub-Funds of the Company may be closed



from time to time and their licence surrendered to MFSA. In cases where there are no outstanding Investor Shares in a Sub-Fund, as a result of redemptions or exchanges of Investor Shares with Investor Shares in another Sub-Fund, the Directors may resolve to close the Sub-Fund in question and surrender its licence to the MFSA. Where there are outstanding Investor Shares in a Sub-Fund, then the consent in writing of 75% of the Shareholders in that Sub-Fund will be required in terms of the Memorandum and Articles unless the Directors are exercising their powers thereunder relating to mandatory redemption of all Investor Shares in that Sub-Fund.

The MFSA must consent to the closure of a Sub-Fund and to the surrender of its Licence.

## Liquidation

The Company and the Sub-Funds have been incorporated for an indefinite period, unless otherwise provided in the Offering Supplement relating to a Sub-Fund and unless closed or liquidated as hereunder described.

### Of a Sub-Fund

Apart from the rules applicable to the closure of a Sub-Fund which are outlined in the Memorandum and Articles and in this Prospectus (see the Part entitled “Closure of a Sub-Fund” above), a Sub-Fund may be dissolved and wound up either voluntarily or under supervision or by the court. Upon the winding up or dissolution (whether the liquidation is voluntary or by the Court) of any Sub-Fund, the assets of such Sub-Fund available for distribution (after satisfaction of creditors’ claims) amongst the Shareholders of such Sub-Fund shall be distributed to the Shareholders of such Sub-Fund pro rata to their respective shareholding. Amounts which have not been claimed by Shareholders at the close of the liquidation of any Sub-Fund will be deposited in an account in the Shareholder’s name with a trustee selected by the liquidator. Any such amount not claimed within a period of seven years will be donated to a Maltese enrolled voluntary organisation selected at the discretion of the trustee.

### Of the Company

Subject to all Sub-Funds in the Company being closed, the Company may be dissolved and wound up either voluntarily or under supervision or by a competent Court. The Company may be placed in voluntary liquidation at any time by a resolution adopted by the holders of Shares holding voting rights in the same manner as that required for amending the Memorandum and Articles. Any voluntary liquidation of the Company shall be carried out pursuant to applicable Maltese laws and the Memorandum and Articles. Amounts which have not been claimed by Shareholders at the close of the liquidation will be deposited in an account in the Shareholder’s name with a trustee selected by the liquidator. Any such amount not claimed within a period of seven years will be donated to a Maltese enrolled voluntary organisation selected at the discretion of the trustee. Any proceedings in relation to the Company shall respect the legal status of each Sub-Fund as a patrimony separate from the assets and liabilities of each other Sub-Fund and proceedings under the Companies Act shall apply *mutatis mutandis* to each Sub-Fund as though it were a distinct legal entity and with such modifications as are necessary to accommodate the fact that a Sub-Fund is not a company. Any proceedings in relation to any one Sub-Fund shall not have any effect on the assets of any other Sub-Fund or of the Company itself. The term ‘proceedings’ as used herein refers to any proceedings whatsoever including the proceedings in terms of Title II of Part V and of Part VI of the Companies Act.

## Indebtedness

As at the date of this Prospectus, the Company has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease

commitments, guarantees or other material contingent liabilities.

## Prevention of Money Laundering and Counter Terrorist Financing, Sanction Screening and Data Protection

### Prevention of Money Laundering, Counter Terrorist Financing and Sanction Screening

The Company is required to comply with anti-money laundering legislation and counter terrorist financing legislation in Malta, including the Prevention of Money Laundering Act (“**PMLA**”), the Prevention of Money Laundering and Funding of Terrorism Regulations (“**PMLFTR**”), and the Implementing Procedures (the “**FIAU Implementing Procedures**”) issued by the Financial Intelligence Analysis Unit (“**FIAU**”) and certain provisions of the Criminal Code (collectively the “**AML-CTF Laws and Regulations**”).

The Company is subject to anti-money laundering and counter-terrorist financing obligations under the AML-CTF Laws and Regulations in force in Malta. To meet these obligations, the Company is required to, *inter alia*, apply risk-based due diligence measures. Such due diligence measures include but are not limited to establishing and verifying the identities of Subscribers, Shareholders and beneficial owners, as well as conducting ongoing due diligence and scrutinising Shareholders’ transactions during the course of the business relationship.

Subscribers will be required to provide original and/or certified true copies of such documents and information that the Company (and/or its authorised agents and service providers) may specify to establish proof of identity and address of the Subscriber and to comply with the requirements of the AML-CTF Laws and Regulations. The extent and form of the documentation and information required will depend on the nature of the applicant and will be, at the discretion of the Company (and/or its authorised agents and service providers). The Subscription Application sets out the relevant information and documentation that Subscribers are required to submit to the Administrator with their initial applications. The requirements are non-exhaustive and are subject to change. The Company (and/or its authorised agents and service providers) reserve the right to request all such other information, documentation and data that may be required to ensure compliance with the provisions of the AML-CTF Laws and Regulations or the Company’s internal policies and procedures.

The Company is also obliged at law to carry out ongoing monitoring in the case of an existing business relationship. Ongoing monitoring includes (i) the scrutiny of transactions undertaken throughout the course of the relationship in order to ensure that the transactions being undertaken are consistent with the Company’s knowledge of the Shareholder and of his business and risk profile and (ii) updating the documentation which the Company (and/or its authorised agents or service providers) retains on the Shareholder to ensure that these are up to-date. Existing Shareholders may be requested to provide additional or updated verification documents from time to time pursuant to the Company’s (and/or its authorised agents and service providers) ongoing client due diligence requirements under the AML-CTF Laws and Regulations.

The documents and information typically required are listed in the AML Supplement attached to the Subscription Application. Completion of the Subscription Application serves as confirmation that the Subscriber understands and agrees to furnish the requested documents and other information, documentation or data to the Company and/or the Administrator. Where, following receipt of cleared funds from the Subscriber or Shareholder, and prior to the issuance of Investor Shares, the Company and/or the Administrator is not satisfied with the information, documentation or data received or obtained, the money may be held in the account to which it was remitted and the Subscriber or Shareholder (as applicable) will bear all associated risks. The Company and the Administrator shall determine whether, in the light of their AML obligations, they have sufficient documentation in hand to allow the

issuing of Investor Shares.

It must also be noted that, in the event that a redemption request is received from a Shareholder who in the opinion of the Company has failed to submit all the required AML documents, although the redemption will be acted upon, Redemption Proceeds cannot be remitted to the Shareholder until all documents requested have been received or the necessary verifications made. The Redemption Proceeds will be held at the Remitting Bank and the Shareholder will bear all associated risks. In the event that the Company suspects any money laundering or funding of terrorism, the Company is obliged to report suspicious transactions to the competent authorities, and any relevant data in this regard may need to be transferred to the relevant regulator.

The Company and the Administrator reserve the right to request such information as is necessary to verify the identity of a Subscriber and any underlying beneficial owner of the Subscriber. The Company and/or the Administrator may also request such identification evidence in respect of a transferee of Investor Shares. In the event of delay or failure by the Shareholder or transferee to produce any information required for verification purposes, the Company or the Administrator may refuse to accept or delay the acceptance of the Subscription Application, or (as the case may be) to register the relevant transfer of Investor Shares, and (in the case of a subscription for Investor Shares) any funds received may be returned without interest to the account from which the monies were originally debited.

The Company and/or the Administrator also reserve the right to refuse to make any redemption payment or distribution to a Shareholder, if any of the Directors of the Company or the Administrator is advised that the payment of any redemption or distribution moneys to such Shareholder might result in a breach or violation of the AML-CTF Laws and Regulations, or the European Union Regulations, the National Interest Act, the UN Security Council Resolutions Related to Terrorism and Terrorist Financing, and Proliferation (collectively, “**Sanctions obligations**”). Each Subscriber will be required to make such representations as the Company may require in connection with applicable Sanctions obligations.

Furthermore, the Company, is also required to have systems and controls in place in order to ensure compliance with the National Interest (Enabling Powers) Act (“**National Interest Act**”). In this respect, the Company has established arrangements in order to ensure that Subscribers, Shareholders and/or ultimate beneficial owners (where applicable) are not subject to sanctions issued, *inter alia*, by the United Nations, the European Union, Office of Foreign Assets Control (“**OFAC**”) and the Office of Financial Sanctions Implementation HM Treasury (“**HM Treasury**”).

Such Subscriber will also be required to represent that amounts contributed by it to the Company were not directly or indirectly derived from activities that may contravene EU or international laws and regulations, including, without limitation, the AML-CTF Laws and Regulations and sanctions issued by the relevant competent authorities.

Each Subscriber and Shareholder agrees to notify the Company and the Administrator promptly in writing should it become aware of any change in the information set forth in its representations. The Subscriber or Shareholder is advised that, by law, the Company may be obligated to “freeze the account” of such Subscriber or Shareholder, either by prohibiting additional investments from the Subscriber or Shareholder, declining any withdrawal requests from the Subscriber or Shareholder, suspending the payment of withdrawal proceeds payable to the Subscriber or Shareholder, and/or segregating the assets in the account in compliance with governmental regulations. The Company and the Administrator may also be required to report such action and to disclose the Subscriber or Shareholder's identity to the Sanctions Monitoring Board or other applicable governmental and regulatory authorities.

## Data Protection

In the course of business the Company and/or any of its delegates and/or service providers, collect, record, store, adapt, transfer and otherwise process information by which prospective investors may be directly or indirectly identified ("personal data"). The Company and/or any of its delegates is a "data controller", within the meaning of Data Protection Legislation, and undertakes to hold any personal information provided by investors in confidence and in accordance with Data Protection Legislation.

The Company and/or any of its delegates may process an investor's personal data for any one or more of the following purposes and legal bases:

- (a) operating the Sub-Funds, including managing and administering an investor's holding in the relevant Sub-Fund and any related accounts on an on-going basis (i.e. for the performance of the Company's contract with the investor);
- (b) to comply with any applicable legal, tax or regulatory obligations, including legal obligations under company law, anti-money laundering legislation, taxation laws and financial services regulations;
- (c) for any other legitimate business interests of the Company or a third party to whom the data is disclosed, where such interests are not overridden by the interests of a data subject, including for statistical analysis (including data profiling) and market research purposes; or
- (d) for any other specific purposes where investors have given their specific consent. Where processing of personal data is based on consent, the investors will have the right to withdraw it at any time.

The Company and/or any of its delegates and/or its service providers may disclose or transfer personal data, whether in Malta or elsewhere (including companies situated in countries outside of the EEA), to third parties, including financial advisers, regulatory bodies, taxation authorities, auditors, technology providers or to a Sub-Fund or the Company's delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above.

Please note that investors' personal data will be retained by the Company for the duration of their investment and otherwise in accordance with the Company's legal obligations including, but not limited to, the Company's record retention policy. In determining appropriate retention periods, the Company shall have regard to the purpose(s) for which it was collected, the prescriptive periods under Maltese law (statutes of limitation) and any statutory obligations to retain information, including anti-money laundering, revenue and tax legislation. The Company will take all reasonable steps to destroy or erase the data from its systems when they are no longer required.

Where specific processing is based on an investor's consent, that investor has the right to withdraw it at any time. Investors have the right to request access to their personal data kept by Company; and the right to rectification or erasure of their data; to restrict or object to processing of their data, and to data portability.

The Company and/or any of its delegates will not transfer personal data to a country outside of the EEA unless that country ensures an adequate level of data protection or appropriate safeguards are in place. The European Commission has prepared a list of countries that are deemed to provide an adequate level of data protection which, to date, includes Andorra, Argentina, Canada (limited to commercial organisations), Faroe Islands, Guernsey, Israel, Isle of Man, Jersey, New Zealand, Switzerland, and Uruguay, as providing adequate protection. Further countries may be added to this list by the European Commission at any time. The US is also deemed to provide an adequate level of

protection where the US recipient of the data is Privacy Shield-certified. If a third country does not provide an adequate level of data protection, then the Company and/or any of its delegates will rely on the "Model clauses" (which are standardised contractual clauses, approved by the European Commission) or Binding Corporate Rules or one of the other alternative measures provided for in Data Protection Legislation.

Where processing is carried out on behalf of the Company, the Company shall engage a "data processor", within the meaning of Data Protection Legislation, who provides sufficient guarantees to implement appropriate technical and organisational security measures in such a manner that processing meets the requirements of Data Protection Legislation, and ensures the protection of the rights of investors. The Company will enter into a written contract with the data processor which will set out the data processor's specific mandatory obligations laid down in Data Protection Legislation, including to only process personal data on documented instructions from the Company.

As part of the Company's business and ongoing monitoring, the Company may from time to time carry out automated decision-making in relation to investors, including profiling of investors, and this may result in an investor being identified to tax revenue and law enforcement authorities, and the Company terminating its relationship with the investor.

Investors are required to provide their personal data for statutory and contractual purposes. Failure to provide the required data will result in the Company being unable to permit the investor's investment in the Sub-Funds and this may result in the Company terminating its relationship with the investor. Investors have a right to lodge a complaint with the Information and Data Protection Commissioner in Malta if they are unhappy with how the Company is handling their data.

If you have any queries regarding this data protection notice, please contact the Directors at the address provided in the Directory.

By subscribing for Investor Shares all Subscribers should note the above, and also note that, by completion of the Subscription Application, they are agreeing to the processing of Personal Data as aforesaid as well as any transfer of Personal Data carried out for any of the reasons given above, or for any reason that the Company and/or its data processors deem necessary to comply with legislation in force at the time.

## Purchase, Exchange and Transfer of Shares

### General

Each Sub-Fund can be constituted by multiple Classes of Investor Shares. Each Class represents an interest in the Sub-Fund's portfolio, but may have its own characteristics, such as fee structure, minimum initial investment, minimum holding, minimum additional investment, dividend policy or base currency.

### Purchase of Investor Shares

Investor Shares are normally issued in registered form, meaning that the Shareholder's name is recorded in the Sub-Fund's register of Investor Shares. A written confirmation of this ownership will be sent to each Shareholder.

Investor Shares in issue must be fully paid-up. Investor Shares have no par value and carry no preferential or pre-emptive rights. Unless otherwise provided in the Offering Supplement in respect of a Sub-Fund, each Share, regardless of Class, is (with the exception of votes on the name of the Company and on the Director appointed by the Founder Shares) entitled to one vote in all matters brought before a general meeting of Shareholders.

Applications to acquire Investor Shares are subject to the restrictions appearing in this Prospectus, the Memorandum and Articles and, in relation to a particular Sub-Fund, the related Offering Supplement.

Subscriptions are valid only when based on the Prospectus and accompanied by the latest annual report, as well as the latest half-yearly report when this has been published after the latest annual report. No person is authorised to give any information about the Company or a Sub-Fund if the same is not contained in this Prospectus or in the documents mentioned in this Prospectus and which the public can consult.

### Subscription Procedures

Investor Shares may be purchased during the Initial Offering Period at the Initial Offering Price and subsequently on any Subscription Day at the Offering Price. Investors can purchase Investor Shares by submitting a request in proper form to the Company at the offices of the Administrator.

In order to purchase Investor Shares in the Company, a prospective investor must:

- a. complete and sign the Subscription Application, copy of which is available from the Administrator and/or the Investment Manager;
- b. pay the subscription amount to the Company's bank account by bank transfer of clear funds;
- c. send the signed and completed Subscription Application, enclosing the applicable supporting documentation, to the Company at the office of the Administrator; and
- d. comply with the relevant Minimum Initial Investment and Minimum Holding limits.

For this purpose, the relative Subscription Application, duly completed, including the applicable supporting documentation, must be received by the Company at the offices of the Administrator and the subscription amount in respect thereof must be received by the Company, within the deadlines stipulated in the relative Offering Supplement as they apply to the purchase of Investor Shares. The issue and subscription of Investor Shares shall be carried out on the first Subscription Day following the day when such conditions are met. However, with regard to

Subscription Applications accepted during the Initial Offering Period, the issue of Investor Shares shall be carried out on the first Business Day after the Closing Date.

Each Sub-Fund calculates its NAV per Share on each Valuation Day and the Offering Price will be available from the Administrator and may be published in one or more financial newspapers in such countries where the Sub-Fund may be distributed to the public.

Orders to buy, exchange or transfer Investor Shares that are received and accepted by the Company before the deadline(s) set out in the Offering Supplement relating to a Class of Investor Shares will be processed at the NAV per Share. Orders received after such deadline will be processed on the next but one Subscription Day provided that the Directors may accept, at their sole discretion, a shorter notice.

The Directors may extend or limit the cut off time for accepting orders and will notify Shareholders if and when a new time takes effect either by sending a notice or by advertising in the relevant newspapers.

A copy of the Subscription Application should be retained by the Subscriber for the Subscriber's personal reference and records.

**Please note that the Company will only issue Investor Shares to successful subscribers upon receipt of cleared payments by the Depositary (as Banker) within such notice period as may be set out in the Offering Supplement relating to a Sub-Fund.**

The Administrator will generally issue written confirmation of issue of shares and subscription to a Shareholder within fifteen (15) Business Days after the applicable Subscription Day or as may be otherwise stated in the Offering Supplement relating to a Sub-Fund.

## Eligible Investors

The Administrator shall not be bound to register more than four (4) persons as joint holders of any Shares.

Each investor must represent and warrant to the Company that, amongst other things, he is able to acquire Investor Shares without violating applicable laws. The Company will not knowingly offer or sell Investor Shares to any investor to whom such offer or sale would be unlawful.

## Subscribers' Undertakings and Warranties

Subscribers should take notice that by completing and executing the Subscription Application the subscriber is entering into a number of undertakings and giving a number of warranties as specifically set out in the Subscription Application.

## Subscriptions in Specie

The Company shall, at its option, be entitled to receive assets from a prospective Shareholder for the issue of Investor Shares in the Company in accordance with the provisions of the Memorandum and Articles and in accordance with applicable law.

The Company shall require its auditors to draw up a valuer's report. Such report shall include:

- a description of each of the assets comprising the consideration;



- the value of each asset and a description of the method of valuation used;
- a confirmation that the value of the consideration is at least equal to the net asset value of the shares to be issued in return for such consideration;

The Company shall only issue Investor Shares in the relevant Sub-Fund once the assets referred to in the valuer's report have been transferred in favour of the Company to the satisfaction of the Directors and the Depositary.

All valuer reports issued by the auditors of the Company shall be held in Malta at the registered office of the Company.

The costs of any valuation of assets submitted as subscription in specie are to be borne by the relevant Subscriber.

### Exchange of Investor Shares

A holder of Investor Shares may exchange all or part of such holding (the **"Original Investor Shares"**) into Investor Shares in another Sub-Fund or in a different Class of Investor Shares of the same Sub-Fund (the **"New Investor Shares"**).

An irrevocable request from a Shareholder to exchange Investor Shares shall be construed as being a request for the repurchase of the stated number of Original Investor Shares (save that the repurchase monies shall not be released to the investor) and a simultaneous request for the proceeds from such repurchase to be applied in the purchase of New Shares as may be indicated. The exchange of Investor Shares shall take place on the same Dealing Day, or as otherwise agreed with the investor, at the relevant Offering Prices.

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

$$NS = \frac{[(A \times B) - C] \times D}{E}$$

where:

- NS = the number of New Investor Shares which will be issued; and
- A = the number of Original Investor Shares to be exchanged; and
- B = the Redemption Price of such Original Investor Shares on the relevant Dealing Day; and
- C = any transaction costs or other deductions which may be applicable; and
- D = if applicable, the rate of exchange determined by the Administrator for converting the currency of designation of the Original Investor Shares into the currency of designation of the New Investor Shares; and
- E = the Offering Price of the New Investor Shares on the relevant Dealing Day (adjusted for any fees or any commissions payable).

## Transfer of Investor Shares

### General

In order to acquire or hold Investor Shares in the Company, investors must satisfy the conditions set out in this Prospectus.

A Shareholder desiring to transfer his Investor Shares must make available to the Registrar the certificate(s), if issued, or other evidence representing the Investor Shares that such Shareholder desires to transfer, together with a written instrument of transfer executed by or on behalf of the proposed transferor setting forth:

- (i) the names and addresses of the proposed transferor and transferee;
- (ii) the number of Investor Shares to be transferred;
- (iii) the number of the certificates(s) representing such Investor Shares; and
- (iv) such other information as the Company may require, including information necessary to satisfy the Company that the proposed transfer complies with applicable laws and appropriate identification documentation is provided as required by the Company and/or the Administrator to comply with applicable anti-money laundering regimes.

The proposed transferee must, in the above-mentioned instrument of transfer, agree to take such Investor Shares subject to the same conditions and restrictions pursuant to which the Investor Shares were held by the transferor.

The Memorandum and Articles provide that the Directors may, except in relation to a class or classes of Investor Shares that are listed on a stock exchange or Approved Regulated Market, in their absolute discretion, decline to give effect to the proposed transfer of any Investor Share and may withhold approval for any reason. Where a class or classes of Investor Shares are listed on a stock exchange or Approved Regulated Market such Investor Shares will be freely transferable to other eligible investors. Please refer to the relevant Offering Supplement for details on eligibility and listing, if any.

Furthermore, the Directors or the Administrator may decline to register any transfer of Investor Shares:

- (i) unless the instrument of transfer is deposited at the office of the Administrator accompanied by the certificate of the Investor Shares to which it relates (if any) and such other evidence as the Administrator on behalf of the Company may reasonably require to prove the right of the transferor to make the transfer;
- (ii) if the Company has any lien on the Investor Shares being transferred;
- (iii) if the registration of transfers has been suspended by the Directors or the Administrator in accordance with the Memorandum and Articles.

If the Directors or the Administrator on behalf of the Company declines to register a transfer, it shall send notice to the transferee of such refusal within 4 weeks. If within 5 weeks of receipt by the Company of an acceptable instrument of transfer the Administrator on behalf of the Company does not deny permission for the transfer, the Company shall be deemed to have approved the transfer, and shall be obliged to register the transfer forthwith.

## Minimum Holding Requirements for Registration of Transfers

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

## Redemption of Shares

### Procedure

Subject to the restrictions appearing in this Prospectus, the Memorandum and Articles, or, in relation to a particular Sub-Fund, the related Offering Supplement, a Shareholder may cause any or all of his Investor Shares to be redeemed by the Company on a Redemption Day at the Redemption Price.

The Redemption Request must be delivered to the Company at the office of the Administrator. Redemption proceeds in the Base Currency of the redeemed Investor Shares will be transferred to a bank account previously specified by the shareholders. The Sub-Funds do not issue cheques for redemption proceeds. Redemptions will be suspended during any period when the calculation of a Sub-Fund's NAV per share is suspended. If an order to sell Investor Shares would bring an account below the required minimum balance, a Sub-Fund may sell all Investor Shares in the account and deliver the proceeds to the Shareholder. The Directors at times may permit Investor Shares to be redeemed through a payment-in-kind of securities done on an equitable basis and in a way consistent with the interest of all shareholders of the relevant Sub-Fund. The redeeming Shareholders bears the costs associated with redemption-in-kind, including cost of a valuation report from the Company's statutory auditors, unless the Company considers that the redemption-in-kind is in its interest.

### Redemption Price

The Redemption Price per Share on the relevant Valuation Day will be calculated to two (2) decimal places.

The Redemption Price is the NAV per Share calculated at the close of business on the relevant Valuation Day. The NAV per Share will reflect all accrued expenses, including accrued Investment Management Fees and Performance Fees, if any.

### Compulsory Redemption

The Company reserves the right to require a Shareholder to redeem its total shareholding, within one (1) Business Day of a notice of intent to do so, at the prevailing Redemption Price on the day that the requested redemption takes place, in the event that it is established that Investor Shares have been acquired by, or on behalf of, a US Person or in the event that the holding of Investor Shares by the Shareholder concerned may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or the Shareholders as a whole, or, if on any Valuation Day, the total value of the Investor Shares held by the Shareholder is less than the Minimum Holding for the Company or a Sub-Fund. Such compulsory redemptions will take place at the prevailing Redemption Price on the day that such redemption takes place.

### Total Redemption

If at any time after the first anniversary date of the incorporation of the Company the Net Asset Value of all the Investor Shares in the Company, calculated in accordance with the Prospectus, shall within a consecutive six month period be less than fifty million Euro (EUR 50,000,000) the Company may in accordance with the Articles and by providing not less than one (1) calendar month's prior notice to all affected holders of Investor Shares repurchase all the Investor Shares of the Company not previously repurchased. The same power shall apply in relation to a Class in the event that the aggregate Net Asset Value of all the Investor Shares in issue in that Class is less than ten million Euro (EUR 10,000,000) or its currency equivalent.

## Suspension of Redemption Request

Should it appear to the Administrator that the effect of a Redemption Request will result after the Redemption, in the Shareholder holding in aggregate less than the Minimum Holding, the Administrator shall immediately inform the applicant that the request for redemption has been suspended until the Notice is amended either to result in observance of the Minimum Holding of Investor Shares, after redemption, or to request the redemption of all of the outstanding Investor Shares in the name of the Shareholder.

## Suspension of Redemption

The Company may suspend the calculation of the Net Asset Value of a Sub-Fund and the right of any Shareholder to require redemption of any Investor Share and the issue of Investor Shares during;

- i. any period when any stock exchange on which a significant proportion of the investments of the Sub-Fund is quoted is closed otherwise than for ordinary holidays or during which dealings thereon are restricted or suspended;
- ii. any period when disposals of investments by the Sub-Fund cannot be effected normally or without seriously prejudicing the interests of Shareholders;
- iii. any period when for any reason, including but not limited to a breakdown in means of communication, the value of a significant part of the assets and liabilities of the Sub-Fund cannot be determined with sufficient accuracy by the deadlines required; or
- iv. any period when the Sub-Fund is unable to repatriate funds for the purpose of making payments on the redemption of Investor Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Investor Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange.

Notice of any such suspension will be given to all Shareholders in the relevant Sub-Fund, including any Shareholder tendering his Investor Shares for redemption.

Shareholders will be promptly notified upon the termination of such suspension.

## Deferral of Redemptions

Unless otherwise stated in the Offering Supplement in respect of a Sub-Fund, if on any Redemption Day a Sub-Fund receives requests to redeem Investor Shares totalling more than 5% of its net assets, the Sub-Fund may defer part or all of these requests until the next Redemption Day, or further, if it believes this action is necessary to protect the general interests of Shareholders. Requests deferred under this policy will be processed ahead of orders received subsequently and at the share price in effect when processing occurs, adjusted for any applicable dealing charges and commissions.

If in exceptional circumstances, and for whatever reason, redemption proceeds cannot be paid within the time frame set in the Offering Supplement relating to a Sub-Fund, for example when the liquidity of the relevant Sub-Fund does not permit, then payment will be made as soon as reasonably practicable thereafter (not exceeding, however, fifteen (15) Business Days from the relevant Redemption Day) at the NAV per Share calculated on the relevant Valuation Day.

## Frequent Trading

Investment in the Sub-Funds is intended for long term purposes only. The Directors will take reasonable steps to seek to prevent excessive and/or short term trading or similar abusive practices. Excessive and/or short term trading into and out of a Sub-Fund can disrupt or impair portfolio investment strategies, are likely to unnecessarily increase expenses and might negatively impact investment returns for all Shareholders, including long term Shareholders who do not generate these expenses. The Directors reserve the right to reject any redemption, purchase or conversion request delivered by any investor or group of investors if the Directors believe that such redemption, purchase or conversion request disrupts or impairs the trading activity in the portfolio(s) and accounts(s) of a Sub-Fund.

Investors need to be aware that there are practical restraints in both determining the policy which is appropriate in the interest of long term investors and in applying and enforcing such policy.

The right to convert or exchange Investor Shares is not intended to facilitate excessive and/or short term trading. The Directors reserve the right to reject any conversion order for any reason without prior notice.

## Fees, Compensation and Expenses

### Investment Management Fees

Under the terms of the Investment Management Agreement, each Sub-Fund may be bound to pay an Investment Management Fee and possibly a Performance Fee. Please refer to the Offering Supplement in respect of a Sub-Fund for further details in respect of the fees applicable to that Sub-Fund.

The Company may apply different fees to different Sub-Funds and to different Classes of Investor Shares in any Sub-Fund of the Company.

The Investment Manager will also be entitled to recover from the Company all properly incurred and approved out-of-pocket expenses.

The Investment Manager will be responsible for the fees of any Investment Advisor as well as any other delegate engaged by the Investment Manager.

### Charges and Expenses on target CISs

When the Company, on behalf of a Sub-Fund, invests in the units of other CISs managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company shall not charge subscription or repurchase fees on account of the investment by the Company on behalf of the Sub-Fund in the units of such other CISs, as the case may be.

If the Company, on behalf of a Sub-Fund, invests a Substantial Proportion of a Sub-Fund's net assets in other CISs, the maximum level of management fees that may be charged to the Sub-Fund by such CISs is 3%, which are additional fees to the Investment Management Fee. Details of such fees will also be contained in the Company's annual report. Furthermore, where a commission is received by the Investment Manager by virtue of an investment in the units of another CIS on behalf of a Sub-Fund, that commission shall be paid into the property of the relevant Sub-Fund.

### Third Party Compensation

The Investment Manager reserves the right to pay or waive at its sole discretion any part of its compensation to persons who may or may not be associated with the Investment Manager, or with whom it may contract, for services rendered to the Investment Manager or any Sub-Fund.

### Administrator's Fees

Under the terms of the Administration Agreement, each Sub-Fund is bound to pay an Administration fee as specified in the related Offering Supplement of each Sub-Fund.

The Administrator will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Depositary Fees

Each Sub-Fund is bound to pay a depositary fee as specified in the related Offering Supplement of each Sub-Fund.

The Depositary will be reimbursed for all reasonably incurred out-of-pocket expenses by the Depositary, whether directly or indirectly, in the performance of its functions or duties under the Depositary Agreement(s).

## Sponsoring Broker Fees

The Sponsoring Broker shall be paid a fee based on current market rates. The fee payable to the Sponsoring Broker shall not exceed EUR 5,000.

## Directors and Officers Fees and Expenses

The Directors will be paid annual fees for acting as Directors of the Company. The fees payable to the Directors shall not exceed EUR 40,000.

The Company will meet all travel, accommodation and other reasonable expenses incurred by the Directors in holding Board meetings and in relation to the business of the Company and will also be reimbursed for any justifiably incurred out-of-pocket expenses.

The maximum sum which will be paid to the Directors of the Company in the first year shall not exceed EUR 40,000 and such sum shall be maintained in subsequent years unless modified by the members of Company entitled to attend and vote at the general meeting of the Company.

## Company Secretary

The Company Secretary will be paid a minimum company secretary fee of EUR 2,500 per annum.

The Company Secretary will also be reimbursed for agreed out of pocket expenses.

## Audit and Legal Fees

Audit fees shall be agreed between the Company and the Auditors. Legal fees shall be agreed between the Company and the legal advisors and will be negotiated on a time-spent basis. Audit and legal fees will be paid out of the property of the Company. Any unrecoverable VAT, which may be incurred thereon, shall also be at the charge of the Company.

## Operating Expenses

Except as otherwise stated herein, the Company will also pay the following costs and expenses:

- i. all out-of-pocket expenses payable to the Investment Manager, the Administrator and the Depositary (including VAT thereon). Such out-of-pocket expenses may include transaction charges provided that they are charged at normal commercial rates;
- ii. all stamp duty (other than any payable by an applicant for Investor Shares or by a Shareholder) or other tax or duty which may be levied or payable from time to time on or in respect of the Company or on creation or issue of Investor Shares or arising in any other circumstance;
- iii. all fiscal and purchase or fiscal and sale charges arising on any acquisition or disposal of investments;
- iv. all expenses incurred in relation to the registration of any investments into and transfer of any investments out of the name of the Company or its nominees or the holding of any investment or the custody of investments and/or any Prospectus or title thereto (including bank charges, insurance of documents of title against loss in shipment, transit or otherwise);
- v. all expenses incurred in the collection of income of the Company;



- vi. all costs and expenses of and incidental to preparing resolutions of Shareholders for the purpose of securing that the Company conforms to legislation coming into force after the date of the incorporation of the Company (including costs and expenses incurred in the holding of a meeting of Shareholders, where necessary);
- vii. all taxation payable in respect of the holding of or dealings with or income from the Company relating to the Company's property and in respect of allocation and distribution of income to Shareholders other than tax of Shareholders or tax withheld on account of Shareholders' tax liability;
- viii. all commissions, stamp duty, value added tax and other costs and expenses of or incidental to any acquisition, holding, realisation or other dealing in investments, foreign exchange options, financial futures, contracts for differences or any other derivative instruments or the provision of cover or margin therefore or in respect thereof or in connection therewith;
- ix. all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates, statements, accounts and reports made, issued or despatched pursuant to the Memorandum and Articles;
- x. the fees and expenses of the auditors, tax and other professional advisers of the Company;
- xi. all fees and expenses in connection with the marketing and advertising of the Company;
- xii. any fees payable by the Company to any regulatory authority in any country or territory, the costs and expenses (including legal, accountancy and other professional charges and printing costs) incurred in meeting on a continuing basis the notification, registration and other requirements of each such regulatory authority, and any fees and expenses of representatives or facilities agents in any such other country or territory;
- xiii. all fees and costs relating to a scheme of reconstruction and amalgamation (to the extent it has not been agreed that such expenses should be borne by other parties) under which the Company acquires investments;
- xiv. fees in respect of company secretarial services;
- xv. any costs incurred as a result of publishing the Company's Share prices and
- xvi. all other costs and expenses incurred by the Company and any of its appointees which are permitted by the Memorandum and Articles.

The foregoing expenses will be properly vouched for or, if not vouched for, shall be charged to the Company at normal commercial rates. The Investment Manager and the Company may agree from time to time that certain of the costs and expenses set out above may be discharged by the Investment Manager and not the Company.

Fees charges or expenses incurred in relation to a particular Sub-Fund will be applied to that Sub-Fund. Expenses incurred in relation to more than one Sub-Fund will be applied:-

- pro-rata across the relevant Sub-Funds based on their respective net asset values, or
- on any other reasonable basis, given the nature of the charges identifiable with a particular Sub-Fund, that may be adopted by the Administrator in consultation with the Investment Manager.

## Organisational and Offering Expenses

Expenses incurred by the Company in connection with this offering shall be borne by the Company and shall be amortised over 60 months when calculating the NAV.

Offering expenses incurred in any subsequent offerings of Investor Shares in a new Sub-Fund will be paid directly by the Company. Unless otherwise stated in the related Offering Supplement, the Directors shall also amortise the organisational expenses of any new Sub-Fund over 60 months when calculating the NAV.

## Alterations to the Fees

The Directors may, at their sole discretion, agree to any changes to the fees applicable to any Sub-Fund provided that notice of any material alterations to the said fees as may apply to a Sub-Fund or to a Class of Investor Shares thereof and the date when the said alterations shall come into force shall be given to the Shareholders holding Investor Shares in the particular Sub-Fund or Class of Investor Shares thereof within fifteen (15) days from the date of the Directors' decision. Where the introduction of such alterations will effectively result in a material reduction in the rate of return to investors and/or the Sub-Fund, they shall only come into force after a period of at least thirty (30) Business Days from the date of such notice.

## Taxation

Brief details of the taxation treatment of the Investor Shares in Malta are set out below but it is entirely the responsibility of prospective shareholders to inform themselves as to any taxation or exchange control legislation affecting them personally. The following summary should not be considered legal or professional tax advice.

### General

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

The following is a summary of the anticipated tax treatment in Malta applicable to the Company and to its Members. This information, which does not constitute legal or tax advice, refers only to Shareholders who do not deal in securities in the course of their normal trading activity. The information below is based on tax law and practice applicable at the date of this Prospectus. Investors are reminded that tax law and practice and the levels of tax relating to the Company and the Shareholders may change from time to time.

### The Company

In terms of current legislation, collective investment schemes (including sub-funds of such collective investment schemes) are classified as either “prescribed” or “non-prescribed funds”. In general, a prescribed fund is defined as a fund resident in Malta, which has declared that the value of its assets situated in Malta amounts to at least eighty five per cent (85%) of the value of the total assets of the fund. Maltese resident funds which do not have such an exposure to Maltese assets and all non-resident funds are treated as being non-prescribed. The Company will be making the necessary declaration in relation to the status of a Sub-Fund as a **Prescribed** or **Non-Prescribed Fund** and this will be set out in the related Offering Supplement.

In respect of Sub-Funds which are classified as Non-Prescribed Funds, a tax exemption at the level of the Sub-Fund applies on all the income and capital gains derived by such Sub-Fund (except for income from immovable property situated in Malta, if any).

In respect of Sub-Funds which are classified as Prescribed Funds, such Sub-Funds will receive investment income (other than investment income paid by another licensed collective investment scheme) as defined in the Income Tax Act subject to a withholding tax and such investment income cannot be received by the said Sub-Funds gross of tax. The applicable rate of withholding tax is currently 15% on local bank interest and 10% on investment income other than local bank interest. Other income and capital gains (except for income from immovable property situated in Malta, if any) are tax exempt in the hands of Prescribed Funds.

The Company (whether in respect of Prescribed or Non-Prescribed Funds) is not entitled to a credit or to a refund of any tax at source deducted from income received by the Company.

In respect of both Prescribed and Non-Prescribed Funds, capital gains, dividends, interest and any other income from foreign securities held by the Company may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its investors.

The Company shall immediately notify the MSE of any change to the status of the Company for taxation purposes.

## Value Added Tax

Fees chargeable to the Company may be subject to VAT in accordance with applicable law. If any VAT is charged, this will generally not be recoverable by the Company.

## The Shareholders

### - **Capital Gains derived by Non-Maltese Resident Investors**

Capital gains realised by investors who are non-residents of Malta and who are not owned and controlled by, directly or indirectly, nor act on behalf of, individuals who are ordinarily resident and domiciled in Malta, on the transfer or redemption of Investor Shares in Prescribed or Non-Prescribed Funds are exempt from tax in Malta.

### - **Capital Gains derived by Maltese Resident Investors**

#### **Non-Prescribed Funds**

Capital gains realised by Maltese resident investors on redemption of Investor Shares or the transfer of Investor Shares to third parties in a Sub-Fund classified as a **Non-Prescribed Fund** are treated as follows:

In case of redemption of the Investor Shares by Maltese resident investors (other than (a) persons carrying on banking business or (b) persons carrying on the business of insurance or (c) companies owned and controlled, directly or indirectly, by such persons in (a) and (b)) any capital gain realised upon the redemption of units will be subject to a withholding tax of 15%. Such withholding tax will be deducted at source by the Company. In the case of Maltese resident persons carrying on banking business or carrying on the business of insurance or companies owned and controlled, directly or indirectly, by such persons and in case of Maltese resident investors who opt not to receive the capital gains subject to a 15% withholding tax, such investors will be bound to declare such capital gains in their personal income tax return and would be subject to tax at the normal rates of tax which are applicable to them.

In case of transfers of the Investor Shares by Maltese resident investors to third parties, the transferor is obliged to declare any capital gains in the income tax return and pay tax at the normal rates. Any capital gains on an eventual redemption will be calculated without reference to any intermediate transfer.

#### **Prescribed Funds**

Where the Investor Shares in a Prescribed Fund are listed on the Malta Stock Exchange or another recognised exchange any transfer or redemption of the said Investor Shares will be exempt from Maltese tax. Where the Investor Shares in a Prescribed Fund are not so listed then the transferor will be obliged to declare any capital gains in the income tax return and pay tax at the normal rates.

- **Capital Gains on Switches**

Capital gains arising from the exchange of investor shares from one Sub-Fund to another Sub-Fund within the same Company are only taxable when the investor shares are eventually disposed of. Any gains or losses arising from the intermediary exchange of investor shares will be taken into account in the computation of any final taxable capital gains.

- **Distributions by the Sub-Funds**

Distributions by the Sub-Funds (both Prescribed and non-Prescribed Funds) will be subject to a withholding tax if such distribution by the Sub-Fund is made out of what is known as the Untaxed Account and is made to:

- a) Maltese resident investors (other than Maltese resident companies), and
- b) non-Maltese resident investors (including non-resident companies) who are owned and controlled by, directly or indirectly, or who act on behalf of, individuals who are ordinarily resident and domiciled in Malta

The rate of withholding tax is 15% and such withholding tax will be deducted by the Company. Investors who receive dividends out of the untaxed account subject to the said 15% withholding tax are not required to declare such dividends in their Maltese income tax returns. However, such investors are entitled, depending on their personal circumstances, to declare such dividends in their income tax return and claim a credit of the 15% tax withheld.

The distribution of profits out of the untaxed account to persons (other than those mentioned in (a) and (b)) is not subject to withholding tax.

In view of the fact that a Non-Prescribed Fund will likely receive foreign source income from its investments and such foreign source income will be exempt from Maltese tax in the hands of the said Non-Prescribed Fund, it is expected that such Sub-Fund will be allocating the majority of its profits to its untaxed account.

## Duty on Documents and Transfers

Redemptions of Investor Shares by the Company and transfers of Investor Shares to third parties are exempt from duty on documents and transfers in Malta, as the Company is a licensed collective investment scheme and will be applying for a stamp duty exemption determination in terms of the applicable Maltese stamp duty legislation.

## FATCA Implementation in Malta

On 16<sup>th</sup> December 2013, the governments of Malta and the United States signed an agreement to “Improve International Tax Compliance and to Implement FATCA” (the “**Inter-Governmental Agreement**”). This agreement will significantly increase the amount of tax information automatically exchanged between Malta and the United States. It provides for the automatic reporting and exchange of information in relation to accounts held in Maltese “financial institutions” by U.S. persons and the reciprocal exchange of information regarding U.S. financial accounts held by Maltese residents. One or more Sub-Funds may be subject to these rules.

The Inter-Governmental Agreement provides that Maltese financial institutions will report to the Malta Finance Ministry or its delegates in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required

to report to the U.S. Secretary of the Treasury or his delegates in respect of any Malta-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

A Sub-Fund (and / or the Administrator) shall be entitled to require investors to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which a Sub-Fund may have as a result of the Inter-Governmental Agreement or any legislation issued in connection with the agreement and investors will be deemed, by their subscription for or holding of Shares to have authorised the automatic disclosure of such information by the issuer or any other person to the relevant tax authorities.

Other jurisdictions may enact legislation, regulations or official guidance which may result in further intergovernmental agreements with potentially similar reporting exchange of information and/or withholding obligations.

### Common Reporting Standards

The Organisation for Economic Co-operation and Development (OECD) has developed a new global standard for the automatic exchange of financial information between tax authorities (the “**Common Reporting Standard**”), which is similar to FATCA. Malta is a signatory jurisdiction to the Common Reporting Standard.

The European Union directive regarding the taxation of interest income (the “**EU Savings Directive**”) has been repealed and was effectively replaced by EU Council Directive 2014/107/EU. EU Council Directive 2014/107/EU extends the scope of mandatory exchange of information between EU member states to financial account of information. This extension effectively incorporated the Common Reporting Standard in the EU Directives concerning automatic exchange of information.

The EU Council Directive 2014/107/EU and the Common Reporting Standard have been implemented in Maltese legislation through the publication of the Co-Operation with Other Jurisdictions on Tax Matters (Amendment) Regulations with effect from 1 January 2016 and the Inland Revenue has published guidelines in this respect.

The said requirements, may impose additional burdens and costs on the Company (or each Sub-Fund) and/or its Investors.

The Company (or each Sub-Fund) may require certain additional financial information from Investors and financial intermediaries acting on behalf of Investors to comply with its diligence and reporting obligations. If the Company (or each Sub-Fund) is unable to obtain the necessary information from Investors, it may take any steps necessary to avoid resulting sanctions, which may include (but are not limited to) compulsorily redeeming the relevant Investor.

### Financial Transaction Taxes

A number of jurisdictions have implemented, or are considering implementing, certain taxes on the sale, purchase or transfer of financial instruments (including derivatives), such taxes commonly known as the “Financial Transaction Tax” (“**FTT**”). Prospective investors should consult their own tax advisers in relation to the consequences of any FTT associated with subscribing, purchasing, holding and disposing of shares in Sub-Funds.

## Other Taxes

Prospective shareholders should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

Potential investors should consult their own professional advisor on the possible tax implications of buying, holding, transferring or selling any of the Shares under the laws of their countries of citizenship, residence and domicile. No warranty is given or implied regarding the applicability or interpretation of the tax laws in any jurisdiction.

**PROSPECTIVE SHAREHOLDERS SHOULD CONSULT THEIR OWN PROFESSIONAL TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SHARES OF THE COMPANY TO THEM INDIVIDUALLY. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF AN INVESTOR. THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO INVESTORS.**

## Indemnities

The Company has agreed that with respect to any actions in which any of its Officers, Directors, employees and agents is a party, the Company shall indemnify and hold harmless such person against any loss, claim, damage, charge, liability or expense (including reasonable attorneys' and accountants' fees), judgements and amounts paid in settlement, provided such actions did not involve fraud, negligence or wilful default. Expenses may be paid by the Company in advance of the final disposition of such action if the indemnified person agrees to reimburse the Company in the event indemnification is not permitted.

The Company may purchase and maintain insurance in relation to the Directors against any liabilities asserted against them.

In addition, the Company has granted indemnities to the Investment Manager, the Depositary and the Administrator and each of their Directors, Officers, employees and agents in respect of actions brought against them in their respective capacities as set out in the Investment Management Agreement, the Administration Agreement and the Depositary Agreement(s).



## Net Asset Value Calculation

### Allocation of Assets and Liabilities

The Directors and/or their appointed delegates shall allocate assets and liabilities amongst such Sub-Funds in the following manner:

- i. the proceeds from the issue of one or more classes of Investor Shares in a Sub-Fund, shall be applied in the books and records of that Sub-Fund, and the assets less the liabilities plus income less expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions of the Memorandum and Articles;
- ii. where any asset is derived from another asset (whether cash or otherwise), the derived asset shall be applied to the same Sub-Fund as the assets from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Sub-Fund;
- iii. in the case of any asset which the Directors do not consider as attributable to a particular Sub-Fund, the Directors shall have discretion, subject to the approval of the Depositary, to determine the basis upon which any such asset shall be allocated between Sub-Funds and the Directors shall have the power at any time, subject to the approval of the Depositary, to vary such basis provided that the approval of the Depositary shall not be required in any such case where the asset is allocated between all Sub-Funds pro rata to their Net Asset Values at the time when the allocation is made;
- iv. the Directors shall have the discretion, subject to the approval of the Depositary, to determine the basis upon which any liability (which, without limitation, may include all operating expenses of the Company such as stamp duties, taxes, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors and legal advisers, the costs of printing and distributing reports, accounts and any prospectus, publishing prices and any relevant registration fees etc.) shall be allocated between Sub-Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have the power at any time and from time to time to vary such basis, provided that the approval of the Depositary shall not be required in any such case where a liability is allocated between the Sub-Funds pro rata to their Net Asset Values; and
- v. subject to the approval of the Depositary, the Directors may transfer any assets to and from Sub-Funds if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability would be borne in a different manner from that in which it would have been borne under paragraph iv. above or in any similar circumstances.

The calculation of the Net Asset Value on each Valuation Day shall be notified to the MSE as soon as practicable after its calculation in accordance with the requirements of the MSE.

### Calculation of NAV

The Net Asset Value of each Sub-Fund shall be determined by calculating the net difference between the fair market value of its assets and the fair market value of its liabilities calculated on the basis of the provisions of the Memorandum and Articles as outlined in Appendix 2.

On any Valuation Day the Directors, the Administrator and/or their appointed delegates shall calculate the Net Asset Value as follows:

- i. The value of the assets of a Sub-Fund will be based on valuations obtained by the Directors, the Administrator and/or their appointed delegates in accordance with the provisions of the Articles. The Directors, the Administrator and/or their appointed delegates may rely on independent sources, including recognised pricing services, when practicable. When such valuation sources are not available, the Directors, the Administrator and/or their appointed delegates may rely on valuation agents, appointed by the Company which may include affiliates of the Investment Manager. In such later case, the Directors and/or their appointed delegates will ensure that the valuation procedure of any affiliates of the Investment Manager is being independently reviewed from time to time.
- ii. All liabilities of a Sub-Fund shall be valued in accordance with the provisions of the Memorandum and Articles.
- iii. Subject to what is stated under the sub-title 'NAV per Share' hereunder, if the value of a Sub-Fund's assets is adjusted after any Valuation Day, the Administrator and the Directors will not be required to revise or recalculate the NAV on the basis of which subscriptions, redemptions or exchange of Shares of that Sub-Fund may have been previously accepted.
- iv. For the purpose of the calculation of the NAV per Share, the value of assets or liabilities denominated in a currency other than the Base Currency of that Investor Share shall be determined by taking into account the rate of exchange prevailing at the time of the determination of the NAV.

Additional conditions relating to the calculation of the NAV of any particular Sub-Fund (including Classes thereof) will, if applicable, be found in the relative Offering Supplement.

The Net Asset Value of the Sub-Fund and the NAV per Share will be published on every Dealing Day on the website of the Administrator.

### NAV per Share

Where a Sub-Fund is constituted by one class of Investor Shares, its NAV per Share shall be determined by calculating the NAV divided by the number of Investor Shares outstanding. Where a Sub-Fund is constituted by more than one class of Investor Shares, the NAV per Share (of each class of Shares in that Sub-Fund) shall be determined by calculating the NAV attributable to that Class of Investor Shares divided by the number of Investor Shares outstanding in that Class.

The NAV per Share shall be calculated to two (2) decimal places, and shall be expressed in the Base Currency of the class of the Investor Share concerned.

## General and Statutory Information

### Annual and Half-Yearly Reports

The Accounting Reference Date adopted by the Company is the 31<sup>st</sup> December. The first Accounting Period commenced on the date of registration of the Company and ended on the 31<sup>st</sup> December, 2011.

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards and are audited annually at the Company's expense by an independent firm of auditors. The Company will also issue unaudited interim financial statements.

The Annual Report will be published within four (4) months after the end of the Accounting Period. This shall be sent to (i) the Listing Authority within four (4) months of the end of the Accounting Period and (ii) Shareholders, on request and free of charge. The half-yearly unaudited interim financial statements will be published within two (2) months after the date on which they are to be prepared.

Copies of the annual report issued by the Company as of 31<sup>st</sup> December each year will be mailed to registered Shareholders and to the MFSA within a maximum period of four (4) months of the date thereof and at least twenty one (21) days before the general meeting of the Company at which they are to be submitted for approval. In terms of the MFSA Rules, the Company is also required to prepare unaudited semi-annual reports covering the first six (6) months of each financial year (i.e. as at 30<sup>th</sup> June of each year) and to send the same to Shareholders within two months from the end of the period to which they relate.

### Ownership of Shares in the Company

The Directors in their personal capacities, or entities in which the Directors may have a management or financial interest, may from time to time invest in the Company and may increase or decrease such holdings without notice.

Ownership of Shares in the Company will be evidenced by book entries in registers of the Company maintained by the Administrator and Shares will not be certificated.

Pledges of Shares will also be evidenced in the same manner.

### Annual General Meeting

A general meeting of all the holders of voting Shares in the Company shall be held at least once every year, in Malta or such other place as shall be determined by the Directors. At this meeting there shall be discussed matters requiring the approval of these Shareholders according to the Articles and the Companies Act, including the audited accounts of the Company and its Sub-Funds.

Holders of voting Shares in the Company may attend in person or by proxy. All the holders of voting Shares shall be entitled to one (1) vote per Share held. Shareholders will not be entitled to vote on matters relating to particular Sub-Funds in which they do not hold any Investor Shares.

Notice of the meeting will be sent to all holders of voting Shares included in the Register of Members held by the Company, thirty (30) days before the date of the relevant Annual General Meeting.

## Compliance Officer

The Company is required to appoint an individual resident in Malta as its Compliance Officer. The Compliance Officer shall act as point of liaison between the MFSA and the Company, receive any instructions from the MFSA, provide any information to MFSA as may be requested by the MFSA from time to time and generally to ensure compliance by the Company with the licence conditions arising from the MFSA Rules.

## Access to Information

All prospective investors shall be given full access to information appropriate for their consideration in determining whether to invest in the Company and its Sub-Funds. Accordingly, prospective investors may communicate in this regard with the Administrator in so far as the services of the Administrator are concerned.

In addition to the documents referred to in this Prospectus, certain additional documents will be made available to prospective investors upon written request. The Company or its representatives will also answer enquiries from prospective investors concerning matters relating to the Company.

## Languages in which the Shareholder may communicate

Shareholder requests will be sent in the English language addressed to the Company at the registered office of the Administrator. The Company shall revert in the English language. This Prospectus, the Offering Supplements, the Memorandum and Articles, the Annual and Interim Reports and any other marketing communication documents are made available in the English language. The KIIDs will, however, also be made available in such other languages as required in terms of the UCITS Regulations.

## Documents Available for Inspection

Copies of the following documents will be available for inspection by prospective and existing investors or their representatives at the registered office of the Company, or at the offices of the Administrator:

- the Memorandum and Articles, and Certificate of Incorporation of the Company
- the latest Prospectus and Offering Supplements for all Sub-Funds
- the Key Investor Information Documents
- the Investment Management Agreement
- the Investment Advisory Agreement, if any
- the Depositary Agreement(s)
- the Administration Agreement
- the Service Agreements of Directors
- the ISA
- the latest Annual and Half Yearly report of the Company

## Remuneration Policy of the Investment Manager

The Investment Manager has a remuneration policy in place to ensure compliance with the UCITS Directive. This remuneration policy imposes remuneration rules on staff and senior management within the Investment Manager whose activities have a material impact on the risk profile of the Sub-Funds. The Investment Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management will not encourage risk-taking which is inconsistent with the risk profile of the Sub-Funds, and will be consistent with the UCITS Directive. The Investment Manager will ensure that the remuneration policy is at all times consistent with the business strategy,

objectives, values and interests of the Company, the Sub-Funds and Shareholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times. Further details with regard to the remuneration policy will be available at the following website: [www.cc.com.mt](http://www.cc.com.mt). The remuneration policy may be obtained free of charge on request from the Investment Manager.

## Subscribers' Undertakings & Warranties

Subscribers should take notice that by completing and executing the Subscription Application, the Subscriber is entering into the following undertakings and giving the following warranties specified herein below:

- The Subscriber irrevocably subscribes for the Investor Shares as specified in the Subscription Application, as may be determined in accordance with the Memorandum and Articles at the Initial Offering Price or, if this Application is made after the Closing Date, at the prevailing Offering Price per Share on the next Subscription Day following acceptance of this application by the Company. The Subscriber understands that fractional Shares may be issued.
- The Subscriber acknowledges that Investor Shares will be issued on the next Subscription Day following receipt of both the Subscription Application and the subscription monies in cleared funds, the former of which must be received by the Company at the office of the Administrator and the latter of which must be received by the Company, no later than the Closing Date and thereafter within the deadlines stated in the relative Offering Supplement.
- The Subscriber agrees that subscriptions and redemptions made in currencies other than the Base Currency of the relevant class of Investor Shares will be sold or purchased by the Company at market rates for the said designated currency and Investor Shares will be issued, or payment of redemption proceeds will be made, to the value of the said designated currency proceeds and the Subscriber accepts the exchange risk and costs relating to that transaction.
- The Subscriber acknowledges and confirms receipt of, and that he has read, is familiar with and understands this Prospectus, the related Offering Supplement and the latest annual financial statements.
- The Subscriber recognises that an investment in a Sub-Fund of the Company may involve a high degree of risk and has taken full cognisance of and understands all of the risk factors related to the purchase of Investor Shares, including but not limited to those set forth in this Prospectus under the heading "Risk Factors" and such other specific risk factors that may be set out in the Offering Supplement of the relevant Sub-Fund. In evaluating the suitability of an investment in the Company, the Subscriber has not relied upon any representations or other information (whether oral or written) other than as set forth herein.
- The Subscriber has taken the advice of professional advisors who have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of this investment and the Subscriber is fully capable of assessing and bearing the risks involved in the Subscriber's own right or with the benefit of such professional advice received.
- The Subscriber acknowledges the Minimum Investment and Minimum Holding applicable to the Sub-Fund as outlined in the related Offering Supplement.
- The Subscriber warrants that it has the knowledge, experience, and expertise in financial matters to evaluate the risks and understands the relevant Sub-Fund's investment policy, has received, read and understood this Prospectus and the Offering Supplement relating to the relevant Sub-Fund and is aware of the risks inherent in investing in the Investor Shares relating to the Sub-Fund and the method by which the assets of the Sub-Fund are held and traded, as described in this Prospectus/the related Offering Supplement and the Subscriber

can bear the risk of loss of his/her entire investment.

- The Subscriber agrees that the Investor Shares hereby subscribed for will be held subject to the terms and conditions of the Memorandum and Articles as amended from time to time and that the Company will fully protect and indemnify its Directors, the Investment Manager and the Depositary including their delegates, against liability for all acts taken on his or its behalf, except for acts involving gross negligence or misconduct.
- The Subscriber fully appreciates the Company's rights to accept or reject all applications for subscription in its sole discretion. In order to induce the Company to accept this subscription, the Subscriber agrees, represents and warrants that the Investor Shares hereby subscribed for are not being acquired for the account of any person who is, directly or indirectly by a US person. The Subscriber further agrees that no Investor Shares hereby subscribed for will at any time be directly or indirectly transferred to any person described above without first seeking written authority from the Company for such transfer; that the Subscriber will promptly notify the Company if and when the Subscriber should become such a person while the Subscriber owns any Investor Shares of the Company; that should the Subscriber become such a person while the Subscriber owns any Investor Shares of the Company, those Investor Shares may be compulsorily redeemed at the prevailing Redemption Price at the convenience of the Company; and that prior to effecting any transfer of Investor Shares, a representation that the proposed transferee is not such a person may be required. It is expressly understood that confirmation of ownership of Investor Shares in the Company may contain a legend referring to the foregoing restriction on ownership and transfer of Shares.
- The Subscriber agrees that no Investor Shares hereby subscribed for may at any time be transferred to any other person without first seeking the approval of the Company in accordance with the provisions of the part entitled "Transfer of Investor Shares" under the Section entitled "Purchase, Exchange and Transfer of Investor Shares".
- The Subscriber acknowledges and accepts that no share certificates will be issued unless the Subscriber specifically requests the Company to issue a share certificate and makes such request in writing.
- The Subscriber acknowledges and accepts that the Subscription Application is governed by Maltese law and hereby submits to the non-exclusive jurisdiction of the Courts of Malta.
- The Subscriber confirms that, to the best of the Subscriber's knowledge and belief, the Subscriber's subscription monies are not, in whole or in part, the proceeds of drug trafficking or any other criminal activity, nor do they represent, in whole or in part, directly or indirectly, such proceeds.
- If the Subscriber is an individual person, or is a nominee for an individual person, he warrants that he is, and the beneficial owners (if applicable) are, at the date of execution of the Subscription Application, greater of 18 years of age, or the minimum age permitted to enter into a legally binding and irrevocable contract, such as the Subscription Application, in his, or the beneficial owner's country of residence.
- The Subscriber acknowledges that it has read and understood the part headed "Prevention of Money Laundering and Data Protection" in the Prospectus and further acknowledges that the Company, Administrator or other service provider to the Company may be required by applicable laws and/or regulations to take further reasonable steps to, *inter alia*, establish and verify the identity of the Subscriber or of any other person whom the Company, the Administrator or other service provider knows or has reason to believe is a person for whom or on whose behalf the Subscriber is acting ("**Beneficiary**"), including its beneficial owner, and the Subscriber

undertakes to co-operate with and assist the Company, the Administrator or other service provider in relation to such steps. The Subscriber acknowledges that the Company, the Administrator or other service provider shall be held harmless and indemnified by the Subscriber against any loss arising as a result of a failure to process the Subscription Application if any information required by the Company, the Administrator or other service provider has not been provided by the Subscriber. In this context, the Subscriber hereby agrees that it will provide the relevant information and/or documentation requested in terms of the Subscription Application.

- The Subscriber acknowledges that if the Subscriber wishes to redeem his Investor Shares, but certain requested information has not been provided to the Company or the Administrator, the redemption will be acted upon but no monies will be paid to the Subscriber. Instead, the monies will be held in the Subscriber's name at the Company's account and the Subscriber will bear all associated risks.
- The Subscriber confirms that, if it is a "Designated Body" (which is a bank, insurance company, or other financial institution, or financial intermediary, which is (i) domiciled in an EU member state, and/or is not listed on the OECD black or grey-list and is not listed on the FATF high-risk and other monitored jurisdictions and (ii) is regulated by an approved regulated body), subscribing for and on behalf of a Beneficiary as nominee, it has verified the identity of the Beneficiary and its ultimate beneficial owner(s) in accordance with applicable anti-money laundering laws and/or regulations. In this respect, the Subscriber further confirms that it has screened the Beneficiary and its ultimate beneficial owner(s) against the sanctions lists issued by the United Nations, European Union, OFAC and HM Treasury and confirm that the Beneficiary and its ultimate beneficial owner(s) are not listed on the above-mentioned sanction lists.
- The Subscriber, acknowledges that at subscription stage and on an ongoing basis, the Company (whether directly or through its delegates or service providers) has discretion to request information, documentation and/or data in relation to the Subscriber, Shareholder, Beneficiary and ultimate beneficial owner(s) of the investment in the Company and that in this respect the Subscriber / Shareholder undertakes to provide, immediately upon request, all requested information, documentation and/or data which the Company (whether directly or through its delegates or service providers) may request from time to time on the Subscriber, Shareholder, Beneficiary and/or the ultimate beneficial owner of the Beneficiary.
- The Subscriber consents to the release by the Remitting Bank from which the subscription was made to the Company and/or the Administrator or other service provider of all evidence of the Subscriber's identity which said bank/financial institution shall have retained. The Subscriber agrees that such evidence may further be furnished by the Company and/or the Administrator to any other service provider to the Company upon request, to enable such other service provider to meet its obligations under applicable laws and/or regulations.
- The Subscriber hereby authorises the Company and the Administrator to obtain verification of any information provided by the Subscriber as part of its subscription application.
- The Subscriber agrees to provide any other information that may be required from time to time in compliance with relevant regulations.
- The Subscriber acknowledges that suspicious events are reportable, under the Maltese prevention of money laundering laws and regulations and, by way of example, failure to provide justification for the change of bank account, or a request to pay the proceeds into a bank account in a jurisdiction which the Subscriber is not a resident could be deemed suspicious and therefore would be reportable under the regulations and may cause



the payment to be delayed or refused.

- The Subscriber acknowledges that all information supplied to the Administrator will be subject to the protections of data protection legislation. The Subscriber further acknowledges that, should it be necessary, either to fulfil, a legal requirement or to facilitate the efficient execution of the administrative functions, that data supplied may be transferred, to the extent necessary and in compliance with data protection legislation and the provisions of the Prospectus.
- The Subscriber agrees that, where redemption requests made by the Subscriber are sent to the Company at the office of the Administrator by facsimile, the Subscriber shall immediately send the original such notice to the Company at the office of the Administrator by post or by courier but that the Administrator shall, nonetheless, be entitled, but not obliged, to treat such facsimile notice at face value and to act thereon if the original has not arrived by the relevant Subscription Day.
- Exceptions are made where the delivery of the communication has been acknowledged by a signed receipt. The Subscriber further agrees to indemnify and hold harmless the Company, the Investment Manager, the Administrator, the Depositary, their directors and other officers, servants, employees and agents from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the gross negligence, fraud or wilful default of the Company, the Investment Manager, the Administrator, their directors or other officers, servants, employees or agents in its treatment of such facsimile notice) which may be imposed on, incurred by or asserted against the Company, the Investment Manager, the Administrator, the Depositary their directors or other officers, servants, employees or agents in its treatment of such facsimile notice.

## Directory

<b>Directors of the Company</b>	Mr. Nicholas Calamatta Mr. Alexander Cuschieri Mr. Alan Cuschieri Mr. Carmel J Farrugia
<b>Registered Office</b>	Ewropa Business Centre, Dun Karm Street, B'Kara BKR 9034, Malta
<b>Investment Manager</b>	<b>Calamatta Cuschieri Investment Management Limited</b> Ewropa Business Centre, Dun Karm Street, B'Kara BKR 9034, Malta
<b>Depository</b>	<b>Sparkasse Bank Malta Public Limited Company</b> 101 Townsquare, Ix-Xatt ta' Qui-si-Sana, Sliema SLM 3122, Malta
<b>Administrator</b>	<b>CC Fund Services (Malta) Limited</b> Ewropa Business Centre, Dun Karm Street, B'Kara BKR 9034, Malta
<b>Auditors</b>	<b>Deloitte Audit Limited</b> Deloitte Place, Triq l-Intornjatur, Zone 3, Central Business District, Birkirkara, CBD 3050, Malta
<b>Legal Advisors</b>	<b>GANADO Advocates</b> 171, Old Bakery Street, Valletta VLT1455, Malta
<b>Company Secretary</b>	<b>CC Fund Services (Malta) Limited</b> Ewropa Business Centre, Dun Karm Street, B'Kara BKR 9034,

Malta

**Sponsoring Broker**

**Michael Grech Financial Services Limited**

The Brokerage, Level 0,  
St. Marta Street,  
Victoria VCT 2550,  
Gozo, Malta

## Appendix 1: Approved Regulated Markets

The following is a list of Approved Regulated Markets as the term is defined and used in this Prospectus:

- 1 (a) any stock exchange which is:
  - located in an EEA Member State; or
  - located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America; or
- (b) any stock exchange included in the following list:-
  - Argentina - Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza,
  - Bahrain - Bahrain Stock Exchange;
  - Bangladesh - Chittagong Stock Exchange and Dhaka Stock Exchange;
  - Bolivia - Mercada La Paz Stock Exchange and Santa Cruz Stock
  - Botswana - Botswana Stock Exchange;
  - Brazil - Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
  - Channel Islands - Channel Islands Stock Exchange;
  - Chile - Santiago Stock Exchange and Valparaiso Stock Exchange;
  - China - Shanghai Stock Exchange, Fujian Stock Exchange, Hainan
  - Colombia - Bolsa de Bogota and Bolsa de Medellin;
  - Ecuador - Quito Stock Exchange and Guayaquil Stock Exchange;
  - Egypt - Cairo Stock Exchange and Alexandria Stock Exchange;
  - Ghana - Ghana Stock Exchange;
  - India - Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabad Stock Exchange, Bangalore  
Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, -Ludhiana Stock Exchange, Uttar

Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;

- Indonesia - Jakarta Stock Exchange and Surabaya Stock Exchange;
- Jordan - Amman Stock Exchange;
- Kazakhstan - Kazakhstan Stock Exchange;
- Kenya - Nairobi Stock Exchange;
- Korea - Korean Stock Exchange;
- Kuwait - Kuwait Stock Exchange;
- Lebanon - Beirut Stock Exchange;
- Malaysia - Kuala Lumpur Stock Exchange;
- Mauritius - Stock Exchange of Mauritius;
- Mexico - Bolsa Mexicana de Valores;
- Morocco - Casablanca Stock Exchange;
- Namibia - Namibian Stock Exchange;
- Nigeria - Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
- Oman - Muscat Securities Market;
- Pakistan - Lahore Stock Exchange and Karachi Stock Exchange;
- Palestine - Palestine Stock Exchange;
- Peru - Bolsa de Valores de Lima;
- Philippines - Philippines Stock Exchange;
- Qatar - Doha Stock Exchange;
- Romania - Bucharest Stock Exchange;
- Russia - RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
- Saudi Arabia - Riyadh Stock Exchange;
- Singapore - The Stock Exchange of Singapore;

- South Africa - Johannesburg Stock Exchange;
- Swaziland - Swaziland Stock Exchange;
- Sri Lanka - Colombo Stock Exchange;
- Taiwan - Taipei Stock Exchange Corporation;
- Thailand - The Stock Exchange of Thailand;
- Turkey - Istanbul Stock Exchange;
- Ukraine - Ukrainian Stock Exchange;
- Uruguay - Montevideo Stock Exchange;
- Venezuela - Caracas Stock Exchange and Maracaibo Stock Exchange;
- Zambia - Lusaka Stock Exchange;

(c) any of the following:

- The market organised by the International Capital Market Association;
- The (i) market conducted by banks and other institutions regulated by the FCA and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;
- The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;
- The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
- KOSDAQ;
- NASDAQ;
- SESDAQ;
- TAISDAQ/Gretai Market;
- The Chicago Board of Trade;
- The Chicago Mercantile Exchange;

- The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
  - The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;
  - The French market for Titres de Créance Negotiable (over-the-counter market in negotiable debt instruments);
2. In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is
- i. located in an EEA Member State,
  - ii. located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland or the United States,
  - iii. the Channel Islands Stock Exchange, or
  - iv. listed at 1(c) above.

The stock exchanges and regulated markets described above are set out herein in accordance with the requirements of the MFSA.

## Appendix 2: Excerpt from the Articles of Association

### Determination of Net Asset Value

11.1 The Company on each Valuation Day shall determine the Net Asset Value and the Net Asset Value per Share of each class of Investor Shares in the Company and the Sub-Funds, which shall be the value of the assets less the liabilities of the Company attributable to such class divided by the number of Shares in issue in such class. The Net Asset Value and the Net Asset Value per Share shall be expressed in the Base Currency as per Share figure for each class of Shares in issue rounding down to such decimal figure of the relevant Base Currency as may be outlined in the Prospectus or the relative Supplement. The Net Asset Value and the Net Asset Value per Share shall be determined for each Valuation Day in accordance with this Article. The frequency of Valuation Days shall be determined in accordance with the Prospectus.

11.2 Subject to the provisions of Article 11.3, the value of the assets comprised in a Sub-Fund shall be ascertained on the following basis:-

#### *Quoted Investments*

- (A) the value of any Investment quoted, listed or normally dealt in, on or under the rules of an Approved Regulated Market shall be calculated in the following manner:
  - (i) by reference to the price appearing to the Directors to be
  - (ii) the latest available dealing price or (if bid and offered quotations are made) the latest available middle quotation on such Approved Regulated Market; and
  - (iii) if an Investment is quoted, listed or normally dealt in, on or under the rules of more than one Approved Regulated Market, the Directors may adopt the price or, as the case may be, the middle quotation on the Approved Regulated Market which, in their opinion, provides the principal market for such Investment; and
  - (iv) in the case of any Investment which is quoted, listed or normally dealt in, on or under the rules of a Approved Regulated Market but in respect of which, for any reason:
    - (a) prices on that Approved Regulated Market may not be available at any relevant time; or
    - (b) the value thereof based on the said prices or quotations as described in paragraphs (i) and (ii) above does not establish, in the opinion of the Directors, the fair value of any Investment,

then the value thereof shall be determined by such professional person as may be appointed by the Directors for such purpose or generally in relation to some or all the Investments of the Company and for such time as may be determined by the Directors.

#### *Unquoted Investments*

- (B) the value of any Investment which is not quoted, listed or normally dealt in, on or under the rules of a Approved Regulated Market shall be the initial value thereof ascertained as hereinafter provided or the



value thereof as assessed on the latest valuation thereof made in accordance with the provisions hereinafter contained. For this purpose:-

- (i) the initial value of such an Investment shall be the amount expended by the Sub-Fund in the acquisition thereof (including in each case the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Company); or
- (ii) the Directors may at any time cause a valuation to be made of any such Investment at a fair market value by such competent person as may be appointed for such purpose by the Directors.

#### *Units in a Collective Investment Scheme*

- (C) the value of each unit or share in any collective investment scheme which provides for the units or shares therein to be realised at any time at net asset value shall be the last published net asset value per unit or share.

#### *Cash, deposits and similar property*

- (D) cash, deposits and similar property shall be valued at their face value (together with accrued interest).

#### *Other Investments and General*

- (E) other Investments shall be valued in such manner and at such time or times as the Directors shall from time to time determine.
- (F) where any Investment has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such Investment shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration included or excluded as the Directors shall from time to time determine.
- (G) there shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Directors may have determined to amortise less the amount thereof which has previously been or is then to be written off.
- (H) where an amount in one currency is required to be converted into another currency, the Directors may effect such conversion using the latest available rates of exchange as the Directors shall determine at the relevant time except where otherwise specifically provided therein.
- (I) where the current price of an Investment is quoted ex dividend or interest, there shall be added to the assets a sum representing the amount of such dividend receivable by the Sub-Fund but not yet received, and there shall be taken into account interest accrued on interest-bearing Investments up to the date at which the valuation is made unless such interest is included in the price or quotation referred to in paragraph (A) above.
- (J) there shall be added to the Investments the amount of income (if any) available for allocation in respect of the last preceding Accounting Period but in respect of which no allocation has been made.
- (K) any amount of dividend which has been declared by the Company but not paid will continue to be treated as an asset until it is actually paid.

- (L) financial derivative instruments shall be valued on the basis of the prices provided by the counterparty to the OTC financial derivative instrument.

#### *Deductions*

- (M) there shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including tax (if any) as in the estimate of the Directors is chargeable in respect of the current or previous Accounting Period, outstanding borrowings, and accrued interest on borrowings (if any), but excluding liabilities taken into account in terms of subparagraph (N) below;

- (N) where, in consequence of any notice or repurchase request duly given, a reduction of the Sub-Fund by the cancellation of shares has been or is to be effected but payment in respect of such reduction has not been completed, the shares in question shall be deemed not to be in issue and any amount payable in cash or Investments out of the capital of the Sub-Fund in pursuance of such reduction shall be deducted.

- 11.3 Notwithstanding anything contained in Article 11.2 above, the Directors may, after consultation with the Depositary, adjust the value of any Investment or other property or permit some other method of valuation to be used if they consider that in the circumstances (including without limitation a material volume of subscriptions or requests for repurchase of shares in the Sub-Fund; or the marketability of the Investments or other property; or such other circumstances as the Directors deem appropriate) such adjustment or other method of valuation should be adopted to reflect more fairly the value of such Investment or other property.
- 11.4 The Directors shall not be under any liability by reason of the fact that a value reasonably believed by them to be the correct value of any Investment may subsequently be found not to be such.
- 11.5 Without prejudice to their general powers to delegate their functions herein contained, the Investment Manager may delegate any of its functions in relation to the calculation of Net Asset Value to the Administrator, or to any other duly authorised person. In the absence of wilful misconduct or manifest error, every decision taken by the Investment Manager or by the Administrator or any duly authorised person in calculating the Net Asset Value shall be final and binding on the Company and on present, past or future Members.
- 11.6 The Company, the Investment Manager or the Administrator shall not be responsible for any error in calculating the value of assets, if the Company, the Investment Manager or the Administrator has acted in good faith when making such calculations, and no adjustments shall be made to the values of any assets unless the valuation error exceeds 0.5% (half a percentage point) of the Net Asset Value in which case it shall be adjusted. The MFSA shall be notified of such event together with information on such remedial action which the Company, the Investment Manager or the Administrator propose to take to ensure that such error does not occur again.