

**PAN-EUROPEAN OPPORTUNITIES FUND S.C.A., SICAV-RAIF**

(the “Company”)

*A société en commandite par actions qualifying as an investment company with variable capital – reserved alternative investment fund (société d'investissement à capital variable– fonds d'investissement alternatif réservé)*

*Established pursuant to the Luxembourg law of 23 July 2016 relating to reserved alternative investment funds, as amended or supplemented from time to time*

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**PRIVATE PLACEMENT MEMORANDUM**

**October 2023**

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**IMPORTANT NOTICE**

THE SUBSCRIPTION OF SHARES OFFERED BY THE COMPANY IS STATUTORILY RESTRICTED UNDER LUXEMBOURG LAW TO WELL-INFORMED INVESTORS AND RESERVED TO A LIMITED NUMBER OF SUCH POTENTIAL INVESTORS ON A CONFIDENTIAL BASIS. BY REQUESTING DELIVERY OF THIS PRIVATE PLACEMENT MEMORANDUM AND ACCEPTING IT, INVESTORS REPRESENT AND WARRANT TO THE COMPANY THAT THEY (I) QUALIFY AS WELL-INFORMED INVESTORS, (II) HAVE THE CAPACITY TO UNDERSTAND AND ASSESS THE SUITABILITY AND APPROPRIATENESS OF THE TERMS AND CONDITIONS OF THE PRIVATE PLACEMENT MEMORANDUM AND (III) SHALL MAKE A FULLY INFORMED INVESTMENT DECISION SUITABLE TO THEIR FINANCIAL CAPACITY. EACH POTENTIAL INVESTOR UNDERTAKES THAT NEITHER IT NOR ANY OF ITS EMPLOYEES OR ADVISORS SHALL USE THE INFORMATION CONTAINED HEREIN AND IN ANY OTHER DOCUMENTS REFERRED TO HEREIN FOR ANY PURPOSE OTHER THAN FOR EVALUATING ITS INTEREST IN THE COMPANY OR DIVULGE SUCH INFORMATION TO ANY OTHER PARTY. THIS PRIVATE PLACEMENT MEMORANDUM SHALL NOT BE PHOTOCOPIED, REPRODUCED OR DISTRIBUTED TO OTHERS WITHOUT THE PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER OF THE COMPANY.

THE COMPANY IS NOT SUBJECT TO SUPERVISION OF THE LUXEMBOURG COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (THE “CSSF”).

THE COMPANY’S IS MANAGED BY AN EXTERNAL ALTERNATIVE INVESTMENT FUND MANAGER (THE “AIFM”) DULY AUTHORIZED AND SUPERVISED BY ITS HOME REGULATOR THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”).

## IMPORTANT INFORMATION

Pan-European Opportunities Fund S.C.A., SICAV-RAIF (the “**Company**”) is a *société en commandite par actions* incorporated under the laws of the Grand Duchy of Luxembourg as a Société d’investissement à capital variable. The Company qualifies as a reserved alternative investment fund (**RAIF**) subject to the law of 23 July 2016 relating to reserved alternative investment funds, as amended (the “**RAIF Law**”). The RAIF status does not require any Luxembourg authority to approve or disapprove either the adequacy of this Private Placement Memorandum or the portfolio of securities held by the Company. Any representation to the contrary is unauthorized and unlawful.

The Company’s general partner is EUNIIC S.à.r.l. (European Union New Initiatives Investment Company S.à.r.l.) (“EUNIIC” or the “**General Partner**”). The General Partner is offering shares (the “**Shares**”) of one or several separate sub-funds (individually a “**Sub-Fund**” and collectively the “**Sub-Funds**”) on the basis of the information contained in this Private Placement Memorandum (the “**Private Placement Memorandum**” or the “**Memorandum**”), its appendices (individually an “**Appendix**” and collectively the “**Appendices**”) and in the documents referred to herein which are deemed to be an integral part of this Private Placement Memorandum. The specific details of each Sub-Fund are set forth in the relevant Appendix. Any reference to an Appendix pertains to the relevant Sub-Fund.

In accordance with article 4 of the RAIF Law, the Company has appointed an alternative investment fund manager (the “**AIFM**”) authorized under Chapter 2 of the amended Luxembourg law of 12 July 2013 on alternative investment fund managers (the “**AIFM Law**”), as further described below.

The sole purpose of this Private Placement Memorandum is to assist prospective investors in deciding whether to proceed with an investment in the Company in accordance with the RAIF Law. This Private Placement Memorandum does not purport to be all inclusive or to contain all the information that a prospective purchaser may desire in evaluating the Company. Prospective purchasers should conduct their own investigation and analysis of the business and data described herein, and should also inform themselves about and observe any legal and regulatory requirements which may be applicable to their proposed investment in, investigation or evaluation of the Company. Any person interested in subscribing for shares in the Company is recommended to seek its own legal, regulatory, tax, accounting and financial advice. No person, other than the General Partner and its managers and the AIFM, has been authorised to give any information other than that contained in this Private Placement Memorandum, or to make any representation in connection with the Shares described herein, and, if given or made, such other information or representations must not be relied upon as having been authorised by the General Partner.

In furnishing this Private Placement Memorandum to a prospective Investor, the General Partner reserves the right to amend or replace this Private Placement Memorandum and undertakes no obligation to provide the recipient with access to any additional information. Nothing contained within this Private Placement Memorandum is or should be relied upon as a promise or representation as to the future.

The Company is established for an unlimited duration. However, the General Partner may establish Sub-Funds for a limited duration, which shall be specified in the relevant Appendix.

The distribution of this Private Placement Memorandum is not authorized unless it is accompanied by the most recent financial statements (if any) of the Company. Such financial statements are deemed to be an integral part of this Private Placement Memorandum. The Private Placement Memorandum and the annual report may be obtained free of charge at the registered office of the Company. It is prohibited to disclose information on the Company, which is not contained in this Private Placement Memorandum, the documents mentioned therein and the latest annual report.

The Company is governed by the RAIF Law. Consequently, its Shares are exclusively restricted to Eligible Investors as defined herein.

The Company will refuse to issue Shares to prospective investors who do not comply with these conditions. Furthermore, the Company will refuse to register any subscription or transfer of Shares to the extent that such subscription or transfer would result in the legal or beneficial ownership of such Shares by a Shareholder who does not qualify as an Eligible Investor. The Company, at its sole discretion, may refuse the issue or the transfer of Shares if there is insufficient evidence that the person to whom the Shares are to be issued or transferred is an Eligible Investor. Generally, the Company may at its sole discretion, reject any application for subscription of Shares and

proceed, at any time, with the compulsory redemption of all the Shares held by a shareholder who does not or who does no longer qualify as an Eligible Investor.

Shares of the Company may be issued in one or several separate Sub-Funds of the Company. For each Sub-Fund, a separate portfolio of investments and assets will be maintained and invested in accordance with the investment objective and policy applicable to the relevant Sub-Fund, as described in the relevant Appendix. As a result, the Company is an “umbrella fund”, reserved to Eligible Investors, enabling prospective investors to choose between one or more investment objectives by investing in one or more Sub-Funds.

The Company is a single legal entity. However with regard to third parties and in particular the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it. The Company shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Furthermore, in accordance with the articles of the Company (the “**Articles**”), the General Partner may issue different classes of Investors Shares (individually a “**Class**” and collectively the “**Classes**”) in each Sub-Fund, subject to the terms and conditions of the Sub-Fund as set forth in the relevant Appendix. Investors Shares of the different Classes, if any, within the different Sub-Funds may be issued at prices computed on the basis of the net asset value (the “**Net Asset Value**”) per Share within the relevant Sub-Fund, as defined in the Articles and described in the relevant Appendix.

The General Partner may, at any time, create additional Classes of Shares whose features may differ from the existing Classes and additional Sub-Funds whose investment objectives or other features may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds or Classes, this Private Placement Memorandum and its Appendices will be updated or supplemented accordingly.

The Articles give powers to the General Partner to impose such restrictions as it may deem necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the sole opinion of the General Partner might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered. The General Partner may prohibit the acquisition by, the transfer to, or compulsorily redeem all Shares held by any such persons.

There is no guarantee that the investment objectives of any Sub-Fund will be met. Past performance is not indicative of future performance.

The value of the Shares may fall as well as rise and a Shareholder may not get back all or any of the amount initially invested.

Income from the Shares will fluctuate in money terms and changes in rates of exchange will, among other things, cause the value of Shares to go up or down.

The levels and bases of, and relief from, taxation may change.

Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions, investment requirements or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding or disposal of the Shares. All disputes in relation to the Company and any Sub-Fund, the General Partner, their respective managers or officers and the Shareholders are subject to Luxembourg law and the jurisdiction of the Courts of Luxembourg, Grand Duchy of Luxembourg.

#### Data protection

Certain personal data of Investors (including, but not limited to, the name, date of birth, nationality, marital status, country of permanent address, bank account(s) and invested amount of each Investor) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company (the Controller), the Investment Manager, the Services Providers, the Initiator and the financial intermediaries of such Investors. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering and terrorism financing identification, maintaining the register of Shareholders, processing subscription, redemption and

conversion orders (if any) and payments of dividends to Shareholders and to provide client-related services. Such information shall not be passed on any unauthorised third persons.

The Company may sub-contract to another entity (each a Co-Controller or a Processor) (such as the Administration Agent, the Alternative Investment Fund Manager and/or the Investment Manager and/or a Services Provider) located in the European Union the processing of personal data. The Company undertakes not to transfer personal data to any third parties other than the Processor except if required by law or on the basis of a prior written consent of the Investor(s).

The personal data shall not be held for longer than necessary with regard to the purpose of the data processing.

Each Investor has a right of access to his/her/its personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

By subscribing to the Shares, each Investor consents to such processing of its personal data. This consent is formalised in writing in the subscription form used by the relevant intermediary.

The Company shall review and amend its Data Protection policy from time to time and insofar as necessary to comply with GDPR.

#### PRIIPS

The relevant Sub-Fund Appendix shall specify whether a KID will be provided to Retail Investors for the purposes of the PRIIPs.

#### SFTR

The AIFM will ensure that Investors are informed on the use of securities financing transactions and total return swaps in accordance with article 13 and article 14 of SFTR. The information provided in Part I and each and any of the Sub-Fund Appendices must be reviewed by investors to understand and appreciate the inherent risks before they decide to invest in the Company.

#### SFDR

The AIFM will ensure that investors are informed accordingly with the SFDR rules regarding sustainable characteristics of the financial product as defined in each Sub-Fund Appendix. The information provided in Part I and each and any of the Sub-Fund Appendices must be reviewed by investors to understand and appreciate the inherent risks before they decide to invest in the Company.

All definitions in Part I of this Memorandum shall apply equally to both the singular and plural forms of the terms defined. Wherever the context may require, any pronoun used in this Memorandum shall include the corresponding masculine, feminine and neuter forms.

For all purposes of this Memorandum, the term control and variations thereof shall mean the direct or indirect possession of the power to direct or cause the direction of the management and policies of the specified entity, through the ownership of equity interests therein, by contract or otherwise.

As used in this Memorandum, the words include, includes and including shall be deemed to be followed by the phrase without limitation.

As used in this Memorandum, the terms herein, hereof and hereunder shall refer to this Memorandum in its entirety.

Any references in this Memorandum to Article or Schedule shall, unless otherwise specified, refer to an article, respectively a schedule of this Memorandum.

References herein to:

- Any statute or statutory instrument or governmental regulation shall be deemed to include any modification, amendment, extension or re-enactment thereof; and

- Any agreement or document (including this Memorandum) shall be deemed to include references to such agreement or document as varied, amended, supplemented or replaced from time to time.

#### Headings

The headings in the Memorandum are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of the Memorandum or any provision.

**The Company does not accept, as Eligible Investors, EU retail investors who have not opted up to the professional client status under MiFID II.**

**The General Partner has taken into account all reasonable care to ensure that the information contained in this Private Placement Memorandum is accurate as of May 2023.**

**RESTRICTIONS ON SOLICITATIONS AND RESALE**

SUBSCRIPTION FOR SHARES IN THE COMPANY MAY ONLY BE EFFECTED ON THE BASIS OF THIS PRIVATE PLACEMENT MEMORANDUM, THE ARTICLES OF INCORPORATION AND THE SUBSCRIPTION AGREEMENT IN THEIR FINAL VERSION.

THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL TO, OR A SOLICITATION OF AN OFFER TO SUBSCRIBE FROM, ANYONE IN ANY COUNTRY OR JURISDICTION (I) IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORISED, (II) IN WHICH ANY PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR (III) IN WHICH ANY SUCH OFFER OR SOLICITATION WOULD OTHERWISE BE UNLAWFUL. NO ACTION HAS BEEN TAKEN THAT WOULD, OR IS INTENDED TO, PERMIT A PUBLIC OFFER OF SHARES IN THE COMPANY IN ANY COUNTRY OR JURISDICTION WHERE ANY SUCH ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PRIVATE PLACEMENT MEMORANDUM NOR ANY OTHER INFORMATION, FORM OF APPLICATION, ADVERTISEMENT OR OTHER DOCUMENT MAY BE DISTRIBUTED OR PUBLISHED IN ANY COUNTRY OR JURISDICTION EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PRIVATE PLACEMENT MEMORANDUM COMES MUST INFORM THEMSELVES ABOUT AND OBSERVE ANY LEGAL RESTRICTIONS AFFECTING ANY SUBSCRIPTION OF SHARES IN THE COMPANY. THE COMPANY IS NOT MAKING ANY REPRESENTATION OR WARRANTY TO ANY PROSPECTIVE INVESTOR REGARDING THE LEGALITY OF AN INVESTMENT IN THE COMPANY BY SUCH PERSON UNDER APPROPRIATE SECURITIES OR SIMILAR LAWS.

**NOTICE TO RECIPIENTS IN THE EUROPEAN ECONOMIC AREA**

WHEN MARKETING SHARES IN ANY TERRITORY OF THE EUROPEAN ECONOMIC AREA (OTHER THAN LUXEMBOURG) TO PROFESSIONAL INVESTORS THAT ARE DOMICILED OR HAVE A REGISTERED OFFICE IN THE EEA, THE AIFM INTENDS TO UTILISE THE MARKETING PASSPORT MADE AVAILABLE UNDER THE PROVISIONS OF THE AIFM DIRECTIVE. SHARES MAY ONLY BE MARKETED PURSUANT TO SUCH PASSPORT TO PROFESSIONAL INVESTORS (AS DEFINED IN THE AIFM DIRECTIVE) IN THOSE TERRITORIES OF THE EEA IN RESPECT OF WHICH THE PASSPORT HAS BEEN OBTAINED.

THERE MAY BE INSTANCES WHERE A MEMBER STATE PERMITS THE SALE OF SHARES IN THE COMPANY TO OTHER CATEGORIES OF INVESTORS PURSUANT TO THAT MEMBER STATES DOMESTIC LAW. SUCH INVESTORS WILL BE REQUIRED TO BE AN ELIGIBLE INVESTOR.

**NOTICE TO RECIPIENTS OUTSIDE THE EU (OTHER THAN THE USA)**

THE DISTRIBUTION OF THIS PRIVATE PLACEMENT MEMORANDUM AND THE PLACING OF THE SHARES IN CERTAIN JURISDICTIONS OUTSIDE OF THE EUROPEAN ECONOMIC AREA MAY BE RESTRICTED BY LAW. NO REPRESENTATION OR WARRANTY IS MADE TO ANY PROSPECTIVE INVESTOR REGARDING THE LEGALITY OF AN INVESTMENT IN THE COMPANY BY SUCH PROSPECTIVE INVESTOR IN THE JURISDICTION(S) APPLICABLE TO IT AND PROSPECTIVE INVESTORS SHOULD CONSULT THEIR LEGAL ADVISORS ACCORDINGLY. THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION WHERE SUCH AN OFFER OR SOLICITATION IS NOT DULY AUTHORISED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION.

THE SHARES HAVE NOT BEEN, AND ARE NOT EXPECTED TO BE, REGISTERED UNDER THE SECURITIES LAWS OF ANY JURISDICTION OUTSIDE OF THE EUROPEAN ECONOMIC AREA AND, ACCORDINGLY, INVESTORS WILL NOT BE AFFORDED ANY PROTECTIONS THAT WOULD BE PROVIDED BY ANY SUCH REGISTRATION.

**ADDITIONAL GENERAL DETAILS**

THIS PRIVATE PLACEMENT MEMORANDUM, INCLUDING ITS APPENDICES AND THE SUBSCRIPTION AGREEMENT, THE ARTICLES OF INCORPORATION AND OTHER DOCUMENTS RELATING TO SHARES IN THE COMPANY AND ANY INFORMATION CONTAINED IN THESE DOCUMENTS ARE CONFIDENTIAL AND

MAY ONLY BE HANDED OVER TO PERSONS TO WHOM THIS PRIVATE PLACEMENT MEMORANDUM IS PERSONALLY ADDRESSED.

THE RECEIPT OF THIS PRIVATE PLACEMENT MEMORANDUM BY ANY PERSON, AS WELL AS INFORMATION CONTAINED THEREIN OR SUPPLIED HERewith OR SUBSEQUENTLY COMMUNICATED TO ANY PERSON IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION IS NOT TO BE TAKEN AS CONSTITUTING THE GIVING OF INVESTMENT ADVICE TO SUCH PERSON. EACH SUCH PERSON SHOULD MAKE ITS OWN INDEPENDENT ASSESSMENT OF THE MERITS OR OTHERWISE OF ACQUIRING THE SHARES AND OBTAIN ITS OWN PROFESSIONAL ADVICE.

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## DIRECTORY

<p><b>THE COMPANY</b></p> <p>Pan-European Opportunities Fund S.C.A., SICAV-RAIF Aerogolf Center, 1A Heienhaff L-1736 Senningerberg Grand-Duchy of Luxembourg</p> <p><b>GENERAL PARTNER</b></p> <p>EUNIIC S.à r.l. Aerogolf Center, 1A Heienhaff L-1736 Senningerberg Grand-Duchy of Luxembourg</p> <p><b>MEMBERS OF THE BOARD OF THE GENERAL PARTNER</b></p> <ul style="list-style-type: none"> <li>- Marc Schiettekat</li> <li>- Marc Spiessens</li> <li>- Thales Solutions S.à.r.l. (permanent representative Ivaylo Markov)</li> </ul> <p><b>ALTERNATIVE INVESTMENT FUND MANAGER</b></p> <p>Audentia Capital Management Ltd. 10 Kent Street Sliema SLM 2128 I Malta</p> <p><b>Board of Directors of the AIFM</b></p> <ul style="list-style-type: none"> <li>- Alberto Llanaezza Martín</li> <li>- Jonathan De Giovanni</li> <li>- Aaron Sammut</li> </ul>	<p><b>DEPOSITARY</b></p> <p>Q Securities S.A. Luxembourg Branch 46A Av. J.F. Kennedy L-1855 Luxembourg Grand-Duchy of Luxembourg</p> <p><b>CENTRAL ADMINISTRATION AGENT; REGISTRAR &amp; TRANSFER AGENT; CORPORATE SECRETARIAL AGENT; DOMICILATION AGENT;</b></p> <p>Bolder Luxembourg S.A. Aerogolf Center, 1A Heienhaff L-1736 Senningerberg Grand-Duchy of Luxembourg</p> <p><b>INDEPENDENT AUDITORS</b></p> <p>Mazars Luxembourg 10A, rue Henri M. Schnadt L-2530 Luxembourg Grand-Duchy of Luxembourg</p>
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## DEFINITIONS

The following definitions shall apply throughout this Private Placement Memorandum unless the context otherwise requires or as defined in the relevant Appendix:

<b>1915 Law</b>	The Luxembourg law of 10 August 1915 on commercial companies, as amended.
<b>2010 Law</b>	Means the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.
<b>2013 Law</b>	Means the Luxembourg Law of 12 July 2013 relating to alternative investment fund managers as amended from time to time.
<b>2015 Law</b>	Means the Luxembourg law of 18 December 2015 implementing Council Directive 2014/107/EU amending Directive 2011/16/ EU as regards mandatory automatic exchange of information in the field of taxation (the DAC 2) and the OECD Common Reporting Standard (the CRS).
<b>2016 Law</b>	Means the Luxembourg law of 23 July 2016 relating to RAIF (as defined below), as may be amended from time to time.
<b>2018 Law</b>	Means the Luxembourg Law implementing Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) defined hereafter.
<b>Appendix</b>	An appendix of the Private Placement Memorandum specifying the terms and conditions of a specific Sub-Fund.
<b>AIFM</b>	Audentia Capital Management Ltd., the authorised alternative investment fund manager of the Company appointed in accordance with article 4(1) of the RAIF Law.
<b>AIFM Agreement</b>	The alternative investment management agreement entered between the AIFM and the General Partner on behalf of the Company, as such agreement may be amended from time to time.
<b>AIFMD</b>	The directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers.
<b>AIFM Law</b>	The Luxembourg law of 12 July 2013 pursuant to which the AIFMD was transposed into Luxembourg law, as amended or supplemented from time to time.
<b>AIFM Regulation</b>	The Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD.
<b>AIFM Rules</b>	The corpus of rules formed by (a) the AIFMD (as transposed), (b) the AIFM Regulation, (c) the AIFM Law and (d) any binding guideline or other delegated act and regulation (including CSSF circulars) issued from time to time by the relevant authorities within an EU member state pursuant to any national laws and regulations derived from the AIFMD or the AIFM Regulation (such as the AIFM Law).

<b>Articles</b>	The articles of incorporation of the Company, as may be amended from time to time.
<b>Associate</b>	With respect to any specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Person specified.
<b>Auditor</b>	Mazars Luxembourg is appointed by the Company as Auditor.
<b>Board</b>	The board of managers of the General Partner.
<b>Business Day</b>	Any day, other than (i) a Saturday or Sunday or (ii) a day on which clearing banks in Luxembourg are not open for the conduct of ordinary business.
<b>Calendar Year</b>	Means a period commencing on 1 January and ending on 31 December in the same year.
<b>Central Administration, Registrar and Transfer Agent</b>	Bolder Luxembourg S.A. is appointed by the Company to receive and process investor subscriptions, redemptions, transfers, share conversions
<b>Class or Classes</b>	Any class of Shares issued in any Sub-Fund.
<b>Company</b>	Means Pan-European Opportunities Fund S.C.A., SICAV-RAIF.
<b>Company Documents</b>	The Company Documents include, but are not limited to: <ul style="list-style-type: none"> <li>• Private Placement Memorandum;</li> <li>• Articles;</li> <li>• AIFM Agreement;</li> <li>• template Subscription Agreement;</li> <li>• Fund Advisory Agreement;</li> <li>• Depositary Agreement;</li> <li>• Central Administration, Transfer Agency, Paying Agency and Domiciliation Agreement;</li> <li>• Annual reports issued by the Company;</li> <li>• Service level agreement with any Real Estate service provider; and</li> <li>• Any further agreements or documents referred to in the relevant Appendix.</li> </ul>
<b>CRS</b>	Means Common Reporting Standard.
<b>CSSF</b>	The Commission de Surveillance du Secteur Financier or the Luxembourg Commission for Surveillance of the Financial Sector.
<b>Dealing Day</b>	Any day on which (i) the Net Asset Value per Share of each Class is calculated/finalised with reference to a specific Valuation Day and (ii) Shares may be issued, converted and redeemed (if permitted), please review the relevant Appendix .
<b>Depositary</b>	Q Securities S.A.. or such other replacement depositary from time to time appointed by the General Partner on behalf of the Company.
<b>Depositary Agreement</b>	Means the Depositary Agreement entered into between the Company and the Depositary.
<b>Distributors</b>	Distributors appointed by the General Partner to distribute the Shares.

<b>EEA</b>	Means the European Economic Area, which comprises the 28 EU Member States and Iceland, Liechtenstein and Norway.
<b>ESG</b>	Means environmental (“E”) and social (“S”) and governance (“G”) matters. This is used in the investment universe to characterise the extra-financial criteria under used for assessing the eligibility of an investment, and taking into account, additionally to Environmental and Social risks and impacts of the investment, corporate governance criteria, also crucial to determine different kind of extra-financial risks (being corruption, reliance to key people, etc.).
<b>ESG Policy</b>	Means Environmental, Social, and Governance standards put in place by the Company to screen the panel of investments before their selection into the Company’s portfolio.
<b>E.U.</b>	Means the European Union.
<b>Eligible Assets</b>	Means financial and non-financial assets eligible under the 2016 Law including, but not limited to, shares, units, bonds, indexes, convertible or hybrid financial instruments, options, warrants, loans, assets backed securities, collateralised debt obligations, collective investment schemes or partnerships, Real Estate property, Private Equity, and any other interests permitted under the 2016 Law.
<b>Eligible Investor</b>	Institutional Investors, Professional Investors and/or Well-informed Investors within the meaning of article 2 of the RAIF Law and is not a Prohibited Person, who has satisfied all applicable KYC and AML requirements of the General Partner and the Central Administration.
<b>Euro or EUR or €</b>	The legal currency of the participating member states in the Economic and Monetary Union.
<b>Fair Market Value</b>	means, in relation to an asset of a the Sub-Fund, the gross fair market value of such asset as determined by the AIFM using the appraisal techniques deemed appropriate by the AIFM taking into account relevant market practice which, for the avoidance of doubt, excludes any deduction for purchasers’ costs such as transfer taxes, legal fees, registration fees or other similar or ancillary items associated with the transfer of such asset (as indicated in the relevant Appendix).
<b>FATCA</b>	means the Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act enacted in March 2010.
<b>Financial Year</b>	means a financial period of the Company, commencing on 1 January of each year and ending on 31 December of the same year, with the exception of the first financial year, which commences on the formation of the Company and terminates on 31 December 2022..
<b>Fund Advisor</b>	The service provider appointed from time to time by the AIFM to provide Fund Advisory and management support services for the benefit of one or several Sub-Funds, as described in the relevant Appendix(ces).
<b>Gross Asset Value or GAV</b>	means the aggregate value of the assets of a Sub-Fund (on the basis of the valuation provided by Valuation & Independent Appraisers/ the methods provided for in this document and determined by the General

Partner, as relevant) as at the relevant Valuation Day in accordance with the Articles, this document.

<b>GDPR</b>	Regulation (EU) 2016/679 of the European parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
<b>General Meeting</b>	Means the General Meeting of the Shareholders of the Company.
<b>General Part</b>	Means Part I General Information of the Private Placement Memorandum that sets out the the general terms and conditions applicable to all Sub-Funds of the Company, unless otherwise provided in any of the Sub-Fund Appendices.
<b>General Partner</b>	EUNIIC S.à.r.l., a company incorporated under the laws of the Grand Duchy of Luxembourg acting as the unlimited Shareholder ( <i>associé gérant commandité</i> ) of the Company and responsible for the management, distribution and administration of the Company.
<b>General Partner Share(s)</b>	The Share(s) issued to, subscribed for and held by the General Partner in its capacity as <i>associé gérant commandité</i> of the Company.
<b>Global Distributor</b>	Audentia Capital Management, the authorised alternative investment fund manager of the Company appointed in accordance with article 4(1) of the RAIF Law will also act as the Company's Global Distributor.
<b>Independent Appraiser</b>	Any entity appointed by the AIFM, which has no interest in the Company, assisting the AIFM with appraising the value of the Real Estate and property rights registered in the name of the Company or any Subsidiaries as well as the direct or indirect shareholdings of the Company in property as specified in the relevant Appendix
<b>Initial Offering Period</b>	First period during which investors will be offered to subscribe or to commit to subscribe to Investors Shares of a particular Sub-Fund, as determined by the General Partner pursuant to the terms of section "General Description of the Shares of the Company", sub-section "Subscription for, and Issue of Shares of the Company, Minimum Investment and Holding" and specified in the relevant Appendix.
<b>Initial Subscription Price</b>	Subscription price of the first Shares issued in a given Class, as specified in the relevant Appendix.
<b>Initiator</b>	Means the General Partner.
<b>Investment Objective</b>	Means for each Sub-Fund, its investment objective as specified in the relevant Sub-Fund Appendix.
<b>Investment Structures</b>	Means investment structures of any kind and nature (including an SPV), having legal personality or not, whether listed or unlisted, being regulated or not, based in any jurisdiction, and established for the purpose of investing, directly or indirectly, in and financing any kind of Eligible Assets, developments, operations, buyouts and special situations, which are eligible under the 2016 Law

<b>Investor</b>	Means any Well-Informed Investor who contemplates to subscribe for Shares of the Company and, where the context requires, shall include that person as a Shareholder of the Company.
<b>Investors Shares</b>	Shares issued by the Company to Investors with respect to any Sub-Fund and which may be of different Classes and entitled to specific distribution or liquidity rights, as outlined in the relevant Appendix.
<b>IRR</b>	Means the internal rate of return of the Sub-Fund or of an investment of the Sub-Fund over a specific period of time. The IRR equals the discount rate at which the total present value of future cash flows equals the cost of the investment, leveraged and after local taxes (but before any taxes payable by Investors) and fees.
<b>Key Persons</b>	Persons designated to ensure the success of the investment activities of the relevant Sub-Fund of the Company and who shall respectively devote such amount of time as shall be sufficient to perform such duty.
<b>Limited Shareholder</b>	Has the meaning ascribed to this term by the 1915 Law.
<b>Lock-Up Period</b>	Means the period during which the redemption of shares is not allowed according to this Private Placement Memorandum.
<b>Liquid Assets</b>	<p>Liquid Assets include:</p> <ul style="list-style-type: none"> <li>(a) cash deposits held at credit institutions;</li> <li>(b) money market instruments of issuers meeting the requirements of article 4 (1) and (2) of Directive 2007/16/EC; and</li> <li>(c) securities which are: <ul style="list-style-type: none"> <li>(i) admitted by the European Central Bank to secure the credit transactions specified in article 18.1 of the Statutes of the European System of Central Banks and the European Central Bank dated 7 February 1992, or the admission of which will be applied for pursuant to the terms and conditions of their issue, provided that such admission is forthcoming within one year after the issue; or</li> <li>(ii) listed on a Regulated Market or fixed income securities; or</li> <li>(iii) units, shares or interests issued by UCIs which are only entitled to invest into cash, money market instruments and securities mentioned under (i), (ii) and/or (iii) above.</li> </ul> </li> </ul>
<b>Luxembourg</b>	Means the Grand Duchy of Luxembourg.
<b>Luxembourg Law</b>	Means the laws and applicable regulations implemented in Luxembourg.
<b>Manager(s)</b>	Means any member or each member, from time to time, of the Board.
<b>Management Fee</b>	Means the management fee payable to the General Partner out of the assets of a Sub-Fund as further described in the Sub-Fund Appendix.
<b>Memorandum</b>	Means the confidential Private Placement Memorandum of the Company.

<b>Memorial</b>	Means the Memorial C, Recueil des Sociétés et Associations i.e. the Luxembourg official gazette.
<b>“MiFID II”</b>	Together, Directive 2014/65/EU of 15 May 2014 and Regulation (EU) No 600/2014 of 15 May 2014, as may be amended or supplemented from time to time.
<b>MIFIR</b>	Means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.
<b>Negative or adverse impact(s)</b>	Means the materialization of ESG risks into adverse impacts on i) the physical, natural or cultural environment, and ii) on surrounding community and workers resulting from the business activity to be supported.
<b>Net Asset Value or NAV</b>	The net asset value of the Company, each Class and each Share as determined pursuant to the section “Determination of the Net Asset Value”.
<b>Net Distributable Cash</b>	with respect to any period, all cash receipts by the Sub-Fund arising during that period from the Sub-Fund’s investments and all cash proceeds received by the Sub-Fund during that period from capital events, including (a) the sale, transfer, exchange or other disposal of all or any portion of any investment; (b) the incurrence of any indebtedness by the relevant Sub-Fund; (c) the refinancing of any indebtedness of the relevant Sub-Fund; and (d) any similar transaction, which are during that period, upon the decision of the AIFM (a) not reinvested, (b) not allocated to any other reserve, (c) used to pay any expense or (d) used to reimburse or service any credit facility or debt.
<b>OECD</b>	Means the Organisation for Economic Co-operation and Development.
<b>Ongoing Expenses</b>	<p>means all costs and expenses incurred directly or indirectly in connection with the operation, administration, business and/or activities of the Company and the relevant Sub-Fund, including but not limited to all reasonable, third-party expenses actually incurred by the Company, the General Partner, or the AIFM in connection with the operation of the Sub-Fund, including, without limitation, the following:</p> <p>(a) AIFM, Domiciliation Agent, Fund Advisor, Depositary Fees, Central Administration and expenses as stated in the relevant agreement and the Private Placement Memorandum and the relevant Appendix;</p> <p>(b) legal fees and litigation costs;</p> <p>(c) tax and accounting costs and Auditors’ and Independent Appraisers’ fees (including any expenses associated with the preparation of the Company’s financial statements and tax returns);</p> <p>(d) bank charges and borrowing costs;</p> <p>(e) external consultants’ and directors’ fees of Subsidiary or other company through which an investment is made and other professional expenses;</p> <p>(f) costs and expenses (including all stamp duties and professional fees) of identifying, evaluating, negotiating, acquiring, holding, monitoring and</p>

disposing of Investments including brokerage commissions, legal fees and due diligence expenses and expenses of settlement, custody or transmittal of assets;

(g) Payment or provision for Underlying Claims;

(h) Abort Costs;

(i) administration fees and expenses charged by a third party central administration;

(j) distribution, advertising and registration costs;

(k) hedging costs;

(l) extraordinary expenses relating to Claims and Expenses of any Indemnified Person;

(m) any other expenses incurred directly or indirectly by or on behalf of the Company, the General Partner, the AIFM and the Fund Advisor or any Associate of any of them relating to the operation, administration, business and/or activities of the Company and the relevant Sub-Fund;

(n) Investment Related Expenses;

(o) costs incurred for architectural, engineering, environmental or other studies of or reports on proposed or existing investments and costs for obtaining EU subsidies;

(p) all expenses necessary for the administration management and clerical functions of the Company, in relation to the Sub-Fund, all its Subsidiaries and the investments of the Sub-Fund or paying any cost of the type described in the foregoing clauses, including, as appropriate, the costs attributable to the Sub-Fund for the employment of local staff for the administration of the Company and the Subsidiaries, and the provision of office space to administer the same.

<b>Organisational Expenses</b>	means all fees, costs and expenses (including any value added or similar tax) incurred by the Company or the relevant Sub-Fund, the General Partner or the initiator in connection with the establishment of the Company or the relevant Sub-Fund, including, but not limited to, legal and accounting fees and reasonable travel expenses as determined by the General Partner from time to time.
<b>Performance fee</b>	Fee perceived by a Sub-Fund Advisor as the case may be and as described in the relevant Appendix.
<b>Person</b>	any individual, corporation, limited liability company, trust, partnership, estate, unincorporated association or other legal entity.
<b>Professional Investor</b>	an Investor which is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II of Directive 2004/39/EC as amended from time to time.
<b>Prohibited Person</b>	any Person, if in the sole opinion of the General Partner, the holding of the Shares by such Person may be detrimental to the interests of the Investors or of the Company, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the Company may become exposed to tax or other regulatory disadvantages,



finances or penalties that it would not have otherwise incurred; the term "Prohibited Person" includes (i) any Investor which does not meet the definition of Well-Informed Investor, (ii) any US Person or any US corporation, and (iii) any categories of Well-Informed Investors as may be determined by the General Partner.

<b>PRIIPs</b>	Products Regulation means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs).
<b>PRIPs KID</b>	Key investor document for packaged retail and insurance-based investment products issued from PRIIPs Regulation.
<b>Private Equity</b>	Means professionally managed investments in privately held undertakings having issued equity, debt or hybrid financial instruments that are not freely available to the public on an open market and acquired through privately negotiated transactions using investment strategies such as, inter alia, leveraged buyouts (LBO), venture capital, growth capital, distressed investments and mezzanine capital.
<b>Purchase Price</b>	The price which shall be no higher than a bona fide price which would at that time have been agreed between a willing buyer and a willing seller for an Exiting Investor's Shares. Such price shall be determined by the General Partner offering the affected Shares to three willing buyers, with the best offer of the three qualifying as the Purchase Price.
<b>Quarter</b>	A period beginning on and including a Quarter Date and ending on the day immediately preceding the next following Quarter Date, provided that the first Quarter shall begin on the Formation Date and end on the day immediately preceding the first Quarter Date after the Formation Date.
<b>Quarter Date</b>	1 January, 1 April, 1 July and 1 October in each year.
<b>RAIF</b>	Means a Reserved Alternative Investment Fund, (or FIAR Fonds d'Investissement Alternative Reserve) governed by the 2016 Law.
<b>Real Estate</b>	Means any direct or indirect interest (characterised as equity, debt or otherwise) in any real property, including land, buildings, structures and other improvements, equipment and fixtures located thereon or therein, and any personal property used in connection therewith, and any leasehold, licence, right, easement and any other estate or interest (including any partnership or joint venture interest and any air and other development rights) and any option with respect thereto.
<b>Reference Currency</b>	Means, (i) in relation to the Company, the currency in which the Net Asset Value of the Company is calculated, i.e. EUR, and (ii) in relation to each Sub-Fund and Class, the currency in which the Net Asset Value of such Sub-Fund or Class is calculated, as stipulated in the relevant Sub-Fund Appendix.
<b>Regulated Market</b>	Means a regulated market which operates regularly and is recognised and open to the public.
<b>RESA</b>	Means the Luxembourg Electronic Associations and Companies Register (" <i>Registre Electronique des Sociétés et Associations</i> ").

<b>Retail Investors</b>	Means investors who qualify as retail investors within the meaning of MIFID II.
<b>RICS</b>	Royal Institution of Chartered Surveyors.
<b>S.A.</b>	Means "Société Anonyme", a Luxembourg public limited liability company
<b>S.à.r.l.</b>	Means "Société à Responsabilité Limitée", a Luxembourg private limited liability company.
<b>S.C.A.</b>	Means "Société en Commandité par Actions", a Luxembourg corporate partnership limited by shares.
<b>Service Providers</b>	Means all companies providing services to the Company such as the Depositary, the Alternative Investment Managers, the Central Administration and Transfer Agent and any other person or entity who provides a service to the Company or Sub-Fund.
<b>SFDR</b>	means the SFDR Regulation and the SFDR Rules
<b>SFD Regulation</b>	means Regulation (EU) No 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector as amended from time to time
<b>SFD Rules</b>	means the corpus of rules formed by (i) The SFDR Regulation, and (ii) any further delegated regulations issued by the EU Commission in relation to the SFDR Regulation, (iii) any further transposing legislation for the SFDR Regulation and other delegated acts relating to the SFDR Regulation issued from time to time by the relevant EU authorities pursuant to any national laws and regulations and (vi) any applicable direction, policy, circular, guideline, rule or order that is made or given by the CSSF or the European Securities and Markets Authority and European SA in this connection
<b>SFTR</b>	means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012
<b>Shares</b>	Shares issued in any Sub-Funds and/or Classes pursuant to this Private Placement Memorandum.
<b>Shareholder</b>	A holder of Shares of the Company.
<b>Subscription Agreement</b>	means the agreement entered into between an Investor and the Company by which: <ul style="list-style-type: none"> <li>(a) the Investor applies to subscribe and commits to fully pay to the relevant Sub-Fund for Investor Shares for the Subscription Amount, as further described herein</li> <li>(b) the Company commits itself to issue fully paid Shares to the Investor, provided that the Investor has fully paid the Subscription Amount; and</li> <li>(c) the Investor makes certain representations and give certain warranties to the Company and its service providers and where relevant includes the US Supplement.</li> </ul>
<b>Subscription Amount</b>	means the amount stated in the Subscription Agreement and accepted by the General Partner as full payment for the relevant Shares to be

issued to an Investor in a given Sub-Fund and excludes any Subscription Fee and other fees and referred to in the relevant Appendix.

<b>Subsequent Offering Period</b>	means any subsequent offering period during which investors will be offered to subscribe or to commit to subscribe to Investors Shares of a particular Sub-Fund, as determined by the General Partner and specified in the relevant Appendix.
<b>SICAV</b>	Means "Société d'Investissement à Capital Variable", a Luxembourg investment company with variable capital.
<b>SPV</b>	Means a Special Purpose Vehicle.
<b>Sub-Fund or Sub-Funds</b>	Any sub-fund of the Company established by the General Partner in accordance with this Private Placement Memorandum and the Articles.
<b>Subsidiary</b>	Any Luxembourg or foreign entity/company wholly owned or controlled by any Sub-Fund, through which the General Partner has made or holds investments for the benefit of such Sub-Fund.
<b>Suspension Mode</b>	As defined in the relevant Sub-Fund Appendix and relates to a change of control or key person event and results in a suspension of distributions, redemptions and making new investments.
<b>Sustainable Investment</b>	Means, in accordance with article 2 (17) SFDR Regulation, an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy , renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any those objectives and that investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.
<b>Sustainable Factors</b>	Means, in accordance with article 2 (24) SFDR Regulation, environmental, social, and employee matters, respect for human rights, anti-corruption and anti-bribery matters.
<b>Sustainable Risk</b>	Means, in accordance with article 2 (22) SFDR Regulation, an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.
<b>Taxonomy Regulation</b>	means Regulation (EU) No 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (SFDR Regulation).
<b>Tax Information</b>	means any current or future US or non-US legislation, requiring the disclosure or registration of information relating to the Company and the Partners in order to avoid the imposition of tax penalties ("FATCA"), and OECD Common Reporting Standard ("CRS") under Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by

Council Directive 2014/107/EU) implemented in Luxembourg by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the CRS Law) or any similar non-US legislation or successor provision that is substantively comparable thereto along with, for the avoidance of doubt, any legislation, intergovernmental agreements or regulations arising as a result of any intergovernmental approach to any of the foregoing including any legislation pursuant to which the disclosure of information relating to investors or their tax position is necessary or desirable.

<b>UCI</b>	an undertaking for collective investment.
<b>UCITS</b>	Means an undertaking for collective investment in transferable securities authorised in accordance with Directive 85/611/EEC.
<b>Underlying Claims</b>	means (a) a claim made under any indemnity, warranty or other obligation undertaken by the General Partner on behalf of the Company or Sub-Fund in relation to an Investment or (b) a distribution made or capital returned by an Investment to the Company that is recalled by the Investment for whatever purpose in accordance with the governing documents of that Investment.
<b>Unlimited Shareholder</b>	Has the meaning as ascribed to this term by the 1915 Law.
<b>Unlimited Shareholder Share(s)</b>	Means any share(s) issued by the Company to, and subscribed by, the unlimited shareholder (the General Partner).
<b>US Person</b>	The meaning given in Regulation S under the United States Securities Act of 1933, as amended.
<b>Valuation Day</b>	Any business day in Luxembourg which is designated by the General Partner as being a day by reference to which the assets of the relevant Sub-Funds shall be valued in accordance with the Articles, as further described in the relevant Appendix.
<b>Well-Informed Investors</b>	means, in accordance with article 2 of the RAIF Law, (a) institutional investors, (b) Professional Investors, or (c) any other investors having declared being a well-informed investor and either (i) having a minimum subscription of at least EUR 100,000 (one hundred thousand Euro), or (ii) having been the subject of an assessment made by a credit institution within the meaning of Regulation (EU) No. 575/2013, or by an investment firm within the meaning of Directive 2004/39/EC, or by a management company within the meaning of Directive 2009/65/EC, or by an alternative investment fund manager within the meaning of Directive 2011/61/EU, certifying his expertise, his experience and his knowledge in adequately appraising an investment in the reserved alternative investment fund. Pursuant to article 2 (2) of the RAIF Law, the conditions set forth in such article are not applicable to the Managers or other employees of the General Partner as persons who intervene in the management of the Company, if admitted to invest in the Company.
<b>Website</b>	Means the website of the Company and/ or Sub-Fund(s). The website(s) disclosing sustainable-related information regarding the Company, the Sub-Fund(s) and the financial product proposed to the investors in respect of the SFDR Rules.

## PART I – GENERAL INFORMATION IN RELATION TO THE COMPANY

### 1. STRUCTURE OF THE COMPANY

#### 1.1 General Information

The Company was incorporated under the name of Pan-European Opportunities Fund S.C.A., SICAV-RAIF on 19 January 2022, as a société en commandite par actions incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'investissement à capital variable (SICAV). The Company is subject to the RAIF Law of 2016 and qualifies as an alternative investment fund (AIF) as defined under Article 1 (39) of the 2013 Law.

The articles of incorporation are pending publication in the RESA. The Company's registration with the Luxembourg Registre de Commerce et des Sociétés, is B263953.

The Company is an umbrella fund and as such provides prospective investors with the choice of investment in a range of several separate Sub-Funds, each of which relates to a separate portfolio of assets permitted by law with specific investment objectives, as described in the relevant Appendix.

The Company has been incorporated for an unlimited duration, however each Sub-Fund may be created for a limited duration as specified in the relevant Appendices.

As a société en commandite par actions, the Company has two different types of Shareholders:

- (a) the *associé gérant commandité* or unlimited Shareholder (the "**General Partner**"), who is responsible for the management, distribution and administration of the Company and is jointly and severally liable for all liabilities which cannot be paid out of the assets of the Company. The General Partner will hold the General Partner Share in the Company. One General Partner Share was issued upon incorporation of the Company and no further General Partner Shares shall be issued.
- (b) the *associés commanditaires* or limited Shareholders whose liability is limited to the amount of their investment in the Company. The Company may have an unlimited number of limited Shareholders. The interests of the limited Shareholders of the Company will be represented by Investors Shares of different Classes, as the case may be, with respect to each Sub-Fund.

The capital of the Company is represented by the General Partner Share and by Investors Shares. Within each Sub-Fund, Shares may, as the General Partner shall determine, be of one or more different series differentiated by their respective issue date.

Each Share grants the right to one vote at every general meeting of Shareholders. No measure affecting the interests of the Company vis-à-vis third parties may validly be taken without the affirmative vote of the holder of the General Partner Share.

The capital of the Company shall at all times be equal to the total Net Asset Value of the Company.

The Company was incorporated with a subscribed share capital of thirty thousand Euros (EUR 30,000.-) divided into one (1) General Partner Share of no nominal value and twenty-nine (29) Investors Shares of no nominal value. Upon incorporation, the General Partner Share and all Investors Shares were fully paid paid-up.

The minimum subscribed capital of the Company, as prescribed by law, is EUR 1,250,000. This minimum must be reached within a period of twenty-four (24) months following the incorporation of the Company.

#### 1.2 Investment Choice

For the time being, the Company offers Investors Shares in those Sub-Funds as further described individually in the relevant Appendix.

Upon creation of new Sub-Funds or Class(es), this Private Placement Memorandum shall be updated or supplemented accordingly.

### 1.3 Share Classes

All Sub-Funds may offer more than one Class of Investors Shares. Each Class of Investors Shares within a Sub-Fund may have different features or rights or may be offered to different types of Eligible Investors to comply with various country legislations and will participate solely in the assets of that Sub-Fund.

Details in relation to the different Classes of Shares as well as the rights in relation thereto and issue conditions are set out for each Sub-Fund in the relevant Appendix.

### 1.4 Minimum Investment and Holding

The minimum initial and subsequent investments as well as the minimum holding requirements, if any, are set out for each Sub-Fund in the relevant Appendix.

## 2. INVESTMENT OBJECTIVES, STRATEGY AND RESTRICTIONS

### 2.1 General Investment Objective and Strategy

The objective of the Company is to provide Investors with a choice of investments strategies/types of investments which are limited to Real Estate and private equity and private equity funds with an investment objective similar to that of the Company, through several investment programs structured as several separate Sub-Funds. Globally, the aim of the Company is to take advantage of several attractive opportunities in various asset classes through different investment programs. The investment objective and strategy of each Sub-Fund is set out in the relevant Appendix.

The Company is within the scope of

- Regulation (EU) 648/2012 on OTC derivatives, central counterparties and trade repositories. It qualifies as a financial counterparty under Regulation (EU) 648/2012 but will not use / enter into OTC;
- Regulation (EU) 2015/2365, which lays down rules on the transparency of securities financing transactions. It will not use / enter into securities financing transactions or reuse.

### 2.2 Borrowing policy/ Leverage

The Company, with respect to each Sub-Fund, may incur indebtedness whether secured or unsecured, as further described in the relevant Appendix.

Unless otherwise stated in the relevant Appendix, borrowings may be utilised for investment purposes as well as bridge financing and to fund expense disbursements when liquid funds are not readily available.

Investments of each Sub-Fund may include target companies or entities whose capital structures may include significant leverage. Leverage incurred at the level of such targeted investments will as a rule not be consolidated for the purpose of assessing external borrowings limits of each Sub-Fund referred to herein.

### 2.3 Investment restrictions

The investment strategy of each Sub-Fund will be based on the principle of risk diversification. Unless otherwise stated in the relevant Appendix, each Sub-Fund shall comply with the following investment limits and restrictions:

- 2.3.1 A Sub-Fund may not invest more than thirty per cent (30%) of its assets in the same type of securities issued by the same issuer. This restriction does not apply to (i) investments in securities issued, or guaranteed by an OECD Member State, or its regional, or local authorities, or by the European Union,

regional, or global supranational institutions and bodies or (ii) investments in target undertakings for collective investment that are subject to risk-spreading requirements at least comparable to those applicable to specialised investment funds. For the purpose of the application of this restriction, every sub-Fund of a target umbrella undertaking for collective investment is to be considered as a separate issuer, provided that the principle of segregation of liabilities among the various sub-Funds vis-à-vis third parties is ensured.

- 2.3.2 Short sales may not in principle result in a Sub-Fund holding a short position in securities of the same type, and issued by the same issuer and representing more than thirty per cent (30%) of the Sub-Fund's assets.
- 2.3.3 When using financial derivative instruments, a Sub-Fund must ensure, via appropriate diversification of the underlying assets, a similar level of risk-spreading. Similarly, the counterparty risk in an over-the-counter transaction must, where applicable, be limited having regard to the quality and qualification of the counterparty.

Each Sub-Fund may have additional specific investment restrictions and risk diversification requirements. Such specific investment restrictions and risk diversification requirements will be specified in the relevant Appendix(es) to this Private Placement Memorandum.

#### 2.4 Investments into securities issued by other Sub-Funds

A Sub-Fund of the Company, may subscribe, acquire and/or hold Shares to be issued or issued by one or more other Sub-Fund of the Company, without the Company being subject to the requirements of the 1915 Law with the respect to the subscription, acquisition and/or holding by the Company of its own Shares, on the terms provided for in the Sub-Fund(s)' Appendix/(ces), on condition that:

- 2.4.1 The target Sub-Fund does not in turn invest in the Sub-Fund that invested in this target Sub-Fund.
- 2.4.2 Voting rights, if any, attaching to the relevant Shares are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and periodic reports.
- 2.4.3 In any event, for as long as the shares are held by the Company their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the RAIF Law.

#### 2.5 Hedging policy

Unless otherwise provided for in the relevant Appendix, any Sub-Fund may invest in, or enter into, derivative contracts or instruments if such contracts or instruments are bona fide hedging transactions in connection with acquisition, holding or disposition of investments for the purpose of hedging risks arising from *inter alia* currency fluctuations, interest rate fluctuations or other disadvantageous macroeconomic developments. Any amounts paid by a Sub-Fund for or resulting from any such contracts or instruments shall be treated as a Sub-Fund expense relating to the investment(s) hedged thereby, and, if two or more investments are hedged thereby, such amounts shall be allocated among such investments as reasonably determined by the General Partner. Any distributions resulting from any such contracts or instruments shall be treated as attributable to the investment(s) hedged thereby, and, if two or more investments are hedged thereby, such distributions shall be allocated among such investments as reasonably determined by the General Partner.

#### 2.6 Temporary Investments

Unless otherwise provided in the relevant Appendix, pending investment or reinvestment, the cash assets of each Sub-Fund may be held in time deposits, liquid money market instruments or highly rated government

bonds, and units or shares of money market funds consistent with the temporary investments' strategy adopted by the General Partner. The temporary investments are to be made on a temporary basis, pending further use or redeployment of the capital from the results of the management of each Sub-Fund's assets. The General Partner may further establish restrictions or credit ratings with regards to the money market instruments and the highly rated government bonds to be chosen.

### 3. GENERAL RISK CONSIDERATIONS

An investment in the Company and its Sub-Funds involves certain risks relating to the particular Sub-Fund's structure and investment objectives which prospective investors should evaluate before making a decision to invest in such Sub-Fund.

The investments within each Sub-Fund are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that the investment objectives of the relevant Sub-Fund will be achieved.

Investors should make their own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in investment in a Sub-Fund and its suitability for their own purposes. In evaluating the merits and suitability of an investment in a Sub-Fund, careful consideration should be given to all of the risks attached to investing in a Sub-Fund.

Schedule 1 is a brief description of certain factors which should be considered along with other matters discussed elsewhere in this Private Placement Memorandum. The following however, does not purport to be a comprehensive summary of all the risks associated with investments in any Sub-Fund.

**An investment in Shares of any Sub-Fund carries substantial risk and is suitable only for Investors who accept the risks, can assume the risk of losing their entire investment and who understand that there is no recourse other than to the assets of the relevant Sub-Fund.**

### 4. MANAGEMENT, GOVERNANCE AND SERVICE PROVIDERS

#### 4.1 The General Partner

The General Partner is EUNIIC S.à.r.l., a company under the form of a société à responsabilité limitée incorporated under the laws of Luxembourg on 6 December 2021 with a share capital of forty thousand Euros (EUR 40,000.-). The articles of incorporation of the General Partner are pending publication in the RESA. The General Partner's registration with the Luxembourg Registre de Commerce et des Sociétés is B262878.

Pursuant to the Articles, the General Partner has responsibility for managing and administering the Company and distributing its Shares in accordance with the Private Placement Memorandum and the Articles, Luxembourg laws and other relevant legal requirements.

The General Partner of the Company remains liable for the content of this Private Placement Memorandum and for any amendments on it.

The General Partner is responsible for implementing the investment policy of the Company and its Sub-Funds, subject to investment restrictions set out in this Private Placement Memorandum. The General Partner has appointed the AIFM, on behalf of the Company, to act as the alternative investment fund manager of the Company.

The General Partner is also responsible for selecting and appointing the Depositary, Distributors and other such agents as are appropriate.

Moreover, for marketing the Company the General Partner shall select and appoint duly regulated marketing intermediaries (including MiFID firms).



## 4.2 Board

The Board of the General Partner as at the date of this Private Placement Memorandum is composed as follows:

Thales Solutions S.à.r.l., permanently represented by Mr. Ivaylo Markov is a Director and founding Shareholder of the General Partner, EUNIIC S.à.r.l..

Mr. Markov holds a Master's degree in Financial Management from University of Lorraine, Nancy, France, specialized in financial analysis and EU trading space. Having a solid expertise in the structuring and administration of investment funds during his 15-year career in Luxembourg, Mr. Markov put in place performance fee models and share class hedging for asset managers with EUR 10 billion of assets under management. He held managerial positions for different actors in the life of an investment vehicle such as depositaries, custodians, fund administrators, transfer agents, management companies and AIFMs. Part of the said companies are State Street Bank Luxembourg, Selectra Management Company (part of TMF Group currently), RCB Bank Ltd, Luxembourg Branch. Currently Mr. Markov is running his independent structuring advisor company, Thales Solutions Luxembourg. This global 360 degree image allowed him to be a member of acceptance and business committees launching projects including UCITS, PERE funds, mergers of funds. His experience of Luxembourg market and its requirements brings an additional knowledge and comfort to the General Partner for the daily management of the Company and the establishment of professional relationship with all the involved actors. Mr. Markov is also member of Institut Luxembourgeois des Administrateurs, ILA.

Mr. Marc Spiessens is a Director and founding Shareholder of the General Partner, EUNIIC S.à.r.l..

Since March 1991 Mr. Spiessens has been organizing and structuring investment funds for international financial companies. From 1993 till 2014 he has been doing so through his company in the Bahamas, Marlborough Partners, Ltd. Over a period of 25 years he has been instrumental in the set-up and management of dozens of different investment funds mostly in the derivatives area like Hedge Funds and Managed Futures Funds. In doing so he worked together with large financial companies on a number of projects. Among others he worked on investment funds with Skandinaviska Enskilda Banken (SEB) the London branch, Bear Stearns in New York, MeesPierson Bank in Amsterdam the Netherlands, MeesPierson Fund Services in Nassau the Bahamas, Theodoor Gilissen Bank in Amsterdam the Netherlands etc.

He also structured single advisor funds for Trading Companies like for example Coral Rock in the USA.

Prior to that Mr. Spiessens was the General Manager for Belgium of I.M.G. Holland B.V., a member of the Amsterdam Exchanges formerly known as the European Options Exchange, the Amsterdam Stock Exchange and the Amsterdam Futures Exchange. Prior thereto from June 1988 till January 1991 he was the General Manager for Belgium of Rocorp B.V. formerly known as Sure Options B.V., which was also a member of the Exchanges previously mentioned.

Mr. Marc Schiettekate is a Director and founding Shareholder of the General Partner, EUNIIC S.à.r.l..

In 1983 Mr. Schiettekate founded Mafribel N.V. a regional wine importer and distributor together with one partner. In 1990 Mafribel was converted from an importer of wine into an agency which was the beginning of a spectacular growth of the company.

In 1995 he founded Winco N.V. a Belgian importer and distribution company since Mafribel had become an agency and it was advisable to keep the different businesses separated.

In 1998 he and a business partner at the time decided to participate in the production of wine directly through a brand new concept, Master Winemakers. The idea behind it was and still is the production of custom-made wines and brands per customer and/or per market. Wines are produced under the producer's label or the customer's private label. This will also be an important aspect and business of the Company.

Over the years Master Winemakers have worked with more than 30 world renowned oenologists on several projects in many different countries like France, Italy, Spain, Chile, Moldavia, South-Africa and others.

All of the production projects are managed through a majority partnership in companies each specific to one production area. Among others there was Mare Nostrum in Carcassonne, France for the Mediterranean area, Chardonnier in Vosne-Romanée for Eastern France, Marea Neagra in Moldavia and Panamerica in Santiago de Chile for South-American winemaking. New companies for the management of South-African and Australian wines are being studied.

The sales of their production are assured through the different Master Winemakers sales offices in Europe and a network of independent importers and agents worldwide.

Today his companies represent an annual sales volume of 54 million bottles sold in 9 different countries.

His companies work in close collaboration with over 50 producers and winemakers from around the world. Among them some of the largest and/or most respected names in the business. They supply over 200 importers and distributors and have the finest relations with a lot of leading supermarket chains. (Please see [www.lewine.be](http://www.lewine.be))

At the Sub-Fund level, some persons may be identified as responsible Key Persons. The names of the Key Persons, as well as their appointment procedure, are specified, if relevant, for each Sub-Fund in the relevant Appendix.

#### 4.3 Key Persons Event

At any time during the life of the relevant Sub-Fund, in the event that a Key Persons Event (as further specified in the relevant Appendix) occurs, then the relevant Sub-Fund(s), as the case may be, automatically enters into a Suspension Mode (as specified in the Appendix of the relevant Sub-Fund).

#### 4.4 Change of Control of the General Partner

The General Partner can only be removed by the General Meeting in accordance with the Articles i.e., in:

- Circumstances where a court of competent jurisdiction makes a final ruling (not capable of further appeal) confirming the General Partner's gross negligence, fraud or wilful default, which materially and adversely affects the Company; or
- Making any verdict, judgment or arbitration award against the General Partner which materially and adversely affects the ability of the General Partner to carry out its duties or the conduct of the activities of the Company and which materially and adversely affects the Company including the judgment which opens an insolvency procedure against the General Partner.

If no successor general partner is approved by the General Meeting within 30 days from the date of notice to the General Partner of its removal, the Company will be put into liquidation.

#### 4.5 Alternative Investment Fund Manager ("AIFM")

##### 4.5.1 General

The Company has appointed Audentia Capital Management Ltd. ("Audentia") as its AIFM pursuant to the AIFM agreement effective as of 19 January 2022. The AIFM is a private limited liability company registered in Malta on 11 January 2017 with the Malta business registry under number C 79067 and having its registered office in 10 Kent street, Sliema SLM 2128, Malta. The AIFM holds a licence granted by the Malta Financial Services Authority according to the Maltese investment services act, 1994, and qualifies as an AIFM pursuant to AIFMD. The AIFM is entrusted with the portfolio management, the risk management and the marketing of the Company and Sub-Funds. The AIFM takes the investment decisions and manages the Company's assets in a discretionary manner and with the goal of reaching the investment objectives of the different sub-funds. The AIFM is entitled to a remuneration as further described under the relevant sub-fund annexes.

##### 4.5.2 Delegation

For the purpose of a more efficient conduct of its business, the AIFM may delegate to third parties the power to carry out some of its functions on its behalf, subject to limitations and requirements,

including the existence of objective reasons, in accordance with applicable laws and regulations. The delegated functions shall remain under the supervision and responsibility of the AIFM and the delegation shall not prevent the AIFM from acting, or the Company from being managed, in the best interests of the shareholders.

#### 4.5.3 Risk Management Function and Liquidity Risk Management

The AIFM must functionally and hierarchically separate the functions of risk management from the operating units, including from the functions of portfolio management, in order to demonstrate independent performance of risk management activities.

The AIFM is required to implement adequate risk management systems, which will be reviewed and adapted, with appropriate frequency at least once a year, in order to identify, measure, manage and monitor appropriately all risks relevant to the investment strategy of the Company and to which the Company is or may be exposed.

The AIFM has established and maintains a permanent risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to the sub-fund's investment objective including in particular market, credit, liquidity, counterparty and operational risks. Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per article 70 (3) of the AIFMD regulation.

The AIFM shall control the risk management process and ensure that the investment management decisions and the strategy of each of the sub-funds is being adhered to, as well as ensuring that all cash flows are properly accounted for and that the proper legal and compliance procedures are in place.

#### 4.5.4 Best Interests of the Shareholders

In conducting its activities, the AIFM shall act honestly and fairly, with due skill, care and diligence, in the best interests of the Company, the Sub-Funds, the shareholders, and the integrity of the market.

The AIFM has put in place policies and procedures to ensure compliance with the principles of fair treatment of investors as required by the 2013 law.

The principles of treating the shareholders fairly include, but are not limited to, acting in the best interest of the Company and the shareholders, managing the Company with regard to the Company's objectives, investment policy and its risk profile, ensuring that fair and transparent valuation models are used; taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of the shareholders.

### 4.6 Fund Advisor

The AIFM may appoint one or more Fund Advisors to a given Sub-Fund to provide fund advisory services in light of the strategy pursued, as further described in the relevant Appendix(ces) and as detailed in one or more Fund Advisory agreements.

The Fund Advisor, if any, will be appointed only for providing advice and not for performing the portfolio management function. A Fund Advisor may also be referred to as Consultant, Specialist Manager, Property Manager etc. in a Sub-Fund depending on the specific needs and function required by a relevant Sub-Fund.

### 4.7 Fees of the Fund Advisor

The Fund Advisor, if any, will be paid by the Company or the General Partner will instruct the relevant Sub-Fund to pay the fees to the Fund Advisor directly. Please refer to the relevant Appendix for further information.

## 4.8 Depositary

Q Securities S.A. Luxembourg Branch is a branch of an EU MiFID licensed investment firm, which based on the administrative authorization issued by the Commission de Surveillance du Secteur Financier (the CSSF) acts as depositary for Luxembourg alternative investment funds ranging from SICARs, SIFs to RAIFs.

Q Securities S.A. Luxembourg Branch has been appointed as depositary of the Company pursuant to a depositary agreement with effective date from 19 January 2022.

The depositary agreement is governed by Luxembourg law and may be terminated by either the Company or the Depositary upon ninety (90) calendar days' prior written notice.

In any case the Depositary will have to be replaced within two (2) months from its voluntary withdrawal or from its removal by the Company. The Depositary shall continue its activities in the meantime until the Company's assets have been transferred to the new Depositary.

### 4.8.1 Role of the Depositary

The Depositary is responsible for (i) the custody of all financial instruments of the Company and (ii) the verification of the ownership of other assets of the Company, as well as (iii) the monitoring of the Company's cash flows and, (iv) such additional oversight functions as set out by the AIFM Law and namely:

(i) ensure that the sale, issue, repurchase and cancellation of the Shares are carried out in accordance with the Luxembourg laws and regulations and the Company's constitutive documents;

(ii) ensure that the value of the Shares of the Company is calculated in accordance with the applicable Luxembourg law, the Company's constitutive documents and the valuation procedures adopted in respect of the Company in accordance with the AIFM Law;

(iii) carry out authorised instructions from the AIFM, provided that such authorized instructions do not conflict with the Luxembourg laws and the Company's constitutive documents;

(iv) monitor the Company's compliance with the investment restrictions and leverage limits set out in the Private Placement Memorandum;

(v) ensure that in respect of transactions involving the assets of the Company, the consideration is remitted to the Company within the usual time limits; and

(vi) ensure that the income of the Company is applied in accordance with the Luxembourg laws and the Company's constitutive documents.

### 4.8.2 Delegation of Depositary Functions

The Depositary is not authorised to delegate to third parties, subject to the conditions laid down in the AIFM Law, its depositary functions, save for those relating to (i) the safekeeping of financial instruments to be held in custody and (ii) the verification of ownership and the maintenance of a record with respect to other assets. Such third parties shall be appointed by the Depositary under its responsibility with due skill, care and diligence. The above delegations shall each time be justified by objective reasons.

However, where the law of a third country requires that certain financial instruments to be held in custody by a local entity and no local entities satisfy the delegation requirements laid down in the AIFM Law, the Depositary may delegate its functions to such a local entity only to the extent required by the law of the third country and only as long as there are no local entities that satisfy the delegation requirements, such delegation by the Depositary being subject to the prior instruction of the General Partner or the AIFM and the Shareholders being duly informed of such delegation and the circumstances justifying such a delegation, prior to their investment.

The liability of the Depositary shall in principle not be affected by such delegation(s) and the Depositary shall be liable to the Company or its Shareholders for the loss of financial instruments by the Depositary or a third party to whom the custody of financial instruments has been delegated.

However, where the event which led to the loss of a financial instrument is not the result of the Depositary's own act or omission (or that of its sub-depositary), the Depositary is discharged of its liability for the loss of a financial instrument where the Depositary can prove that, in accordance with the conditions as set out in the AIFM Law and in the AIFM Regulation, the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions and reasonable efforts; or (ii) where it has contractually discharged its responsibility in compliance with article 19(13) of the AIFM Law; or (iii) in compliance with the conditions set out under article 19(14) of the AIFM Law where the laws of a third country requires that certain financial instruments be held by a local entity and there are no local entities that satisfy the delegation requirements of article 19(11) of the AIFM Law.

#### 4.8.3 Depositary Model

The Depositary is an entity established in the Republic of Poland and it performs its regulatory function through a branch in Luxembourg. The operational model of the Depositary assumes performing supporting depositary operational tasks from its parent entity in Poland. Pursuant to the requirements set out in subparagraph 2 of article 41 (2a) of the 1993 Law, Investors accept the outsourcing of depositary operational tasks of the Depositary to its entity established in the Republic of Poland along with the type of information transmitted in the context of the outsourcing. The information transmitted within the outsourcing is defined as follows: all data related to the Company investment activity and Investor data in the documentation used by the Depositary, or any other data which is collected by the Depositary to perform its duties defined in articles 85-102 of AIFM Regulation.

#### 4.8.4 Fees of the Depositary

The fees and charges of the Depositary are borne by the Company in accordance with common practice in Luxembourg and the charges are detailed in the applicable Appendix.

### 4.9 Central Administration, Registrar & Transfer Agent

Pursuant to the administrative agent and registrar and transfer agent agreement effective as of 19 January 2022 and entered into between Bolder Luxembourg S.A. (the "Central Administration Agent"), the RAIF represented by its General Partner and the AIFM (the "Administrative Agent and Registrar and Transfer Agent Agreement"), the AIFM has entrusted the administrative, registrar and transfer agency functions to the Central Administration Agent.

The Administrative Agent and Registrar and Transfer Agent Agreement will remain in force for an unlimited period and may be terminated by either party at any time upon ninety (90) calendar days' written notice or with immediate effect if this is in the interest of the Shareholders.

The Central Administration Agent is in charge of the issue, redemption and conversion of the Shares, and settlement arrangements thereof, keeping the register of the RAIF's Shareholders, calculating the Net Asset Value, maintaining accounting records for the RAIF, the payment of dividends and the redemption price of the Shares to Shareholders, assisting the General Partner in verifying that investors qualify as Eligible Investors and other general functions as more fully described in the Administrative Agent and Registrar and Transfer Agent Agreement, under the control and supervision of the General Partner.

The AIFM is responsible for the valuation of the assets of the RAIF. The Central Administration Agent will not provide any services in relation with the valuation process as required by the 2013 Law. Therefore, the Central Administration Agent shall not, in the absence of manifest error, be responsible for any loss suffered by the RAIF or any Shareholder by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by any external pricing source or the valuer, if any.

The Central Administration Agent is not responsible for any trading decisions of the RAIF or the effect of such investment decisions on the performance of the RAIF or for the monitoring of the compliance of the RAIF's investments with the rules contained in the Articles and/or the Private Placement Memorandum and/or any investment management agreement(s) with respect to the management of the RAIF. The Central Administration Agent shall not be liable for the contents of this Private Placement Memorandum and will not

be liable for any insufficient, misleading or unfair information contained in the Private Placement Memorandum.

The Central Administration Agent may delegate, upon prior approval of the AIFM and the RAIF, all or part of its functions to one or more sub-contractor(s) which, in view of functions to be delegated, has/have to be qualified and competent for performing them. The Central Administration Agent's liability shall not be affected by such delegation to one or more sub-contractor(s).

#### 4.10 Fees of the Central Administration , Registrar & Transfer Agent

The fees and charges of the Central Administration and of the Registrar & Transfer Agent are borne by the Company in accordance with common practice in Luxembourg and the charges are detailed in the applicable Appendix.

#### 4.11 Domiciliation agent

Bolder Luxembourg S.A. has been appointed as domiciliary agent of the RAIF (the "Domiciliary Agent") in accordance with a domiciliation agreement entered into for an unlimited period of time effective as of 19 January 2022 (the "Domiciliation Agreement").

The Domiciliary Agent is responsible for the domiciliation of the RAIF and will perform, inter alia, the functions as foreseen in the Luxembourg law of 31 May 1999 on the domiciliation of companies, as amended from time to time, and, in particular, allows the RAIF to establish its registered office at the registered office of the Domiciliary Agent and provide facilities necessary for the meetings of the RAIF's officers, directors and/or of the Shareholders as further described in the Domiciliation Agreement.

All communications of a Shareholder with the Company should be addressed to the Company at its registered office as set forth in the Directory on page 8 of this Memorandum.

The Domiciliation Agreement is available for inspection by Investors at the registered office of the Company.

#### 4.12 Fees of the Domiciliation Agent

The fees and charges of the Domiciliation Agent are borne by the Company in accordance with common practice in Luxembourg. The domiciliation fee is included in the annual Administration fee.

#### 4.13 Auditors of the company

The Company has appointed Mazars Luxembourg, as the auditors of the Company. The fees of the auditor are borne by the Company in accordance with common practice in Luxembourg as detailed in the applicable Appendix.

#### 4.14 Independent Experts

The General Partner may appoint, from time to time, independent experts (each an Independent Expert, collectively the Independent Experts) to supply independent professional advice in connection with the valuation of assets of certain Sub-Funds as disclosed in the relevant Appendix.

### 5. SUSTAINABLE INVESTING

#### 5.1 General approach to sustainable investing

The Company considers Sustainability Risks across all its classes of funds. Sustainability Risks refers to environmental (E), social (S) and Governance (G) event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

The Company's approach to Sustainability Risk integration seeks to identify and assess the Sustainability Risks at an individual issuer/investee, investment jurisdiction and general levels. Sustainability Risks which could be considered by the Company include, but are not limited to:

- Corporate governance malpractices, (board structure executive remuneration);
- Shareholders rights (voting rights, capital amendments participation, election of directors);
- Change to regulation (greenhouse gas emissions restrictions, governance codes);
- Poverty and unemployment;
- Change in water shortage and energy production costs
- Health, safety and environment;
- Competence gaps
- Rapid growth of emerging markets and relevant consumption
- Changing consumer needs and behaviour
- Physical threats (extreme weather, climate change, epidemy);
- Brand and reputational issues (poor health and safety records, cyber security breaches);
- Supply chain management;
- Work practices (observation of health, safety and human rights provisions);

Other additional qualitative and quantitative non-financial analysis including ESG risks supplements the study of financial results of the investments and factor them into investment decision-making and risk monitoring to the extent that they represent potential or actual material risks and/or opportunities to maximize long-term risk adjusted returns. Please refer to Schedule 1 – Risks at page 57 of the Memorandum for more information.

## 5.2. Sustainable investment promotion

The Company believes that responsible investing is an important part of good corporate citizenship as well as being important for long-term value creation and contribute to a lower carbon emission exposure in view of achieving the long-term global warming objectives of the Paris Agreement. The Company manages its Sustainable Investments following the responsible investment objective strategy and policy described for each the Sub-Fund under the responsibility of the AIFM.

All funds are subject to norms-based screening and exclusion of certain sectors or companies. The sustainable policy can be found on <https://www.paneuropeanfund.com>

## 5.3. Funds subject to the disclosure requirements of art 8 of the SFDR

Where provided for in their investment objective, certain funds may seek to achieve their investment objectives while promoting, among other characteristics, environmental or social characteristics, or a combination of those characteristics as the case may be.

The criteria for this approach are set out below and apply to all Sub-Funds subject to the disclosure requirements of article 8 SFDR.

The information to be disclosed on the integration of the sustainability risks, for each relevant Sub-Fund, shall include additional indication on the methodology used for each Eligible Assets depending on whether the financial product promotes environmental or social characteristics or a combination of those characteristics.

To enhance transparency and inform end investors and access to information on how the Company, respectively the Sub-Funds, integrate relevant sustainability risks whether material or likely to be material in their investment decision processes, including organizational, such as remuneration policies integrating sustainability risks, risk management and governance aspects of such processes, will be maintained concisely on websites and commercial documentation of the Company in line with the information appearing in the

Private Placement Memorandum and in periodic reports, such as the Annual report referred to in Article 22 of the AIFMs Rules as described thereafter.

#### 5.4. Sustainability restrictions and exclusion

##### 5.4.1. Applied principles:

The Company will assess the behavior of companies applying the UNGC. Those companies that are deemed to be in severe and systemic breach of these principles are excluded from the Company's investment screens. The Company will focus on the following areas to screen companies:

##### (i) Application of the entirety of human rights

While protecting and fulfilling human rights is a legal obligation and the responsibility of governments, it is widely recognized that all businesses have the potential to impact human rights.

The Company will professionally deal only with companies obeying to internationally recognized human rights principles and to prevent and manage its impact on human rights. Human rights related issues include complicity in human right abuses, human trafficking, modern slavery, the rights of indigenous people, and international humanitarian law.

The Company will exclude companies that are deemed to have severely and systemically breached the UNGC principles regarding human rights.

##### (ii) International Labor Standards and their usage

Companies have a responsibility to uphold internationally recognized standards and rights for their labor force. This applies to issues such as abolition of child labor, elimination of all forms of forced and compulsory labor, defense of the freedom of association and effective recognition of the right to collective bargain, and elimination of discrimination.

All the locally employed people will be authorized on site only with a valid relevant work contract.

The Company will exclude companies that are deemed to have severely and systemically breached the UNGC principles regarding labor standards.

##### (iii) Corruption

Correlation between corrupt business practices and the negative effects on long term financial return is growing. Corruption induces business-related costs and market inefficiency and hinders economic, political and social development.

Companies involved in business and consulting relationship with the Company are expected to take a proactive approach towards corruption, including extortion and bribery, implement adequate anti-corruption measures and improve transparency.

The Company will exclude from its business universe companies that are deemed to have severely and systemically breached the UNGC principles regarding corruption.

##### (iv) Environment

Care for nature, the environment and preserving biodiversity are primordial business responsibilities and even more given the investment policy of the Company. Companies should take a precautionary approach to environmental challenges, promote greater environmental responsibility, and encourage environmentally friendly technologies.

The Company will exclude from its screen companies which are deemed to have severely and systemically breached UNGC principles regarding the environment.

##### (v) Criminal convictions



The Company will not enter in any relationship, direct or indirect, with any entity which members have been involved, directly or indirectly, in a penal conviction in any possible jurisdiction

(vi) Sanctions

The Company will not invest in any projects, neither through equity, nor through debt, in any project held in a jurisdiction which government is subject to broad sanctions and fail to respect human rights.

(vii) Production of Weapons

Companies that are involved in the production or development of weapons are excluded from the Company's universe:

(viii) Waste of production

The Company will combat any form of waste in the production chain, including natural and human resources, electricity, machines capacity, beverage and final energy product.

All companies and people in breach with those rules, will be excluded from the entire business process.

5.4.2. Implementation of the exclusion list:

(i) Governance

The Management of the Company is responsible for the establishment, review and approval of the exclusion list

The Exclusion list will be reviewed at least twice a year to check if relevant changes have been made to any of the company's activities or behavior that are on the list. A review of such changes may lead to the exclusion being lifted, and additionally the inclusion of new companies to the list.

Unless exclusion stipulates a specific timeline, it will apply within one calendar month after decision to put a company on the exclusion list.

(ii) Dialogue and divestment

Companies new to our exclusion list may already be an investment. In such an instance, we would engage in dialogue with the management of the company to encourage a change. If such change is not evident within 12 months, we will commit to divest.

(iii) Scope

The Company will apply this Exclusion Policy to all funds investing in equities and fixed-income instruments and on which the Company has full management discretion, including those funds sub-managed by group members and discretionary mandates (unless the client specifies otherwise). It will not apply to fund of funds.

5.4.3 Screening of portfolios

The Risk Department is responsible for ensuring that any order related to funds in scope of the Exclusion Policy is screened against the exclusion list.

## 6. ANTI-MONEY LAUNDERING AND THE PREVENTION OF TERRORIST FINANCING

The General Partner, the Company and the AIFM shall at all times comply with the obligations imposed by applicable Luxembourg laws, rules, regulation and circulars as amended from time to time with respect to anti-money laundering and the prevention of terrorist financing.

The Central Administration in its capacity as transfer agent is responsible for carrying out anti-money laundering and the prevention of terrorist financing checks, on behalf of the Company. Furthermore in case of trusts, third party introducers and nominees, specific rules as envisaged by Luxembourg laws, regulations, guidelines and relevant circulars, shall be applied accordingly.

The Company and the Central Administration may require subscribers and any underlying investor where the case might be to provide any document they deem necessary to effect such identification.

The Company may reject or defer subscription, redemption or transfer instructions and the payments related thereto that do not comply with applicable laws and regulations of Luxembourg, the Private Placement Memorandum, the Articles and other valid documents of the Company, or that are not complete, including any failure by any Shareholder or prospective investor to provide documentation requested for the purposes of compliance with anti-money laundering laws and regulations of Luxembourg.

The Company or the Central Administration shall not be liable for delays or failures to process transactions as a result of a Shareholder or prospective investor failing to provide or providing incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under relevant laws and regulations.

Shareholders are reminded that any modification or update to their KYC information is required to be provided and notified to the Company and its representatives without delay. A failure to do so will result in a rejection or deferral of any subscription, redemption or transfer instructions and the payments related thereto.

## **7. TAX RELATED INFORMATION**

Each Shareholder shall provide from time to time such Tax Information to the Company as may be requested by the Board.

## **8. GENERAL DESCRIPTION OF THE SHARES OF THE COMPANY**

### **8.1 Restrictions to the subscription of Shares**

Shares are exclusively issued to and reserved to the subscription by Well-Informed Investors. The Company will not issue, or give effect to any transfer of Shares to any investor who is not a Well-Informed Investor.

The Administration Agent will assist the Company in relation to the verification of the status of Well-Informed Investors in the case where individual or corporate investors apply for Shares in the Company in their own name and for their own account. However, in a situation where investors apply for Shares in the Company through a nominee/other intermediary, the Administration Agent will only collect the information provided by the nominee/other intermediary (i.e., confirmation of the eligibility of the subscription made by the nominee/other intermediary) and the Company will be ultimately responsible concerning any issues relating to the eligibility of investors. In the case of non-receipt of such confirmation of eligibility, the Administration Agent will inform the Company and the Administration Agent has the right to refuse subscribers/investors unless it receives an instruction to the contrary from the Company. In the latter case, the Company assumes entire responsibility for verifying that the subscribers/investors in question have the status of Well-Informed Investors and the Company undertakes to compensate the Administration Agent for all damages, losses and eventual action incurred by the Administration Agent because of having accepted the subscription.

The Company (and the Administration Agent acting on behalf of the Company) reserves the right to request such information as is necessary to verify the identity of an Investor and its status in regard to the qualification as a Well-Informed Investor. In the event of delay or failure by the Investor to produce any information required for verification purposes or if there is not sufficient evidence that the person to whom the Shares are sold or transferred to is a Well-Informed Investor, the Company (and the Administration Agent acting on behalf of the Company) may refuse to accept the subscription application or transfer notice.

Considering the qualification of a subscriber or a transferee as Well-Informed Investor, the Company will have due regard to the applicable laws and regulations or recommendations (if any) of the CSSF. Well-Informed Investors subscribing in their own name, but on behalf of a third party, must certify that such subscriptions are made on behalf of a Well-Informed Investor as aforesaid and the Company may require at its sole discretion, evidence that the beneficial owner of the Shares is a Well-Informed Investor.

## 8.2 Shares

Each Sub-Fund shall issue fully paid-up Shares, in uncertificated registered form (actions nominatives) only, each Share being linked to a relevant Sub-Fund. Such Shares may be of different Classes. The inscription of the Shareholder's name in the register of Shareholders evidences such Shareholder's right of ownership of such registered Shares. The register of the Shareholders is conclusive evidence of ownership of the Shares and the Company will treat the registered owner of Shares as the owner thereof. A holder of registered Shares may receive a written confirmation of such shareholding.

Upon issue, Shares have the same voting rights and are entitled to participate equally in the profits and dividends attributable to the relevant Class, as well as in the liquidation proceeds of the relevant Sub-Fund. Moreover, the Shares do not carry any preferential or pre-emptive rights.

In the event of the liquidation of the Company, each Share is entitled to its proportionate share of the Company's assets after payment of the Company's debts and expenses, taking into account the Company's rules for the allocation of assets and liabilities.

Fractions of Shares may be issued to the nearest one hundredth of a Share and are entitled to participate pro rata in the distributions and the allocation of the liquidation proceeds. Such fractions of Shares do not entitle to vote.

Shares may only be offered to and are only transferable between Well-Informed Investors, with the exception that Shares may not be transferred to a Prohibited Person. Shares are subject to certain transfer restrictions.

The Administration Agent will keep the register of the Shareholders on behalf of the Company.

The register will contain the name of each owner of registered Shares, his residence or elected domicile as indicated to the Company, the number and Class of Shares held by it, the transfer of Shares and the dates of such transfers. The ownership of the Shares will be established by way of entry in this register.

Each Shareholder shall provide the Company with an address to which all notices and announcements may be sent. Such address shall also be entered into the register of Shareholders.

Shareholders may, at any time, change their address as entered into the register of Shareholders by way of a written notification sent to the Company.

The Company will recognise only one holder per Share. In case more than one person holds a Share, the Company has the right to suspend the exercise of all rights attached to that Share until one person has been appointed as sole owner in relation to the Company. The same rule shall apply in the case of conflict between a usufruct holder (usufruitier) and a bare owner (nu-propritaire).

Title to Shares in registered form is transferred upon registration of the name of the transferee in the register of Shareholders of the Company. The Company will not issue or give effect to any transfer of Shares to any Investor who is not actually a Well-Informed Investor.

All Shareholders have the right to vote at General Meetings. Each Share entitles its holder to one vote. Voting rights can be exercised in person or by proxy.

## 8.3 Contributions in Kind

Unless otherwise stipulated in the relevant Appendix for a given Sub-Fund, the General Partner may agree to issue Shares as consideration for a contribution in kind of assets, provided that such assets comply with the investment objectives, policies and restrictions of the relevant Sub-Fund and in accordance with the conditions

set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Company (“**réviseur d’entreprises agréé**”) which shall be available for inspection. Unless otherwise stipulated in the relevant Appendix for a given Sub-Fund, any costs incurred in connection with a contribution in kind of assets shall be borne by the relevant Investor.

#### 8.4 Accounting Currency and Reference Currency

The Company’s Accounting Currency will be the Euro (“Euro”, “EUR” or “€”).

The Sub-Fund(s) will be denominated in the Reference Currency specified for each Sub-Fund in the relevant Appendix.

### 9. SUBSCRIPTION FOR SHARES

#### 9.1 Subscription period

With regard to any Sub-Fund, the Company will accept subscriptions for Shares during the Initial Offering Period and, past the Initial Offering Period, on any Valuation Day as specified for each Sub-Fund in the Sub-Fund Appendix, from Well-Informed Investors that have entered into a Subscription Agreement with the Company.

The Company may further stipulate that any Sub-Fund shall accept subscriptions from Investors subject to Committed Capital Calls and Default Provisions in the relevant Sub-Fund Appendix as provided by Article 9.5 below.

Notwithstanding the above, the General Partner may deviate from the above subscription process and period in the relevant Sub-Fund Appendix of this Private Placement Memorandum.

#### 9.2 Issue of Shares

During the Initial Offering Period, Shares will be offered at the Initial Subscription Price plus, where applicable, any fee and charge as further detailed below and in the Sub-Fund Appendix with respect to each Class of each Sub-Fund.

After the Initial Offering Period, Shares will be issued at the relevant Net Asset Value per Share plus, where applicable, any charge and fee, as further detailed below and in the Sub-Fund Appendix with respect to each Class of Shares of each Sub-Fund.

If during the Initial Offering Period the General Partner identifies that the Initial Subscription Price does not reflect any increase in the acquisition cost (i.e. acquisition value of the Underlying Investment increased by any pertaining acquisition costs and expenses) of the Company’s participations in Private Equity Investment Structures and other assets and liabilities, subscriptions will be honoured by issuing Shares at their respective Net Asset Value, provided that such a Net Asset Value has been calculated before the end of such Initial Offering Period.

Any taxes, commissions and other fees incurred in the respective countries in which Shares are sold will also be charged, if any, to the incoming Shareholders.

#### 9.3 Subscription Process

Unless otherwise provided for in the relevant Sub-Fund Appendix, the Company may issue fully paid Shares at any time as stated in this Article.

The Company may determine that another subscription procedure be applicable, and set out any other subscription conditions such as default interests or restrictions on ownership in relation, to a Sub-Fund. Such other subscription procedure or conditions shall be disclosed and more fully described in the Sub-Fund Appendices. The Company may also impose restrictions on the frequency at which Shares shall be issued. The Company may, in particular, decide that Shares shall only be issued during one or more offering periods or at such other frequency as provided for in the Sub-Fund Appendix.

The Company may, in its absolute discretion, accept or reject any request for subscription for Shares. The Company may, again at its discretion and in the interests of the Company, redeem at any time any Shares of the Company that are illegitimately subscribed or held.

The Company may agree to issue Shares as consideration for a contribution in kind of equity, debt and/or financial structured instruments provided that such assets comply with the investment objectives, restrictions and policies of the relevant Sub-Fund and in compliance with the conditions set forth by Luxembourg Law, in particular the obligation to deliver a valuation report from the Auditor which will be available for inspection. Any costs incurred in connection with a contribution in kind of the said assets will be borne by the relevant Investor.

Any potential taxes, royalties and Administration costs arising from a subscription are charged to the Investor.

#### 9.4 **Suspension of Subscriptions**

No Shares will be issued by the Company during any period in which the determination of the Net Asset Value of the Company is suspended in accordance with Article 13 of this Memorandum.

Notice of suspension will be given to Investors subscribing for Shares, and any Subscription Agreement made or pending during a suspension period may be withdrawn by notice in writing received by the Company prior to the end of the suspension period. Any Subscription Agreement not withdrawn will be processed by Administration Agent on the first Dealing Day following the end of the suspension period, on the basis of the Net Asset Value per Share determined on such Dealing Day, which for the avoidance of doubt is a Valuation Day

#### 9.5 **Commitments, Committed Capital Calls and Default Provisions**

The relevant Section of the Sub-Fund Appendix of this Private Placement Memorandum determines if the subscription of Shares is subject to Commitments or other specific conditions.

In that respect, the General Partner, or its agent such as the AIFM, will make Committed Capital Calls in order to request Limited Shareholders of the concerned Sub-Fund to pay in, as the case may be, whole or part of the remaining balance of their Commitments. For the payment of the whole or part of the remaining balance of the Commitments, the Limited Shareholders will receive Shares.

The General Partner (or the AIFM or another agent) shall not make a Committed Capital Call unless it is reasonably certain that the intended use by the Company for the amounts to be drawn down will occur. The undrawn Commitments will be drawn down from Limited Shareholders proportionally to their Commitments in the reference currency. The General Partner may however request Committed Capital Calls in another currency (provided that such currency is regularly traded on a recognised market), which the General Partner decides in its absolute discretion. In circumstances where Committed Capital Calls are made in a currency other than EUR, then the EUR value of such Committed Capital Call shall be calculated at the rate of exchange for the relevant currency at the date that payment is due under the Committed Capital Call Notice.

Each Committed Capital Call will be calculated on the basis of the percentage of total Commitments collected within a relevant Closing as determined by the General Partner and subject to the provisions of the concerned Sub-Fund as described in the relevant Section of the Sub-Fund Appendix of this Private Placement Memorandum with respect to the Commitments of the Defaulting Investors. This percentage will be identical for all Limited Shareholders who committed to subscribe Shares within a relevant Closing, unless at the time of a Committed Capital Call it appears that all Limited Shareholders have not paid in the same percentage of the issuing price. In this case, the Limited Shareholders who/which have paid in a lesser percentage of the issuing price will be drawn down first. Thereafter, the other Limited Shareholders will be drawn down, but only when the same percentage of the issuing price has already been paid in by all Limited Shareholders.

The amount of any Committed Capital Call will be payable by Limited Shareholders to the Sub-Fund within a number of Business Days after the day of receipt of a Committed Capital Call Notice as determined in the Section of the Sub-Fund Appendix of this Private Placement Memorandum. Such Committed Capital Call Notice will indicate the portion of the remaining balance of the Commitments each Limited Shareholder will

need to pay on the applicable Committed Capital Call Date and the Company will reduce the undrawn Commitment of the relevant Limited Shareholder accordingly.

If a Limited Shareholder does not pay a Committed Capital Call within the required period of time from the day of receipt of a Committed Capital Call Notice, the Company may declare such Limited Shareholder a Defaulting Investor.

Unless waived by the General Partner, this results in the penalties determined for the concerned Sub-Fund in the relevant Section of the Sub-Fund Appendix in this Private Placement Memorandum.

In addition, the General Partner may take any of the following actions:

- Cause the Sub-Fund to redeem the Shares of the Defaulting Investor in the Sub-Fund upon payment to such Defaulting Investor of an amount as determined for the concerned Sub-Fund in the relevant Section of the Sub-Fund Appendix of this Private Placement Memorandum;
- Exercise any other remedy available under applicable law.

Limited Shareholders may be delivered an additional Committed Capital Call Notice to make up any shortfall of a Defaulting Investor (not to exceed each Limited Shareholder's Undrawn Commitment) and, following the prior approval of the General Partner, new limited shareholders may be admitted to the relevant Sub-Fund for the purpose of making contributions in place of the Defaulting Investor.

## 10. REDEMPTION OF SHARES

Prospective investors should **refer to the relevant Appendix** as regards applicable restrictions, prohibition or limitations that may apply to the redemption of the relevant Shares.

The Company shall not redeem any Shares if the net assets of the Company would fall below the minimum capital required in the RAIF Law as a result of such redemption.

The Company shall have the right, if the General Partner so determines, to satisfy payment of the redemption price to any Shareholder who agrees, in specie by allocating to the Shareholder investments from the portfolio of assets of the Company equal to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other Shareholders and the valuation used shall be confirmed by a special report of the independent auditor of the Company (réviseur d'entreprises agréé). The costs of any such transfers shall be borne by the transferee.

### 10.1 Compulsory transfers or redemption of shares of an Investor

The General Partner may, in its discretion, deem that the Investor:

- (a) is a Prohibited Person; or
- (b) has acquired its Shares in contravention of any terms upon which an application for such Shares was made or in the event that the continued ownership of the Shares by any person could give rise to a regulatory, pecuniary, legal, tax or material administrative disadvantage to the Company or the General Partner or any of the Investors in the Company.

The exercise by the General Partner of this power shall not be questioned or invalidated in any case, on the grounds that there was insufficient evidence of ownership of Shares by any person or that the true ownership of any Shares was otherwise than appeared to the Company at the date of any purchase notice, provided that in such case the said powers were exercised in good faith.

The General Partner may in its absolute discretion, require such limited Shareholder to transfer its Shares, on not less than 20 days' notice or upon such shorter notice as the General Partner shall deem appropriate. An Investor who is required to transfer its Shares pursuant to this Section shall be referred to as the "**Exiting Investor**". The Shares of an Exiting Investor will be offered by the General Partner to all the other Investors

pro rata to their respective shareholding at a price that the other Investor(s) agrees to pay. Provided that any such Shares that has not been irrevocably accepted in writing by an Investor on the date that is five Business Days from the date of such offer may be offered by the General Partner to any such Person as the General Partner shall determine at the Purchase Price (any such Investor or other Person that acquires all or any part of such Shares, a "Purchaser").

In the absence of fraud none of the General Partner, the AIFM, any of the limited Shareholders or any Associate of any of the foregoing shall be liable to the Exiting Investor, or to a Person purchasing Shares pursuant to this section.

## 10.2 Proportional compulsory redemption for distribution purposes

Subject to the minimum capital requirement provided for by the RAIF Law, the General Partner may decide, at its discretion, to redeem Shares for distribution purposes. If the General Partner resolves to redeem Shares, Shares of all Investors of the relevant Sub-Fund will have to be redeemed proportionately unless all Investors of that Sub-Fund give their consent.

The redemption will be carried out in accordance with the procedures set out in the Articles.

## 11. CONVERSION OF SHARES

Shareholders are authorized to convert Shares from one (1) Sub-Fund into another Sub-Fund or from one (1) Class into another within the same Sub-Fund only to the extent it is expressly contemplated in the relevant Sub-Fund(s) Appendix.

## 12. DETERMINATION OF THE NET ASSET VALUE

The Net Asset Value of the Shares of each Sub-Fund is expressed in the currency of the relevant Share Class as indicated in the relevant Sub-Fund(s) Appendix.

The General Partner sets the Valuation Days, and the methods whereby the Net Asset Value is made public, in compliance with the legislation in force.

Subject to the supervision of the Board, the Central Administration shall on each Valuation Day pursuant to the provisions of this Private Placement Memorandum and the Articles calculate a Net Asset Value per Share. The Board shall ultimately be responsible for calculating the Net Asset Value per Share.

### 12.1 Assets of the Sub-Funds

The assets of each Sub-Fund include:

- 12.1.1 all cash in hand or on deposit, including any outstanding accrued interest;
- 12.1.2 all bills and promissory notes and accounts receivable, including outstanding proceeds of any sale of securities;
- 12.1.3 all securities, shares, bonds, time notes, debenture stocks, options or subscription rights, warrants, money market instruments, and all other investments and transferable securities belonging to the relevant Sub-Fund;
- 12.1.4 all dividends and distributions payable to the Sub-Fund either in cash or in the form of stocks and shares (the Company may, however, make adjustments to account for any fluctuations in the market value of transferable securities resulting from practices such as ex-dividend or ex-claim negotiations);
- 12.1.5 all outstanding accrued interest on any interest-bearing securities belonging to the Sub-Fund, unless this interest is included in the principal amount of such securities;

- 12.1.6 the Company's or relevant Sub-Fund's preliminary expenses, to the extent that such expenses have not already been written-off, formation expenses, to the extent that such expenses have not been fully amortized within (5) years of the Company's or relevant Sub-Fund's formation;
- 12.1.7 the Company's or relevant Sub-Fund's other fixed assets, including office buildings, equipment and fixtures; and
- 12.1.8 all other assets whatever their nature, including the proceeds of swap transactions and advance payments.

## 12.2 Liabilities of the Sub-Funds

Each Sub-Fund's liabilities shall include:

- 12.2.1 all borrowings, bills, promissory notes and accounts payable;
- 12.2.2 all known liabilities, whether or not already due, including all contractual obligations that have reached their term, involving payments made either in cash or in the form of assets, including the amount of any dividends declared by the Company regarding the Sub-Fund but not yet paid;
- 12.2.3 a provision for capital tax and income tax accrued on the Valuation Day and any other provisions authorised or approved by the General Partner acting on the advice of the AIFM; and
- 12.2.4 all other liabilities of the Company of any kind with respect to the Sub-Fund, except liabilities represented by Shares. In determining the amount of such liabilities, the Company shall take into account all expenses payable by the Company including, but not limited to:
  - (a) start-up costs, formation expenses (provided they are fully amortized before (5) years from the incorporation of the Company),
  - (b) expenses in connection with and fees payable to, its portfolio manager(s), advisors(s), accountants, custodian and correspondents, registrar, transfer agents, paying agents, brokers, distributors, permanent representatives in places of registration and auditors,
  - (c) administration, domiciliary, services, promotion, printing, reporting, publishing (including advertising or preparing and printing of issuing documents of the Company, explanatory memoranda, registration statements, financial reports) and other operating expenses,
  - (d) the cost of buying and selling assets (transaction costs),
  - (e) interest and bank charges, and
  - (f) taxes and other governmental charges;

The service provider in charge of central administration functions may calculate administrative and other expenses of a regular or recurring nature on an estimated basis annually or for other periods in advance and may accrue the same in equal proportions over any such period.

## 12.3 Determination of the Value of the Assets of the Company

The value of the Company's assets shall be determined as follows:

- 12.3.1 the value of any cash in hand or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received, shall be equal to the entire amount thereof, unless the same is unlikely to be paid or received in full,



in which case the value thereof shall be determined after making such discount as the AIFM may consider appropriate in such case to reflect the true value thereof;

- 12.3.2 the value of all portfolio securities and money market instruments or derivatives that are listed on an official stock exchange or traded on any other Regulated Market will be based on the last available price on the principal market on which such securities, money market instruments or derivatives are traded, as supplied by a recognized pricing service approved by the AIFM. If such prices are not representative of the fair value, such securities, money market instruments or derivatives as well as other permitted assets may be appraised at a fair value at which it is expected that they may be resold, as determined in good faith the direction of the AIFM;
- 12.3.3 the value of securities and money market instruments which are not quoted or traded on a Regulated Market will be valued at a fair value at which it is expected that they may be resold, as determined in good faith under the direction of the AIFM;
- 12.3.4 investments in private equity securities will be appraised at a fair value under the direction of the AIFM, and with the assistance of one or several independent appraisers, designated by the AIFM for the purpose of appraising, where relevant, in accordance with appropriate professional standards, such as, for example, and without limitation, the International Private Equity and Venture Capital Valuation Guidelines published by the European Private Equity and Venture Capital Association (EVCA);
- 12.3.5 investments in Real Estate shall be valued with the assistance of one or several independent appraisers, designated by the AIFM for the purpose of appraising, where relevant, the fair value of a property investment in accordance with its/their applicable standards, such as, for example, and without limitation, the edition of the Appraisal and Valuations Standards published by the RICS;
- 12.3.6 the value of the participations in investment funds shall be based on the last available valuation. Generally, participations in investment funds will be valued in accordance with the methods provided by the instruments governing such investment funds. These valuations shall normally be provided by the central administration or valuation agent of an investment fund. To ensure consistency within the valuation of each Sub-Fund, if the time at which the valuation of an investment fund was calculated does not coincide with the valuation time of any Sub-Fund, and such valuation is determined to have changed materially since it was calculated, then the Net Asset Value may be adjusted to reflect the change as determined in good faith by and under the direction of the AIFM ;
- 12.3.7 the valuation of swaps will be based on their market value, which itself depends on various factors (*e.g.* level and volatility of the underlying asset, market interest rates, residual term of the swap). Any adjustments required as a result of issues and redemptions are carried out by means of an increase or decrease in the nominal of the swaps, traded at their market value;
- 12.3.8 the valuation of derivatives traded over-the-counter (OTC), such as futures, forward or option contracts not traded on exchanges or on other recognized markets, will be based on their net liquidating value determined, pursuant to the policies established by the AIFM on the basis of recognised financial models in the market and in a consistent manner for each category of

contracts. The net liquidating value of a derivative position is to be understood as being equal to the net unrealised profit/loss with respect to the relevant position;

- 12.3.9 the value of other assets will be determined prudently and in good faith under the direction of the AIFM in accordance with generally accepted valuation principles and procedures.

The AIFM, at its discretion, may authorize the use of other methods of valuation if it considers that such methods would enable the fair value of any asset of the Company to be determined more accurately.

For each Sub-Fund, adequate provisions will be made for expenses incurred and due account will be taken of any off-balance sheet liabilities in accordance with fair and prudent criteria.

In the case where any asset or liability of the Company cannot be considered as being attributable to a particular Sub-Fund, such asset or liability will as a rule be allocated to all Sub-Funds pro rata to their net asset values; notwithstanding the foregoing, if and when specific circumstances so justify, such asset or liability may be allocated to all Sub-Funds in equal parts.

For each Sub-Fund and for each Class, the Net Asset Value per Share shall be calculated in the relevant currency of the Class of Shares on each Valuation Day by dividing the net assets attributable to such Sub-Fund and to such Class (which shall be equal to the assets minus the liabilities attributable to such Sub-Fund and to such Class) by the number of Shares issued and in circulation in such Sub-Fund and to such Class. Assets and liabilities expressed in foreign currencies shall be converted into the relevant currency, based on the relevant exchange rates.

The Company's net assets shall be equal to the sum of the net assets of all its Sub-Funds.

If since the time of determination of the Net Asset Value per Share there has been a material change in relation to (i) a substantial part of the properties or property rights of the Sub-Fund or (ii) the quotations in the markets on which a substantial portion of the investments of the Sub-Fund are dealt in or quoted, the AIFM may, in order to safeguard the interests of the Shareholders, cancel the first valuation and carry out a second valuation with prudence and in good faith.

In the absence of bad faith, wilful default, gross negligence or manifest error, every decision to determine the Net Asset Value taken by the AIFM shall be final and binding on the Company and present, past or future Shareholders.

### 13. TEMPORARY SUSPENSION OF NET ASSET VALUE CALCULATION

The Company may suspend the determination of the Net Asset Value for one or more Sub-Funds, in the following cases:

- 13.1.1 when the political, economic, military or monetary environment, or an event of *force majeure*, prevent the Company from being able to manage normally its assets or its liabilities and prevent the determination of their value in a reasonable manner;
- 13.1.2 when, for any other reason, the prices of any significant investments owned by a Sub-Fund cannot be promptly or accurately ascertained;
- 13.1.3 when the Company or any of the Sub-Funds is/are in the process of establishing exchange parities in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction; and
- 13.1.4 when there is a suspension of redemption or withdrawal rights by several investment Company in which the Company or the relevant Sub-Fund is invested; and

- 13.1.5 in exceptional circumstances, whenever the General Partner acting on the advice of the AIFM considers it necessary in order to avoid irreversible negative effects on one or more Sub-Funds, in compliance with the principle of equal treatment of shareholders in their best interests.

The suspension of the calculation of the Net Asset Value shall be notified to the relevant persons through all means reasonably available to the Company, unless the General Partner acting on the advice of the AIFM is of the opinion that a publication is not necessary considering the short period of the suspension.

The suspension measures provided for in this article may be limited to one or more Sub-Funds.

#### 14. **DISTRIBUTION POLICY**

Within each Sub-Fund, Shares may be issued as capitalisation Shares and/or as distribution Shares. The features of the Shares available within each Sub-Fund are set out in of the relevant Appendix.

The Company may declare annual or other interim distributions payable from the investment income gains and realized capital gains and, if considered necessary to maintain a reasonable level of dividends, out of any other Companies available for distribution.

The Company shall not proceed to distributions, either by way of distribution of dividends or redemption of Shares, in the event that the net assets of the Company would fall below the level prescribed under the RAIF Law.

Please review the relevant Sub-Fund Appendix as the Preference Class (if issued) shall receive a preference in the distribution of the Net Distributable Cash over the other classes.

#### 15. **COSTS, FEES AND EXPENSES**

##### 15.1 **Costs payable by the Company and relevant Sub-Fund(s).**

Except otherwise specified in the relevant Appendix, each Sub-Fund will bear all Organisational and On-going Expenses.

These costs may, in particular and without being limited to the following, include start-up costs, the remuneration (including reasonable out-of-pocket expenses) of the General Partner, Depositary, AIFM, Fund Advisor(s) (if any), Bank charges and interest, Central Administration and Domiciliation Agent and other providers of services, as well as valuation fees, brokerage fees, transaction fees and expenses, taxes and costs connected with the movements of securities or cash, marketing expenses (such as without limitation preparation of marketing materials, and sponsoring conferences and seminars), as well as the fees of the auditor, legal advisor fees, accounting advice, advice of other experts and consultants, insurance premiums, costs and expenses incurred in connection with legal proceedings involving the Company, winding-up costs, the costs of preparation and distribution of the Private Placement Memorandum and periodic reports, Luxembourg subscription tax and any other taxes relating to the operations of the Sub-Fund, fees to the relevant regulatory authorities, the costs related to the issue, redemption or conversion of Shares, translations and legal publications, compliance with the SFDR and other applicable sustainable-related regulation costs and expenses, the costs of its securities servicing, the possible costs of listing on any stock exchange or of publication of the price of its Shares, the costs of official deeds and any legal costs relating thereto.

Charges relating to the creation of any Sub-Fund shall be borne by such Sub-Fund and can be included in the Subscription Fee of the relevant Sub-Fund OR may be amortized over a period not exceeding five (5) years against assets of that Sub-Fund, and in such amounts in each year as determined by the General Partner on an equitable basis.

## 15.2 **Costs and fees to be borne by the Investors**

Where applicable, Investors may have to bear placement fees and/or costs and/or fees with respect to the issue, redemption or conversion of Shares, as described in the relevant Appendix.

## 15.3 **Investment-Related Expenses**

The AIFM and the Fund Advisor shall be reimbursed by the relevant Sub-Fund in respect of all Investment-Related Expenses incurred by them.

## 15.4 **Value Added Tax**

All fees and expenses pursuant to the above are exclusive of value added taxes or other chargeables thereon, which shall be paid by the relevant Sub-Fund as required.

## 15.5 **Indemnification**

The Company shall indemnify within the limits set forth by Luxembourg law the Board, the AIFM, the Fund Advisor, any Real Estate agent, the Real Estate service Provider and their respective officers, directors, managers, employees and associates and all persons serving on the AIFM Board (each an "**Indemnified Person**") against all claims, liabilities, cost and expenses incurred in connection with their role as such, other than for gross negligence, fraud or wilful misconduct. Shareholders will not be individually obligated with respect to such indemnification beyond the amount of their investments in the relevant Sub-Fund in accordance with the terms set forth by Luxembourg law.

The Indemnitees shall have no liability for any loss incurred by the Company or any Shareholder howsoever arising in connection with the service provided by them in accordance with the Company Documents, and each Indemnitee shall be, within the limits set forth by Luxembourg law, indemnified and held harmless out of the assets of the relevant Sub-Fund against all actions, proceedings, reasonable costs, charges, expenses, losses, damages or liabilities incurred or sustained by an Indemnitee in or about the conduct of the Company's business affairs or in the execution or discharge of his duties, powers, authorities or discretions in accordance with the terms of the appointment of the Indemnified Person, including without prejudice to the generality of the foregoing, Claims and Expenses of any Indemnified Person, any costs, expenses, losses or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in Luxembourg or elsewhere, unless such actions, proceedings, costs, charges, expenses, losses, damages or liabilities resulted from his gross negligence, wilful misconduct or fraud.

## 16. **SIDE LETTERS**

The Board may enter into a side letter, agreement or other similar arrangement (a "**Side Letter**") with an Investor (a "**Side Letter Recipient**"), provided that any rights contained in any such Side Letter that will confer a material economic benefit on a Side Letter Recipient in connection with its investment in the Company are offered on substantially the same terms to Investors in the same situation according to the principle of equal treatment.

## 17. **REGULATORY DISCLOSURE**

### 17.1 **Conflicts of Interest**

In the conduct of its business the AIFM's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the AIFM and the Company or its Investors and between the interests of one or more Investors and the interests of one or more other Investors. The AIFM strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, it has implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Company or its Investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly.

Notwithstanding its due care and best effort, there is a risk that the organisational or administrative arrangements made by the AIFM for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Company or its Shareholders will be prevented.

In the event of a conflict of interests as described below, such conflict will be fully disclosed to the Board.

A conflict of interests shall arise where the Company is presented with (i) an investment proposal involving Real Estate owned (in whole or in part), directly or indirectly, by the Fund Advisor, one of its Associates or an Investor of the Company, or (ii) any disposition of assets to the Fund Advisor or one of its Associates or an Investor. Such conflict of interests will be fully disclosed to the Board and referred to the Advisory Committee. The Advisory Committee shall resolve on the recommendations made by the Board regarding such investment/divestment proposal before the investment or divestment is made.

Where a Manager has an interest in a transaction submitted for approval to the Board conflicting with that of the Company, he shall be obliged to inform the Board thereof and to have this statement recorded in the minutes of such meeting. He may not take part in the deliberations and the voting thereon. The Board will be obliged to make a special report thereon to the next following general meeting of Shareholders of the Company before any other resolution is put to vote.

Notwithstanding anything to the contrary in the Company Documents, the Fund Advisor, the Real Estate agent, the Real Estate service provider and their respective Associates may actively engage in transactions on behalf of other investment funds and accounts that involve the same securities and instruments in which the Company will invest. The Fund Advisor and its Associates may provide Fund Advisory services to other investment funds and accounts that have investment objectives similar or dissimilar to those of the Company and/or which may or may not follow investment programs similar to the Company, and in which the Company will have no interest. The portfolio strategies of the Fund Advisor and/or its Associates used for other investment funds or accounts could conflict with the transactions and strategies advised by the Fund Advisor in managing the Company and affect the prices and availability of the securities and instruments in which the Company invests.

The Fund Advisor and its Associates may give advice or take action with respect to any of their other clients which may differ from the advice given or the timing or nature of any action taken with respect to investments of the Company. The Fund Advisor has no obligation to advise any investment opportunities to the Company which the Fund Advisor may advise to other clients.

The Fund Advisor and its respective members, officers and employees will devote as much of their time to the activities of the Company as they deem necessary and appropriate. By the terms of the Fund Advisory Agreement, the Fund Advisor and its Associates are not restricted from forming additional investment funds, from entering into other Fund Advisory relationships, or from engaging in other business activities, even though such activities may be in competition with the Company and/or may involve substantial time and resources of the Fund Advisor. These activities will not qualify as creating a conflict of interest in that the time and effort of the members, officers and employees of the Fund Advisor and its Associates will not be devoted exclusively to the business of the Company but will be allocated between the business of the Company and other advisees of the Fund Advisor.

## 17.2 Exercise of Voting Rights

The AIFM has developed adequate and effective strategies for determining when and how any voting rights held in the Company's portfolios are to be exercised to the exclusive benefit of the Company and its Investors.

The strategy for the exercise of voting shall include but will not be limited to the following measures and procedures for:

- 17.2.1 monitoring relevant corporate actions;
- 17.2.2 ensuring that the exercise of voting rights is in accordance with the investment objective and strategy of the relevant Sub-Fund;

- 17.2.3 preventing or managing any conflicts of interest arising from the exercise of voting rights.

### 17.3 Best Execution

The AIFM acts in the best interests of the Company or the Investors when executing investment decisions. For that purpose it takes all reasonable steps to obtain the best possible result for the Company or the Investors, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order (best execution) except in cases where taking into account the type of assets, the best execution is not relevant.

The AIFM shall execute orders in accordance with an execution policy available for Investors at the registered office of the Company and/or upon request.

### 17.4 Remuneration

The AIFM has established a remuneration policy which shall be applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/232. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the AIFM Law.

## 18. RISK AND LIQUIDITY MANAGEMENT

### 18.1 Risk Management

The AIFM has established and maintains a dedicated risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to the relevant Sub-Fund's Investment Objective including in particular market, credit, liquidity, counterparty, operational and all other relevant risks. Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per Article 70 (3) AIFM Regulation.

The risk profile of the relevant Sub-Fund shall correspond to the size, portfolio structure and Investment Objective of the relevant Sub-Fund.

The Company may, for the sole purpose of hedging, use all financial derivative instruments. For the avoidance of doubts, the Company may not enter into any derivative transactions other than for the purpose of hedging against interest rate fluctuations in compliance with applicable Luxembourg law.

The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of the relevant Sub-Fund and the Company as a whole.

The risk management personnel within the AIFM supervises the compliance of these provisions in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any European authority authorised to issue related regulation or technical standards which are applicable to the Company.

### 18.2 Liquidity Management

The AIFM employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of the Company. The AIFM ensures that the investment and financing strategy, the liquidity profile, the distribution policy and the redemption policy are consistent with liquidity needs.

## 19. TAXATION

The following Section is a short summary of certain important Luxembourg tax principles in relation to the Company. The summary is based on the laws and practice currently in force and applied in Luxembourg at the date of this Private Placement Memorandum. Provisions may change at short-term notice, possibly with retroactive effect.

The Section does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg and does not contain any statement with respect to the tax treatment of an investment in the Company in any other jurisdiction. Furthermore, this Section does not address the taxation of the Company in any other jurisdiction or the taxation of any Subsidiary or investment entity of the Company or of any investment structure in which the Company holds an interest in any jurisdiction.

Prospective investors should inform themselves of, and where appropriate take advice on, the laws and regulations (such as those relating to taxation, foreign exchange controls and being a Prohibited Person) applicable to the subscription, purchase, holding, and redemption of Shares in the country of their citizenship, residence or domicile, and of the current tax status of the Company in Luxembourg. This Section should be read in conjunction with the tax related risk section.

### 19.1 The Company

At the date of this Private Placement Memorandum, under current law and practice, the Company is not liable for any Luxembourg direct tax other than a flat registration duty of EUR 75 to be paid upon incorporation and upon any future amendment of the Articles of Incorporation, as well as an annual subscription tax (taxe d'abonnement) of 0.01% per annum of the total net assets, calculated and payable at the end of each quarter.

The income and gains of the Company will not be subject to corporate income tax, municipal business tax and net worth tax in Luxembourg.

Dividends and interest, if any, received by the Company from investments may be liable to taxes and/or withholding taxes in the countries concerned at varying rates, such (withholding) taxes usually not being recoverable.

### 19.2 Shareholders

At the date of this Private Placement Memorandum, based on present law and administrative practice and subject to any amendment thereof, Shareholders are not liable to any taxation in Luxembourg in relation to the holding, transfer, sale, redemption, assignment, purchase or repurchase of the Shares (except for Shareholders who are domiciled, resident or have a permanent establishment in Luxembourg).

### 19.3 CRS (Common Reporting Standard)

Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU) provides for the implementation of the regime known as the Common Reporting Standard (CRS) proposed by the OECD as a new global standard for the automatic exchange of information between tax authorities in participating jurisdictions. A group of over 40 countries, including Luxembourg, have committed to the early adoption of the CRS from January 1, 2016 with the first data exchanges taking place in September 2017.

In Luxembourg, the CRS was enacted by the law of December 18, 2015 on the automatic exchange of financial account information in the field of taxation (the CRS Law) and is applicable as from January 1, 2016. Automatic exchange of financial account information in the field of taxation is introduced between Luxembourg and all other European Union (EU) Member States, as well as other jurisdictions (including, to date, 49 states and territories that are not EU Member States).

The Company intends to be CRS compliant. Under the CRS Law, the Company might be required to disclose certain data on Shareholders to the Luxembourg tax authorities, which in turn will disclose such information to the competent foreign authorities.

In conformity with the CRS Law and the Luxembourg law of August 2, 2002, as amended, concerning the protection of persons with respect to the processing of personal data, the Company may collect and process for the purposes of the CRS Law the necessary information with respect to each Shareholder. Such collected data may be forwarded to the Luxembourg tax authorities, where required, and, indirectly, to the competent authorities of the relevant reportable country.

Each Shareholder is compelled by law to provide the necessary information to the Company. If such information is not provided, the Company will take the necessary action that it deems necessary against the relevant Shareholder, which actions includes cancellation of the subscription or, where appropriate, compulsory redemption of such Investor's Shares.

Each Shareholder has a right of access to the data forwarded to the Luxembourg tax authorities and to rectify the data if it is incorrect.

Shareholders should contact their own tax advisors regarding the application of CRS to their particular circumstances.

#### 19.4 **FATCA (Foreign account tax compliance)**

FATCA generally impose a new reporting regime and potentially a 30% withholding tax with respect to (i) certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends ("**Withholdable Payments**") and (ii) beginning as early as January 1, 2017, a portion of certain non-US source payments from non-US entities that have entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments ("**Passthru Payments**"). As a general matter, the rules are designed to require US persons' direct and indirect ownership of non-US accounts and non-US entities to be reported to the Internal Revenue Service (the "**IRS**"). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, the new rules will subject all Withholdable Payments and Passthru Payments received by an FFI to 30% withholding tax (including the share that is allocable to non-US investors) unless the FFI enters into an agreement with the IRS (a "**FFI Agreement**") or complies with the terms of an applicable intergovernmental agreement (an "**IGA**"). Under an FFI Agreement or an applicable IGA, an FFI generally will be required to provide information, representations and waivers of non-US law as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US accountholders.

The governments of Luxembourg and the United States have entered into an IGA regarding FATCA (the "**Luxembourg IGA**"). Provided the Company adheres to any applicable terms of the Luxembourg IGA, the Company would not be subject to withholding or generally required to withhold amounts on payments it makes under FATCA. Additionally, the Company will not have to enter into an FFI agreement with the IRS and instead would be required to obtain information regarding accountholders and report such information to the Luxembourg government, which, in turn, would report such information to the IRS.

In certain circumstances, the Company may withdraw a non-compliant Investor's interest or form and operate an investment vehicle organized in the United States that is treated as a "domestic partnership" for purposes of section 7701 of the Internal Revenue Code of 1986, as amended and transfer such Investor's interest to such investment vehicle. Any tax caused by an Investor's failure to comply with FATCA will be borne by such Investor.

The Company qualifies as a Restricted Fund under FATCA. Each prospective investor should consult its own tax advisors regarding the requirements under FATCA with respect to its own situation.

#### 19.5 **DAC 2**

The Company will attempt to satisfy any obligations imposed on it under the DAC 2, to avoid any penalties resulting from the rules adopted in Luxembourg to ensure effective implementation of and compliance with, the reporting and due diligence procedures, but no assurance can be given that the Company will be able to satisfy these obligations. This ability will depend on each Shareholder to provide the Company with the requested information. Any penalties resulting from the non-compliance to such rules may affect the value of the Shares held by all Shareholders. Any penalties paid in such circumstances should not be recoverable. Investors and Shareholders should contact their own tax advisors regarding the application of the DAC 2 to their particular circumstances.



## 19.6 Other jurisdictions

Interest, dividend and other income realised by the Company on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax the Company will pay since the amount of the assets to be invested in various countries and the ability of the Company to reduce such taxes is not known.

The information set out above is a summary of those tax issues, which could arise in Luxembourg and does not purport to be a comprehensive analysis of the tax issues, which could affect a prospective Investor. It is expected that Investors may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Memorandum to summarise the tax consequences for each prospective Investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in an Investor's country of citizenship, residence, domicile or incorporation and with his/her/its personal circumstances.

## 19.7 Future changes in applicable law

The foregoing description of Luxembourg tax consequences of an investment in, and the operations of, the Company is based on laws and regulations which are subject to change through legislative, judicial or Administration action. Other legislation could be enacted that would subject the Company to income taxes or subject Investors to increased income taxes.

**THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS LEGAL OR TAX ADVICE TO PROSPECTIVE INVESTORS. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN COUNSEL REGARDING TAX LAWS AND REGULATIONS OF ANY OTHER JURISDICTION WHICH MAYBE APPLICABLE TO THEM.**

## 20. GENERAL MEETINGS, COMPANY DOCUMENTS, AMENDMENTS, REPORTING AND NOTICES

### 20.1 General meetings

The annual general meeting of the Shareholders of the Company will be held at the registered office of the Company in Luxembourg on the third Wednesday of the month of June each year at 10:00 a.m. (CET) (or, if such day is not a Business Day, on the next following Business Day).

Notices of a general meeting and other notices will be given in accordance with Luxembourg law. Notices will specify the place and time of the meetings, the conditions of admission, the agenda, the quorum and the voting requirements and will be given at least eight (8) days prior to the meetings. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in the Articles of the Company and in the 1915 Law. All Shareholders may attend the annual general meetings, any general meetings and meetings of the Sub-Funds in which they hold Shares and may vote either in person or by proxy.

The general meeting of Shareholders shall represent all the Shareholders of the Company. It shall have the powers to order, carry out or ratify acts relating to the operations of the Company, provided that, unless otherwise provided herein and in the Articles, no resolution shall be validly passed unless approved by the General Partner.

Each Share will have one vote at the general meeting of Shareholders of the Company or at a Class meeting. Any resolution of a general meeting of Shareholders creating rights or obligations of the Company vis-à-vis third parties must be approved by the General Partner. Any resolution of a general meeting of Shareholders to the effect of amending the Articles must be passed with (i) a presence quorum of fifty (50) percent of the Shares issued by the Company at the first call and, if not achieved, with no quorum requirement for the second call, (ii) the approval of a majority of at least two-thirds (2/3) of the votes validly cast by the Shareholders present or represented at the meeting and (iii) the consent of the General Partner.

### 20.2 Company Documents

The Company Documents are available for inspection by the Shareholders at the registered office of the AIFM.

The Company Documents include, but are not limited to:

- 20.2.1 Private Placement Memorandum;
- 20.2.2 Articles of Incorporation;
- 20.2.3 AIFM Agreement;
- 20.2.4 template Subscription Agreement;
- 20.2.5 Fund Advisory Agreement;
- 20.2.6 Depositary Agreement;
- 20.2.7 Central Administration, Transfer Agency, Paying Agency and Domiciliation Agreement;
- 20.2.8 Annual reports issued by the Company;
- 20.2.9 service level agreement with any Real Estate service provider; and
- 20.2.10 any further agreements or documents referred to in the relevant Appendix.

### 20.3 Annual Report

In respect of each Financial Year, the Company will distribute to each Shareholder an annual report, which will be established in accordance with generally accepted accounting principles in Luxembourg, including audited financial statements for the Company, within 120 days after the end of such Financial Year.

The Company's Financial Year ends on 31 December of each year and the first Financial Year of the Company shall begin on the establishment of the Company and shall end on 31 December 2022. The Company's first annual report will be published for this first Financial Year.

The following disclosures will be made in the annual report or in another appropriate periodic reporting, and where necessary on an ad hoc basis:

- 20.3.1 Where available, the historical performance of the Company.
- 20.3.2 Changes to the Depositary's liability.
- 20.3.3 The loss of a financial instrument.
- 20.3.4 Any changes to the maximum level of leverage which the AIFM may employ on behalf of the Company as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement.
- 20.3.5 The total amount of leverage employed by the Company.
- 20.3.6 Any new arrangements for managing the liquidity of the Company.
- 20.3.7 The percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature.
- 20.3.8 The current risk management profile of the Company and the risk management systems employed by the AIFM to manage those risks. Any changes to risk management systems employed by the AIFM in accordance with article 21(4)c) of the AIFM Law as well as its anticipated impact on the Company and their Investors.

- 20.3.9 Information on the acquisition pursuant to Article 29 (2) of the AIFM Directive when the Company acquires control of a non-listed company pursuant to Article 26(1) in conjunction with (5) of the AIFM Directive.

#### 20.4 Other Financial Information

Any other financial information concerning the Company, including the Net Asset Value per Share and the issue prices of Shares will be made available at the registered office of the Company. Furthermore, the Company will provide to each Shareholder information as of each Valuation Day, including the Net Asset Value per Share and the composition of the portfolio held by the Company.

#### 20.5 Notices

All notices and notifications to Shareholders will be published as required under Luxembourg law and regulations and as the Board shall decide.

#### 20.6 Amendments to the Private Placement Memorandum

If the laws and regulations applicable to the Company or having an impact on the Company's operation change (either at Luxembourg level or European level) and such changes require compulsory amendment to the structure of the Company or its operations, then the General Partner shall be authorized to amend any provision of this Private Placement Memorandum, without any consent of Shareholders. In such case, and provided that such compulsory amendments to the structure or the operations of the Company do not require the involvement of the general meeting of Shareholders of the Company or the relevant Sub-Fund, then the Private Placement Memorandum will be updated and the Shareholders will be informed thereof, for their information purposes only, without any other involvement in the decision making process prior to the effectiveness of the above mentioned amendment. For the avoidance of doubt, in this case, the Shareholders will not be offered the right to request the cost-free redemption of their Shares prior to the relevant changes becoming effective.

In any case, should any amendments of the Private Placement Memorandum entail an amendment of the Articles or require the decision to be made by the general meeting of Shareholders of the Company, or of one or several Sub-Funds, such decision shall be passed by a resolution of an extraordinary general meeting of Shareholders in accordance with the form, quorum and majority requirements set forth in the Articles and in compliance with Luxembourg laws and regulations.

The General Partner is also authorised to amend any other provision of the Private Placement Memorandum, provided that such changes are not material to the structure and/or operations of the Company and its Sub-Funds and are beneficial or at least not detrimental to the interests of the Shareholders of the Company, any Sub-Fund or any Class, as the case may be, as determined by the General Partner at its sole but reasonable discretion. In such case, the Private Placement Memorandum will be amended and the Shareholders will be informed thereof, for their information purposes only. For the avoidance of doubt, Shareholders will not be offered the right to request the cost-free redemption of their Shares prior to such changes becoming effective.

The General Partner is authorised to make other amendments to the provisions of the Private Placement Memorandum that are material to the structure and/or operations of the Company and its Sub-Funds or detrimental to the interests of the Shareholders of the Company, any Sub-Fund or any Class (such as the change of the fee structure of the Company or the relevant Sub-Fund), provided that such changes shall only become effective and the Private Placement Memorandum amended accordingly, in compliance with the RAIF Law to the extent the procedures set forth below have been complied with:

- 20.6.1 in an open-ended Sub-Fund, provided that there is sufficient liquidity, (a) all Shareholders have been offered a cost-free redemption of their Shares within a one (1) month period from the sending of such notice to all relevant Shareholders and (b) such changes shall become effective only after the expiry of this one (1) month period; or

20.6.2 with respect to any closed-ended Sub-Fund or in the event that the cost-free redemption is not possible because the assets of the relevant Sub-Fund are illiquid, the Shareholders shall not have a right to request cost-free redemption of their Shares and the General Partner shall seek a prior approval of such amendments by a decision of the general meeting of Shareholders passed with (a) at least two thirds (2/3) of the votes attached to all Shares issued by the Company (or where applicable, in the relevant Sub-Fund or Class) and validly cast by those present or represented at the meeting; and (b) a presence quorum requirement of at least fifty percent (50%) of the capital of the Company (or where applicable, of the relevant Sub-Fund or Class), at the first call and, if not achieved, with no quorum requirement for the second call.

## 21. LIQUIDATION OF THE COMPANY

The Company may at any time be dissolved by a resolution taken by the General Meeting subject to the quorum and majority requirements set out in the Articles.

In the event of a voluntary liquidation, the Company shall, upon its dissolution, be deemed to continue to exist for the purposes of the liquidation. The operations of the Company shall be conducted by one or several liquidators, who, after having been approved by the CSSF, shall be appointed by a General Meeting, which shall determine their powers and compensation.

Should the Company be voluntarily liquidated, then its liquidation will be carried out in accordance with the provisions of the 2016 Law and the 1915 Law. The liquidation report of the liquidators will be audited by the Auditor or by an ad hoc external auditor appointed by the General Meeting.

If the Company were to be compulsorily liquidated, the provision of the 2016 Law will be exclusively applicable.

If the total net assets of the Company falls below two-thirds of the minimum capital prescribed by law (i.e. the equivalent of €1,250,000), the General Partner must submit the question of the Company's dissolution to a General Meeting for which no quorum is prescribed and which shall pass resolutions by simple majority of the Shares represented at the meeting.

If the total net assets of the Company fall below one-fourth of the minimum capital prescribed by law, the General Partner must submit the question of the Company's dissolution to a General Meeting for which no quorum is prescribed. A resolution dissolving the Company may be passed by Shareholders holding one-fourth of the Shares represented at the meeting.

The meeting must be convened so that it is held within a period of forty days from the date of ascertainment that the net assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

The issue of new Shares by the Company shall cease on the date of publication of the notice of the General Meeting, to which the dissolution and liquidation of the Company shall be proposed. The proceeds of the liquidation of each Sub-Fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by Shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the Caisse de Consignation in Luxembourg until the statutory limitation period has lapsed.

## 22. TERMINATION, AMALGAMATION AND TRANSFER OF ASSETS FROM SUB-FUNDS / CLASSES OF INVESTORS SHARES

The general meeting of Shareholders of each Sub-Fund may transfer all of the assets of such Sub-Fund to, or amalgamate all of the Shares of such Sub-Fund with, another existing Sub-Fund within the Company, or to another investment company in risk capital under the provisions of the RAIF Law, or to another Sub-Fund thereof (the "**New Sub-Fund**") in accordance with applicable law, and re-designate the Shares of such Sub-Fund as Shares of the New Sub-Fund (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to the Shareholders of such Sub-Fund).

Such a transfer/amalgamation of a Sub-Fund to another existing Sub-Fund within the Company, or to another Luxembourg investment company or to another Sub-Fund thereof, may only be initiated by a decision of the general meeting of Shareholders of the Sub-Fund concerned taken in relation to such transfer/amalgamation of a Sub-Fund passed with (i) a majority of not less than seventy five percent (75%) of the votes validly cast by the Shareholders present or represented at such meeting, (ii) a seventy five percent (75%) quorum requirement at the first general meeting called to consider a resolution or if such quorum requirements are not met at such first meeting, then with a fifty percent (50%) quorum requirement for any succeeding general meeting of Shareholders called to consider such resolution and (iii) the consent of the General Partner.

In the event that, for any reason whatsoever, the value of the total net assets in any Sub-Fund or the value of the net assets of any Class of Investors Shares within a Sub-Fund has decreased to, or has not reached, an amount determined by the General Partner to be the minimum level for such Sub-Fund, or such Class of Investors Shares, to be operated in an economically efficient manner or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalization, the General Partner may decide to redeem all the Shares of the relevant Class or Classes at the Net Asset Value (taking into account actual realization prices of investments and realization expenses) calculated with reference to the Valuation Day in respect of which such decision shall be effective. The Company shall serve a notice to the Shareholders of the relevant Class or Classes prior to the effective date for the compulsory redemption, which will indicate the reasons and the procedure for the redemption operations.

Please consult and read the relevant Sub-Fund Appendix as the above may differ where the Sub-Fund has a specific term.

## 23. DATA PROTECTION

Prospective investors and Shareholders are informed that the Company, the General Partner, the Central Administration, Registrar and Transfer Agent and other service providers of the Company collect, store, and process by electronic or other means the personal data (as defined in GDPR supplied by investors at the time of their subscription. The prospective investors may, at his/her/its discretion, refuse to communicate its personal data to the Company, the General Partner, the Central Administration, Registrar and Transfer Agent and other service providers of the Company. In this case, however, the Company, as the case may be, may, in its sole discretion, reject his/her/its request for subscription of Shares. Personal data will not be held for longer than necessary with regard to the purpose of the data processing, subject always to applicable legal minimum retention periods.

Personal data provided by prospective investors are processed for the purpose of *inter alia* (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules, (v) performing legal requirements under FATCA, the Common Reporting Standard (CRS) or similar laws and regulations (e.g. at the OECD or EU level).

Personal data shall be disclosed to third parties where necessary for legitimate business interests only. This may include disclosure to third parties such as governmental or regulatory bodies including tax authorities, auditors, accountants, portfolio managers, investment advisors, paying agents and subscription and redemption agents, distributors as well as permanent representatives in places of registration and any other agents who may process the personal data for carrying out their services and complying with legal obligations as described above. Reasonable measures have been taken to ensure confidentiality of the personal data transmitted between the parties mentioned above. However, due to the fact that the personal data is transferred electronically and made available outside of Luxembourg, the same level of confidentiality and the same level of protection in relation to data protection law as currently in force in Luxembourg may not be guaranteed while the personal data is kept abroad. The Company will accept no liability with respect to any unauthorised third party receiving knowledge and/or having access to the investors' personal data, except in the event of wilful negligence or gross misconduct of the Company.

By subscribing for Shares of the Company, prospective investors:

- Consent to the aforementioned processing of their personal data and in particular, the disclosure of their personal data to, and the processing of their personal data by the parties referred to above including affiliates situated in countries outside of the European Union which may not offer a similar level of protection as the one deriving from Luxembourg data protection law, to the fullest extent permitted by applicable data protection requirements. Prospective investors acknowledge that the transfer of their personal data to these parties may occur via, and/or their personal data may be processed by, parties in countries (such as, but not limited to, the United States) which may not have data protection requirements deemed equivalent to those prevailing in the European Union;
- Acknowledge and accept that failure to provide relevant personal data requested by the Company in the course of their relationship with the Company may prevent them from maintaining their holdings in the Company and may be reported by the Company to the relevant authorities; and
- Acknowledge and accept that the Company and the service providers will report any relevant information in relation to their investments in the Company to the Luxembourg tax authorities which will exchange this information on an automatic basis with the competent authorities in the United States or other permitted jurisdictions as agreed in the FATCA Law, CRS at OECD and EU levels or equivalent Luxembourg legislation.

Prospective investors further confirm having been duly informed of the rights conferred to them as data subjects in accordance notably with GDPR, i.e.:

- Right of access: right to obtain from the Company, the confirmation as to the processing of their data and furthermore request to access their personal information;
- Right to rectification: right to ensure that their personal data is accurate and updated as needed;
- Right to erasure or be forgotten: right to ask the Company for the erasure of their personal data without undue delay;
- Right to object and restriction of processing: right to object to the processing of their data and even restrict it if they so desire (e.g. investors may object to the use of their personal data for marketing purposes);
- Right to data portability: right to obtain their information in a structured and readable format or have their data transferred to another organization if feasible;
- Right to be informed: right to be informed of how and why their personal data is being processed and to know if the data is being shared with other third-party;
- Right to be notified: right to be informed within 72 hours of first having become aware of the breach.

Investors are informed that:

- As a matter of general practice, telephone conversations and instructions may be recorded as proof of a transaction or related communication. Such recordings shall not be released to third parties, except in cases where the Company and/or General Partner is compelled or entitled by law or regulation to do so;
- Any request to exercise any and all rights conferred to them in accordance with applicable data protection requirements shall be addressed in writing to the registered office of the Company.

## 24. MISCELLANEOUS

### 24.1 Statute of Limitation

Any claims of the Shareholders against the Company, the AIFM or the Depositary will become statute barred five (5) years after the date of the event that gave rise to such claims.

### 24.2 Announcements and Confidentiality

All public disclosure or announcement of the existence or the subject matter of this Private Placement Memorandum shall be subject to the approval of the General Partner or its delegate. This shall not affect any

announcement or disclosure by an Investor under the second paragraph of Article 24.2 of this Memorandum but the Investor required to make an announcement or disclosure shall consult with the General Partner or its delegate insofar as is reasonably practicable before complying with such an obligation.

Each Investor shall and shall procure that its directors, managers, employees, officers, partners, investors, agents, consultants and advisors and any affiliate (and their directors, employees, officers, partners, investors, agents, consultants and advisors) keep confidential and shall not disclose any information provided to him/her/it by or on behalf of the Company or otherwise obtained by or in connection with this Memorandum or which may come to his/her/its knowledge concerning the affairs of the Company or any investment made or proposed by the Company, save to the extent that:

- (i) Disclosure is required by any applicable law or any court of law or any relevant regulator or tax authority;
- (ii) Disclosure is necessary in order for an Investor to enforce his/her/its rights under the terms of this Private Placement Memorandum;
- (iii) Disclosure is made by the Initiator to its own shareholders and to the regulatory, supervisory or other authority to which it is subject;
- (iv) The information concerned is already in the public domain prior to disclosure (other than as a result of a breach of any obligation by any Investor);
- (v) Disclosure is made to an Investor's bona fide legal, tax or accountancy advisors or auditors, provided that such disclosure is made on a confidential basis and such advisors or auditors undertake an equivalent duty of confidentiality to that set out in this Article; or
- (vi) Disclosure is required in good faith and only where reasonably necessary to any affiliate of that Investor, provided that such disclosure is made on a confidential basis and such affiliate undertakes an equivalent duty of confidentiality to that set out in this Article.

### 24.3 **Contingent Liabilities**

The Company may accrue in its accounts an appropriate provision for current taxes payable in the future based on the capital and income to the Valuation Day, as determined from time to time by the General Partner or its delegate, as well as such amount (if any) as the General Partner or its delegate may consider to be an appropriate allowance in respect of any risks or liabilities of the Company or one or more Sub-Fund(s) (i.e., liabilities for past events which are definite as to their nature and are certain or probable to occur and can be measured with reasonable accuracy, which might arise during the life of the Company and may include potential liabilities arising from any disputes (such as with a buyer or a tax authority) or as a result of any warranty or other similar arrangement arising as a result of a disposal of an Investment), provided that for the avoidance of doubt, on the basis that the assets are held for investment, it is not expected that such provision shall include any deferred taxation.

### 24.4 **Severability**

If any provision of this Private Placement Memorandum or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Private Placement Memorandum, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected.

### 24.5 **Parties Bound**

Any person acquiring or claiming an interest in the Company, in any manner whatsoever, shall be subject to and bound by all terms, conditions and obligations of this Private Placement Memorandum to which his or its predecessor in interest was subject or bound, without regard to whether such person has executed a counterpart hereof or any other document contemplated hereby. No person, including the legal representative, heir or legatee of a deceased Shareholder, shall have any rights or obligations greater than those set forth in this Private Placement Memorandum and no person shall acquire an interest in the Company or become a Shareholder thereof except as permitted by the terms of this Private Placement Memorandum.

The Private Placement Memorandum shall be binding upon the parties hereto, their successors, heirs, devisees, assigns, legal representatives, executors and administrators.

#### 24.6 **Applicable Law, Jurisdiction and Governing Language**

The Company and the Private Placement Memorandum shall be governed by and shall be construed under the laws of Luxembourg.

Disputes arising between the Shareholders, the General Partner, the Depositary, the Administration Agent and other Service Providers shall be settled according to Luxembourg law and subject to the jurisdiction of the District Court of Luxembourg, provided, however, that the General Partner, the Depositary, the Administration Agent and other Service Providers may subject themselves and the Company to the jurisdiction of courts of the countries, in which the Shares of the Company are privately placed.

English shall be the governing language for the Private Placement Memorandum.

#### 24.7 **Payments**

Unless otherwise expressly stated, all payments to be made pursuant to terms set out in this Memorandum shall be made in the reference currency of the relevant Sub-Fund or Class of Shares.

#### 24.8 **Waiver**

The failure to insist upon strict enforcement of any of the provisions of the Private Placement Memorandum or of any agreement or instrument delivered pursuant hereto shall not be deemed or construed to be a waiver of any such provision, nor to affect in any way the validity of the Private Placement Memorandum or any agreement or instrument delivered pursuant hereto or any provision hereof or the right of any party hereto to thereafter enforce each and every provision of the Private Placement Memorandum and each agreement and instrument delivered pursuant hereto.

No waiver of any breach of any of the provisions of the Private Placement Memorandum or any agreement or instrument delivered pursuant hereto shall be effective unless set forth in a written instrument executed by the party against which enforcement of such waiver is sought, and no waiver of any such breach shall be construed or deemed to be a waiver of any other or subsequent breach.

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## **SCHEDULE 1 - RISKS**

### **RISK FACTORS AND INVESTMENT CONSIDERATIONS**

An investment in the Company is speculative and involves a high degree of risk. Although the AIFM will attempt to manage those risks through careful research and portfolio management of the Company, there can be no assurance that they will do so successfully.

An investment in the Company should be made only after consultation with independent qualified sources of investment, tax, legal and other appropriate professional advice. In addition a prospective investor should consider the following factors the description of which is neither detailed nor exhaustive:

The value of an investment in the Company may go down as well as up and involves various risks and investment considerations, some of which are highlighted below. Prior to making an investment in the Company, prospective Investors should carefully consider all the information in this Private Placement Memorandum and the Articles of Incorporation. There is a possibility of a total or partial loss of the invested capital. Investors should not subscribe to or invest in the Company unless they can readily bear the consequences of such loss. In particular they should evaluate the risk factors discussed below which, individually or in aggregate, could have a material adverse effect on the Company or its assets and may result in the loss of the Shareholders' invested capital or lower returns than those discussed herein.

### **GENERAL RISKS**

#### **No Operating History**

The Company has been newly formed and does not have an operating history or any track record for investment. There is no guarantee that the Company will realise its investment objectives or that Shareholders will receive any return on, or the return of, their invested capital.

#### **Changes in Applicable Law**

The Company must comply with legal requirements in various jurisdictions, including Luxembourg. Should any of these laws change over the scheduled term of the Company, the legal requirements to which the Company and the Shareholders may be subject could differ substantially from current requirements.

#### **Regulatory Risk**

The Company is a reserved alternative investment Company subject to the RAIF Law. As a reserved alternative investment Company, it is itself not subject to supervision but only the AIFM is supervised. The level of protection of Investors may therefore be lower than in retail products.

Changes to the current legal, regulatory or tax framework may impact the Investors differently.

#### **Key Persons**

The success of the Company will largely depend on the experience, relationships and expertise of the key persons within the Board, the AIFM and the Fund Advisor, which have long-term experience in the respective area of investment. The performance of the Company may be negatively affected if any of the key persons involved in the management or investment process of the Company would for any reason cease to be involved. Furthermore, the key persons might be involved in other businesses, including in similar projects or investment structures, and not be able to devote all of their time to the Company. In addition the involvement in similar projects or investment structures may create a source for potential conflicts of interest.

#### **Competitive Market**

The Company will compete for the acquisition of investments with other investors. Over the past several years, an increasing number of Companies have been formed for the purpose of investing in Real Estate. Other unrelated parties may form additional Companies with similar investment objectives to that of the Company. There may be competition for investments of the type in which the Company intends to invest, and such competition may lead to

the Company obtaining less favourable investment terms than would otherwise be the case. There can therefore be no assurance that the investments ultimately acquired by the Company will meet all the Investment Objective of the Company or that the Company will be able to be fully invested.

### **Blind Pool**

As of the date of this Private Placement Memorandum, no investments have been made or committed. Prospective investors will be unable to evaluate the economic merit of any future investment which may be acquired. Investors must depend on the judgement of the AIFM with respect to the selection and acquisition of assets by the Company and the Fund Advisor for the deal sourcing.

### **Risk of Undiscovered Liabilities in Investments**

In addition to the risk of environmental liability attaching to an investment, it is possible that investments acquired by the Company could be affected by undisclosed matters. In respect of registered land, the Company could be bound by undisclosed matters such as legal easements, leases, and all charges on property that have been registered and all charges that the Company was or should have been aware of at the time of acquisition. Liability could also arise from breaches of planning legislation and building regulations. Undisclosed breaches of other statutory regimes such as health and safety, fire and public health legislation could also give rise to liability. The Company could also be liable for undisclosed duties payable to municipalities and counties as well as public claims deriving from supply to the property of water, electricity and the like. Although the Company will, prior to acquisition, wherever possible, undertake due diligence and title investigations with a view to establishing whether any such risks exist, it may be the case that such risks are unknown or undisclosed upon acquisition. The Company will seek to obtain adequate protection against such risks by suitable contractual provision and/or, if possible on reasonable terms, obtain insurance protection against such matters but no assurance can be given that such protection will be fully effective or can in fact be obtained. It is therefore possible that the Company could acquire an investment affected by such matters which may have a material adverse effect on the value of such investments.

### **Leverage**

The Company may use leverage in connection with the investments and operations of a Sub-Fund. However, there can be no assurance that the Company will be able to obtain the necessary debt financing.

The use of leverage involves financial risk and will increase the exposure of the Company's investment returns to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the investments. There is a risk that available funds will be insufficient to meet required payments and a risk that it will not be possible to refinance existing indebtedness or that the terms of such refinancing will not be as favourable as the terms of existing indebtedness. Borrowings by the Company may be secured on the assets of the Company with the consequence that the Company may lose more than its equity stake in any one investment.

### **Contingent Liabilities on Disposal of Assets**

In connection with the disposal of an investment, the Company may be required to make representations about such investment. The Company may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Company may not always be able to establish reserves.

### **Investments Longer Than Term**

The Company may invest in investments which, due to subsequent events, may not be advantageously disposed of prior to the date that the Company will be dissolved or the relevant Sub-Fund liquidated, either by expiration of the Company's term or otherwise or of the relevant Sub-Fund. Although the Board expects that investments will be disposed of prior to dissolution, the Company or the relevant Sub-Fund, the AIFM may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution or liquidation of the Sub-Fund.

Realisation of the Company's assets on termination or otherwise could be a process of uncertain duration and no assurances can be given that all the relevant Company's investments will be able to be liquidated prior to the scheduled expiration of the term of the relevant Sub-Fund. Furthermore, investments held in a joint venture may

prove more difficult to realise. The realisation price for such a joint venture stake may also differ from the open market value of the investment.

### **Indemnification Obligation**

The Company will be required to indemnify against third-party claims the AIFM, the various service providers and their officers, directors and employees, and the Investment Committee representatives for most claims, damages and liabilities incurred in connection with the affairs of the Company. Any indemnification claims against the Company must be settled out of the assets of the Company.

### **Failure to Make Contributions**

If an Investor fails to pay the Subscription Amount to the relevant Sub-Fund, the Company may be unable to meet its payment obligations when due. As a result, the Company may be subjected to significant liabilities that could materially adversely affect the returns of the Shareholders. If an Investor defaults in the payment of the relevant Subscription Amount, no Shares will be issued to such Investor.

### **Tax Risks**

Tax laws are complex and quite often not completely clear, and the tax consequences of a particular structure chosen might be questioned or might be subject to challenge by the relevant tax authority in the country concerned. Furthermore, tax laws may change, so that the tax consequences of a particular investment may adversely change after it has been made. The Shareholders may be subject to income taxes or other taxes in multiple jurisdictions outside of their country. In addition, withholding tax or other taxes may be imposed on earnings of the Company from investments in such jurisdictions. Local tax incurred in various jurisdictions by the Company or entities through which it invests may not be creditable to or deductible by the Shareholders. The Company intends to take into account tax consequences at the level of the Company and the investment structures in which it invests at the time an investment is made, however, as the Company does not control the investment structures in which it invests, it cannot be excluded that adverse tax consequences occur, e.g. as a result of a restructuring of an investment structure after the investment was made or subsequent changes in law. Furthermore, the Company will not be in a position to take into account the tax consequences at the level of Shareholders.

Shareholders are therefore advised to consult their own tax advisors with regard to their individual situation before they acquire Shares as well as during their investment in the Company.

### **Illiquidity of Shares**

Shares of the Company have not been and will not be registered under the laws of any jurisdiction, and will not ordinarily be transferable. There is no public market for Shares and none is expected to develop.

In addition, Shares may not be sold, assigned, transferred, pledged or encumbered without the prior written consent of the Board, which will not be unreasonably withheld. Transfers may be subject to restrictions to protect the Company, the AIFM and other Investors from liabilities and adverse tax consequences. Prospective investors should therefore consider their investments to be illiquid during the life of the Company and be prepared to bear the risk of owning Shares for an extended period of time.

### **Illiquidity of Investments, Lack of Current Distributions**

Although investments by the Company may generate a level of current income, the return of capital and the realisation of gains, if any, from an investment will generally occur only upon the partial or complete disposition or refinancing of such investment. It is not generally expected that the Company will sell its investments for a number of years after the investment is made.

In addition, the investments to be made by the Company will generally be illiquid. The eventual liquidity of all investments will depend on the success of the realisation strategy proposed for each investment. Such strategy could be adversely affected by a variety of factors including, without limitation, those listed herein. There is a risk that the Company may be unable to realise its Investment Objective and investment strategies by sale or other disposition at attractive prices or at the appropriate times or in response to changing market conditions, or will otherwise be unable to complete a favourable exit strategy. Losses on unsuccessful investments may be realised before gains on

successful investments are realised. Prospective Investors should be aware that they may be required to bear the financial risk of their investment for an extended period of time beyond the life of the Company.

### **Limited Diversification of Investments**

It is possible that the Company will make only a limited number of investments. As a consequence, the aggregate return of the Company may be substantially adversely affected by the unfavourable performance of even a single investment.

### **ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS ASSESSMENT**

The Company commits to put sustainability at the centre of its investment process, based on the belief that sustainability risk, including climate risk, is investment risk, and that sustainability-integrated portfolios provide the best opportunity for performance over the long term. The Company's approach to sustainable investing is built on a two-part investment, which reflects the Company's view in asset valuations and portfolio risks – both in the immediate as well as the medium-to-long term:

- First, asset prices and portfolio risks do not yet fully reflect a broad set of sustainability-related considerations.
- Second, the market is at the front end of a significant reallocation of capital towards sustainable investing, which will result in a flow of capital towards issuers and assets with positive sustainability characteristics (and away from those with negative characteristics). This in turn will also impact the relative pricing of risk and assets in the portfolios.

The Company considers sustainability risk as an inclusive term to designate investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that relates to Environmental, Social or Governance issues. The Company's sustainability investment thesis focuses on four high-level sustainability risks further defined below. These are only examples of sustainability risk factors and do not solely determine the risk profile of the investment. The relevance, severity, materiality and time horizon of these factors can differ significantly product by product (i.e. Sub-Fund Appendix).

1. Physical climate risk: The risk associated with the physical impacts due to climate change. Physical risk arises from the physical effects of climate change, acute or chronic. For example, frequent and severe climate-related events can impact products and services, and supply chains.
2. Climate transition risk: Whether policy, technology, market or reputation risk arises from the adjustment to a low-carbon economy in order to mitigate climate change.
3. Stakeholder management risk: A broad range of positive and negative factors, traditionally considered "non-financial" that can impact a counterparty's operational effectiveness and resilience, as well as its public perception, plus its relevant license to operate. Examples can include legal convictions, work permits and community relations.
4. Social risk: That part of sustainability risks includes actions that affect the communities around and involved in the business process. Concrete examples are labour issues, human rights violations, corruption by involved companies' officials.
5. Governance risk: Governance related risks can include but are not limited to risks around board independence, ownership & control, or audit & tax management.

Sustainability risk can manifest itself through different existing risk types (including, but not limited to, market volatility, available liquidity, concentration of products, credit delays, asset-liability mismatches, severed partnerships, etc).

By way of example, the Company may invest in an existing sustainable private equity project which operator may face potentially reduced revenues or increased expenditures from physical climate risk (e.g., decreased production capacity due to supply chain perturbations, lower sales due to a market shock, higher operating costs, political instability or personnel strikes) or transition risk (e.g., decreased demand for specific products at target markets or increased production costs due to a massive change of commodity prices).

These potential sustainable risks would either impact the invested company's capacity to generate enough income to service its obligations or may interrupt its ability to perform daily operations. Sustainability risk factors such as

these may have a material impact on an investment held in a Fund, may increase volatility and may result in a loss to the value of units in the said Fund.

#### Principal Adverse Impacts

For the time being, the company does not consider adverse impacts of investment decisions on Sustainability Factors. The main reason is the current lack of information and data available to adequately assess such principal adverse impacts. When the company will consider the adverse impacts of its investment decisions on sustainability factors, the related disclosures (i) on its website and (ii) in the current Private Placement Memorandum will be updated accordingly at the next possible time.

Information on the Investment Manager's consideration of principal adverse impacts of its investment decisions on Sustainability Factors can be found in the specific Sub-Fund Appendix.

#### Environmental Liability

The Company may be exposed to risk of loss from environmental claims or impairment of asset value arising with respect to the Company's investments with undisclosed or unknown environmental problems or as to which inadequate reserves had been established. Although the AIFM would ordinarily engage environmental experts to conduct on-site studies and studies of the history and current use of properties as they deem appropriate, such environmental studies cannot guarantee that the Company will not acquire investments which are negatively affected by environmental problems.

### **RISKS OF INVESTING IN REAL ESTATE**

General risks of investing in Real Estate and Real Estate related assets

The Company's underlying investments will comprise substantially of Real Estate or Real Estate related assets. The Company will therefore be subject to the risks associated with investment in such assets. These risks may affect Real Estate markets generally or specific assets and include, without limitation, general and local economic and social conditions, neighbourhood Real Estate values, the supply of, and demand for, Real Estate of the type in which the Company invests, the quality and philosophy of management, competition for tenants from other available properties, the financial resources of tenants, buyers and sellers, vacancies, and changes in tax law or tax rates, planning, building, environmental and other applicable laws. Furthermore, changes in interest rates or the availability of debt may render the investment in Real Estate difficult or unattractive.

Many of these factors could cause fluctuations in occupancy rates, rent schedules or operating expenses, resulting in a negative effect on the value of Real Estate. Valuation of Real Estate may fluctuate. The capital value of the Company's Real Estate investments may be significantly diminished in the event of a downward turn in Real Estate market prices.

Moreover, certain expenditures associated with Real Estate, such as taxes, debt service, maintenance costs and insurance, tend to increase and are not generally decreased by events adversely affecting rental revenues such as an unforeseen downturn in the Real Estate market, a lack of investor confidence in the market or a softening of demand. Thus the cost of operating a property may exceed the rental income thereof. Insurance to cover losses and general liability in respect of properties may not be available or may be available only at prohibitive costs to cover losses from ongoing operations and other risks such as terrorism, earthquake, flood or environmental contamination.

There can be no assurance that any of the Company's investments will be sold at a price above the cost of acquisition. As a result, there can be no assurance that the Company's Investment Objective will be realised.

#### **Undiscovered Liabilities from Prior Operations**

The Company will invest in Real Estate, however it may invest in Real Estate companies which have significant operating histories. Although the Company intends to acquire participations in such companies through privately negotiated transactions in which it will seek adequate protection through negotiated covenants and due diligence investigations, the Company could encounter a situation where it invests in companies that carry significant undiscovered liabilities from prior operations, which could have a material adverse effect on the value of such investments maintained by the Company

## **Use of Valuations**

The AIFM will value each Real Estate investment at least annually. Unlike exchange-listed and other readily tradable securities, Real Estate generally cannot be marked to an established market. Instead, an appraisal or a valuation is only an estimate of value and is not a precise measure of realisable value since market prices of Real Estate investments can only be determined by negotiation between a willing buyer and seller. Real estate valuations are subject to numerous assumptions and limitations. Ultimate realisation of the market value of a Real Estate depends to a great extent on economic and other conditions beyond the control of the Company or the AIFM. Generally, valuation will consider the financial aspects of a property, market transactions and the relative yield for an asset measured against alternative investments.

## **Project Development**

For project developments, risks may result e.g. due to changes in land use planning and delays in the grant of a building permit. Construction cost increases and completion risks will be counteracted where possible through corresponding arrangements with the contract partners and careful selection of the same. However, residual risks must be pointed out here as well as the fact that the success of initial leasing depends on the demand situation at the time of completion.

## **Construction Defects**

Properties may be subject to construction defects. Prior to acquisition, these risks cannot be entirely excluded even through a careful technical inspection of the property and, where appropriate, obtaining expert assessments.

## **Foreign Investments Generally**

Any investment in a foreign country involves the risk of adverse political developments, including nationalisation, confiscation without fair compensation, and acts of terrorism or war. Furthermore, foreign jurisdictions may impose restrictions to prevent capital flight, which could make it difficult or impossible to exchange or repatriate foreign currency. In addition, laws and regulations of foreign countries may impose restrictions or approvals which would not exist in the Investor's country of origin and may require financing and structuring alternatives which differ significantly from those customarily used in the Investor's country of origin. The AIFM will analyse risks in the respective target markets before making such investments but no assurance can be given that a political or economic climate, or particular legal or regulatory risks, might not adversely affect an investment by the Company.

## **Real Estate Companies**

When acquiring investments in Real Estate companies, consideration must be given to risks resulting from the commercial entity's legal form, risks associated with the possible loss of shareholders (where the Company is not the sole shareholder) and risks regarding changes in the tax and corporate outline conditions. This is particularly applicable where the Real Estate Companies are domiciled abroad. Consideration must also be given to the fact that, in the event of the acquisition of interests in Real Estate companies, these may be encumbered with obligations which are difficult to identify. Finally, in the event of an intended disposition of an interest a sufficiently liquid secondary market may not be available.

## **Encumbrance with Heritable Building Rights or Similar Rights**

Where a property is encumbered with a heritable building right, there is a risk that the leaseholder may not meet its obligations and, in particular, may not pay the ground rent. In this and in other cases, a premature lapse of the heritable building right may occur. In this case, the Company must seek to achieve a different form of economic use of the property, which may be difficult in some cases. This applies mutatis mutandis for a lapse upon expiry of a contract. Finally, encumbrances of the property with a heritable building right may restrict its fungibility so that it may not be as easy to sell the property as would be the case without such encumbrance.

## **Competitive Market for Investment Opportunities**

The activity of identifying, completing and realising transactions in terms of attractive Real Estate investments has from time to time been highly competitive, and involves a high degree of uncertainty. The Company will be competing

for investments with many other investors in the Real Estate sector such as individuals, financial institutions (such as mortgage banks, pension funds and Real Estate investment trusts) and other institutional investors.

### **Exchange Rate Fluctuations; Currency Risks**

The Company may or may not seek to hedge its currency exposure by entering into currency hedging transactions. There can be no guarantee that financial instruments suitable for hedging currency or market shifts will be available at the time when the Company wishes to use them, or that hedging techniques employed by the Company will be effective. Furthermore, certain currency market risks may not be fully hedged or hedged at all. To the extent unhedged, the value of the Company's positions denominated in the reference currency will fluctuate with the price changes of the investments in the various local markets and currencies.

## **RISKS OF INVESTING IN PRIVATE EQUITY**

### **Private Equity Investments**

Private equity is a common term for investments that are typically made in private or public companies through privately negotiated transactions, and generally involve equity-related finance intended to bring about some kind of change in a private business (e.g., providing growth capital, recapitalizing a company or financing an acquisition). Private equity funds are the most common vehicles for making private equity investments. Investment in private equity involves the same types of risks associated with an investment in any operating company. However, securities issued by such funds tend to be more illiquid, and highly speculative. Private equity has generally been dependent on the availability of debt or equity financing to fund the acquisitions of their investments. Depending on market conditions, however, the availability of such financing may be reduced dramatically, limiting the ability of private equity to obtain the required financing.

### **Competitive Investment Environment and Negotiating Investment Terms**

The market for private equity investments is extremely competitive. Successfully completing a private equity investment and negotiating favourable terms can be difficult given the high level of investor demand these investment opportunities receive.

### **Difficulty in Identifying and Investing in Attractive Investment Opportunities**

The identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. Even if investment opportunities are identified, there is no guarantee that the Company's efforts to acquire interests in private equity funds will be successful. Legal or contractual transfer restrictions, size of minimum commitment and other similar provisions applicable to such Investment may prevent the Company from acquiring all or a portion of an intended Investment.

### **Risk of Not Fully Investing Committed Capital**

There is no guarantee that the Company will be able to fully invest the capital committed to it or that the appropriate investment opportunities (as to quality, number and size) will be identified. This may adversely affect the performance of the Company.

### **No Established Market for Secondary Interests**

The market for secondary interests in private equity funds is not well established and no assurance can be given as to the availability of investment opportunities open to the Company.

### **Difficulty in Valuing Interests in Private Equity Securities**

A large percentage of the securities in which the private equity funds invest will not have a readily determinable market price and will be valued periodically by them. In this regard, underlying private equity funds may face a conflict of interest in valuing the securities, as their value may affect its compensation or its ability to raise additional funds in the future. In addition, the valuations provided to the Company by an underlying private equity fund may have been prepared using accounting standards that are inconsistent with the accounting standards used to prepare valuations for the Company. No assurances can be given regarding the valuation methodology or the sufficiency of systems

utilized by any underlying private equity fund, the accuracy of the valuations provided by the underlying private equity fund, that it will comply with their own internal policies or procedures for keeping records or making valuations, or that its policies and procedures and systems will not change without notice to the Company. As a result, valuations of the securities may be subjective and could subsequently prove to have been wrong, potentially by significant amounts.

A private equity fund's information could be inaccurate due to fraudulent activity, miscalculation, or inadvertent error. In any case, the Company may not uncover errors for a significant period of time, if ever. The Company may be unable to sell its interests in such a private equity fund, quickly, if at all, and could therefore be obligated to continue to hold such interests for an extended period of time. In such a case, the Company's valuations of such interests could remain subject to such fraud or error, and the General Partner may, in its sole discretion, determine to discount the value of the interests or value them at zero. Investors should be aware that situations involving uncertainties as to the valuations by private equity funds could have a material adverse effect on the Company if judgments regarding valuations should prove incorrect. Persons who are unwilling to assume such risks should not make an investment in the Company.

### **Past Performance is Not a Guarantee of Future Performance**

The historical performances of the portfolio manager of the underlying private equity funds are not a guarantee of their future performances, which can vary considerably.

### **Limited Ability to Negotiate Terms of Investments in Underlying Funds**

The Company may acquire interests in private equity funds that are held by Shareholders. When the Company acquires these interests from Shareholders, rather than from the private equity funds themselves, it is unlikely that the Company will have the opportunity to negotiate the specific terms concerning the interests in the private equity funds or other special rights and privileges.

### **Failure by other investors to meet a draw down or call for capital**

The underlying private equity funds may have many investors which may have capital contribution obligations over an extended period of time. Should one or more of the other investors fail to meet a capital call of the private equity fund, this could have adverse consequences for the Company. The private equity fund may be permitted to require the Company to contribute additional capital to satisfy the shortfall. If the private equity fund is unable to raise sufficient capital to complete the proposed investment, its portfolio manager may not be able to diversify its portfolio, which could adversely affect the performance of the private equity funds and therefore the Company. If multiple investors fail to meet capital calls from a particular private equity company, it may result in the termination of such investment, thereby causing a lower return, or potentially a loss, on the Company's investments.

### **Limited operating history and competition associated with private equity companies**

The Company is newly established with no prior operating history upon which the prospective investor can base its prediction of success or failure. The private equity companies in which the private equity funds may invest may be in an early stage of development; may not have a proven operating history; may be operating at a loss or have significant variations in operating results; may be engaged in a rapidly changing business with products subject to a substantial risk of obsolescence; may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position; may rely on the services of a limited number of key individuals, the loss of any of whom could significantly affect the private equity companies performance; or may otherwise have a weak condition. In addition, private equity companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities, and a larger number of qualified managerial and technical personnel.

### **Lack of financial reporting**

Private equity funds which are established in jurisdictions that have varying accounting, auditing and financial reporting standards, and this may result in varying types, quality and quantity of information being available. This limitation may be particularly true for private equity fund where there may be little or no publically available information thereon.



**Exposure to liabilities of private equity funds**

Investments of some private equity funds (alone or together with other investors) may be deemed to have a control position with respect to some private equity companies, which may expose them to liabilities not normally associated with minority equity investments, such as additional risks of liability for environmental damage, product defects, failure to supervise management, violation of government regulations or other types circumstances where limited liability protections may fall away or be ignored. This may adversely affect the reputation of the private equity fund and also its performance, which will in turn affect the performance of the Company.

**Inability to influence private equity companies due to minority interests**

The Company may also make minority equity investments (co-investment) in private equity companies where the Company may not be able to protect their portfolio investments or control or influence effectively the business or affairs of such entities. The Company may be adversely affected by actions taken by majority equity holders(s) of the private equity company in which they invest.

**Risks regarding disposal of private equity funds**

In connection with the disposal of a private equity fund, the Company may be required to make representations and warranties about the business and financial affairs of the private equity funds typical to those made in connection with the sale of a business. The Company may also be required to indemnify the purchasers of an investment to the extent that any of these representations and warranties prove to be inaccurate or misleading. These arrangements may result in liabilities for the Company.

**Risks relating to the use of leverage by private equity funds**

Private equity funds may use leverage. Leverage may cause adverse consequences to these companies and to the Company as an investor. The amount of a leveraged company's borrowings and the interest rates on those borrowings, which may fluctuate from time to time, as well as the fees and other costs of borrowing, may have a marked effect on a leveraged company's performance. The companies may be subject to restrictive financial and operating covenants. Leverage may also impair a company's ability to finance its future operations and capital needs. As a result, normal flexibility to respond to changing business and economic conditions and to business opportunities may be limited. A leveraged company's income and net assets tend to fluctuate at a greater rate than if borrowed money were not used.

**Fee layering**

The Company through its investment in the private equity funds may be subject to a "layering" of fees and expenses. The Company is directly subject to its own fees and expenses. In addition, the Company through its investments may be subject to the private equity funds' management and incentive fees and expenses. Such fees and expenses, in the aggregate, will exceed the fees and expenses that would typically be incurred by an investor making a direct investment in a private equity fund. In addition, performance-based compensation arrangements may create an incentive for the underlying managers to make investments that are more risky or more speculative than would be the case if such arrangements were not in effect.

**Risks associated with the investment in unregulated underlying funds**

The Company may invest directly and/or indirectly in private equity funds domiciled in jurisdictions where these vehicles are not subject to a recognized supervisory authority providing investors with equivalent protection to that available in Luxembourg, investments in any of such private equity funds are subject to a corresponding risk. Although the risks inherent to investments in private equity funds (whether regulated or unregulated) should as a rule be limited to the loss of the initial investment contributed, investors must nevertheless be aware that investments in unregulated private equity funds are more risky than investments in regulated private equity funds. This may be due to fact that such private equity funds may not be subject to regulatory and leverage/borrowing restrictions and/or to the absence of accounting standards or to the absence of a supervisory authority imposing rules and regulations to the entity exercising the custody and/or central administration functions. In particular, the consequence of the leverage effect is that the value of a fund's assets increases faster if capital gains arising from investments financed by borrowing exceed the related costs, notably the interest on borrowed monies and premiums payable on derivative instruments.

A fall in prices, however, causes a faster decrease in the value of the Sub-Fund's assets. In extreme cases, the use of derivative instruments and short sales by underlying private equity funds may result in them becoming worthless. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain jurisdictions where these unregulated underlying funds are set up may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. As a consequence of the foregoing, unregulated funds are generally considered to be a higher risk investment.

#### **Limitations on transfer; shares not listed**

The transferability of Shares is subject to certain restrictions contained in the Articles. Shares are not traded on any securities exchange or other market. No market currently exists for the Shares, and none is expected to develop. Consequently, the Shares should only be acquired by Investors able to commit their funds for an indefinite period of time.

#### **Closed-end fund; liquidity risks**

Certain Sub-Funds may be closed-ended and designed primarily for long-term Investors and are not intended to be a trading vehicle. A prospective Investor should not invest in such Sub-Funds if such investor needs a liquid investment. Closed-end funds differ from open-ended funds in that investors in a closed-end fund do not have the right to redeem their Shares on a daily basis at a price based on net asset value.

#### **Lack of control over underlying private equity funds**

The Company also generally will not have control over any of the underlying private equity funds and will not be able to direct the policies or management decisions of such private equity funds. Thus, the returns to the Company from any such investments will be dependent upon the performance of the particular private equity funds and its management and the Company will not be able to direct the policies or management decisions of such private equity funds.

#### **Small and medium-capitalization companies**

The Company may invest a portion of its assets in private equity funds with small- to medium-sized market capitalizations. While such investments may provide significant potential for appreciation, they may also involve higher risks than do investments in securities of larger companies. For example, the risk of bankruptcy or insolvency is higher than for larger, "blue-chip" companies.

#### **Geographic concentration risks**

The Company may concentrate its investments in specific geographic regions. This focus may constrain the liquidity and the number of private equity funds available for investment. In addition, such investments will be disproportionately exposed to the risks associated with the region of concentration.

#### **Termination of the Company's interest in a private equity fund**

A private equity fund may, among other things, terminate the Company's interest in that private equity fund (causing a forfeiture of all or a portion of such interest) if the Company fails to satisfy any capital call by that private equity fund or if the continued participation of the Company in the private equity fund would have a material adverse effect on it or its assets.

#### **Potential significant effect of the performance of a limited number of investments or strategies**

Subject to its risk diversification requirements and investment restrictions, the Company may make investments in a limited number of private equity funds and the private equity funds may make investments in a limited number of investments. In either instance, these limited numbers of investments may have a significant effect on the performance of the Company. In addition, the Company may invest a substantial portion of its assets in private equity funds that follow a particular investment strategy. In such event, the Company would be exposed to the risks

associated with that strategy to a greater extent than it would if the Company's assets were invested more broadly among private equity funds pursuing various investment strategies.

**Liquidity risk**

The illiquidity of private equity funds exposes Shareholders to asset liquidity risk associated with selling in the secondary market at a discount on the reported NAV.

**Capital risk**

The realisation value of private equity investments can be affected by numerous factors, including (but not limited to) the quality of the , equity market exposure, interest rates and foreign exchange.

**BEFORE DETERMINING TO INVEST IN THE COMPANY, PROSPECTIVE INVESTORS SHOULD EVALUATE WHETHER THEY ACCEPT THE AFORESAID RISKS, WHICH THEY WILL ASSUME BY BUYING SHARES OF THE COMPANY. THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL POSSIBLE RISKS INVOLVED IN THIS OFFERING.**

**PROSPECTIVE INVESTORS SHOULD READ THE ENTIRE PRIVATE PLACEMENT MEMORANDUM AND FULLY EVALUATE ALL OTHER INFORMATION THAT THEY DEEM TO BE NECESSARY BEFORE DETERMINING TO INVEST IN THE COMPANY.**

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**PART II: APPENDICES - SPECIFIC INFORMATION RELATIVE TO SUB-FUNDS**

**APPENDIX A**

**EUROPEAN VINEYARDS FUND**

a Sub-Fund of

**PAN-EUROPEAN OPPORTUNITIES FUND S.C.A., SICAV-RAIF**

A société en commandite par actions qualifying as an investment company with variable capital – reserved alternative investment funds (société d'investissement à capital variable– fonds d'investissement alternatif réservé)

(the “**Company**”)

This document is an appendix to the Pan-European Opportunities Fund S.C.A. SICAV RAIF Private Placement Memorandum. This appendix covers items that are specific to the European Vineyards Fund and it should be read in conjunction with the main body of the Private Placement Memorandum. You should consult a professional financial advisor if anything contained herein is unclear to you. Depending on your query, it may be advisable to consult your legal counsel and / or tax advisor.

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**Fund Quick facts:**

<b>Fund Type:</b>	SICAV RAIF (AIF)
<b>Fund Jurisdiction:</b>	Luxembourg
<b>Main Asset Class(es):</b>	Real Estate, Private Equity
<b>Investment Objective:</b>	Capital appreciation and income
<b>Investment Strategy (ESMA classification):</b>	<p>MULT_REST Multi-strategy real estate fund</p> <ul style="list-style-type: none"> <li>• COML_REST Commercial real estate</li> <li>• INDL_REST Industrial real estate</li> <li>• OTHR_REST Other real estate strategy</li> <li>• MULT_PEQF Private Equity -Multi-strategy</li> </ul>
<b>Geographical Focus:</b>	Global with a focus on Central and Southern Europe
<b>Fund Term:</b>	Unlimited
<b>Classes:</b>	Distribution and Capitalisation
<b>Valuation and Reporting:</b>	Net Asset Value calculation – Semi-Annual – Annual Audited Reports
<b>General Partner:</b>	EUNIIC S.à.r.l.
<b>AIFM:</b>	Audentia Capital Management Ltd.
<b>Vineyard &amp; Property Manager:</b>	Chrysavgi Management Group Ltd.

## EUROPEAN VINEYARDS FUND

### ("THE FUND")

The following analysis of principal terms is subject to and qualified in its entirety by the detailed information included elsewhere in the Private Placement Memorandum and the Company's Documents, the forms of which will be provided to Eligible Investors upon request. Subscription in the Fund will only be accepted on the basis of the full Private Placement Memorandum.

#### 1. INVESTMENT OBJECTIVE

The investment objective of the Fund is capital appreciation and income distribution via investment in companies involved in the entire value chain of the wine industry – from corporate entities in charge of growing grapes on the vines, to those in charge of selling bottles of wine in retail distribution.

The Fund aims to achieve profits by participating in a program of (without limitation): buying and selling of vineyards; investments associated with the wine production industry; exploring and managing vineyards; allowing for the upgrading, renovating and reconversions of any assets and buildings that may be included in the purchase of a property; helping vineyards produce Premium, Top Premium and Icon wines and manage *négociants* buying and selling wine grapes and wines from third parties worldwide. Ideally, investments will be primarily in Central and Southern Europe.

The long term goal for the Fund is to become one of the most respected and profitable vineyard owners in the world. Note that in this Appendix, "wine industry" may be used interchangeably with "wine and vineyard business" or "vineyard and wine business".

#### 2. INVESTMENT POLICY & STRATEGY

The policy and strategy used to pursue the investment objective is to invest in operational companies involved in any aspect which is directly (e.g. vineyards) or indirectly related (e.g. barrel-makers) to the wine industry.

Said policy and strategy may also target real estate assets linked to the wine industry (vineyards estates, cellars, vines, etc).

Initial countries of focus will be Spain, Portugal, France, Romania and Italy. But it is always possible that an opportunity is identified in another country like, including but not limited, Croatia, Bulgaria, Greece etc.

##### 2.1 Eligible assets for investments

The Fund will predominantly invest in:

- Real estate assets only through one or more Special Purpose Vehicles, being:
  - property consisting of land and buildings;
  - participating interests in real estate companies (including loans to such companies) the object and purpose of which is the acquisition, development and sale as well as the letting and lease of property; or
  - property related to long term interests such as surface ownership, lease-hold and options on real estate investments;
  - participating interests in operating companies or Target Sub-Funds the purpose of which is the management of any of the above real estate assets held by the Fund;
  - real estate loans or any kind of debt instruments, credits, secured or not by mortgages on the real estate assets, leasing or pledges over the securities in the real estate companies or in companies closely linked to the real estate companies;
  - loans or debt instruments, credits and leasing arrangements to individuals or companies or any other entity related to real estate assets; and
  - participating interests in real estate investment funds and trusts.

- Direct Private Equity investments, that may be purchased through one or more Special Purpose Vehicles, which may be wholly or partly owned subsidiaries of the Fund or of direct or indirect subsidiaries of the Fund.
- Undertaking for Collective Investments that (i) mainly invest directly or indirectly (e.g. via Special Purpose Vehicles) into the wine industry and (ii) which domiciled, headquartered or are primarily deriving their revenues from operations in the targeted regions.
- Cash will be held for liquidity purposes and at times, depending on the availability of suitable investment opportunities, may represent a substantial portion of the Fund's net asset value.
- The Fund always indirectly invest in wine and wine related products

It is understood that the AIFM shall select the assets of the Fund at its sole discretion.

This includes but is not limited to investment in eligible assets (private equity) related only via companies owning:

- Agricultural land,
- Vineyards,
- Improvement, Reconversion and / restructuring of vineyards and management of vineyards,
- Storage house or cellar for storing wine (sometimes known as "Bodegas"),
- Wine cellars (as additional storage capabilities),
- Production of wines,
- Distribution of the produced wines on a global scale.
- Bottling lines,
- Wine co-operations (an organisation whose objective is to to engage in any activity, that is directly or indirectly related to the wine industry : including but not limited to: advisory, management, writing books, training sales persons),
- Other investments related to the making of wine like building and renovating of wine cellars; environmentally friendly repellents/treatment of vineyard insects, pests and disease etc,
- Other investments not directly or indirectly related to the wine industry at the time of purchase, but where the business plan for the investment is to make it so;
- real estate assets linked to acquired vineyards (as is often the case in France for example where they are nestled among acres of vineyard and are considered to contribute to the atmosphere of the wine experience)
- Any agricultural exploitation being part of the acquired vineyards.

The Fund may also invest with the intention to improve, restructure and or/ reconvert a particular investment in order to align it with the investment objective.

## 2.2 Investment criteria

Investment criteria cannot be specified exactly as prospective opportunities need to be assessed on a case-by-case basis. However, for vineyards, the Fund will seek to identify properties with a high return on investment ("ROI") potential, typically with potential to give a minimum 15% ROI per annum after 3-5 years of management.

**Although the Fund may invest in every aspect of the wine business its core business will be investing in vineyards (new and existing ones) and the management, reconversion and cultivation of vineyards and to produce Premium, Top Premium and Icon quality wines. The portfolio manager's intention is to invest at least 75% of the Fund investments in vineyards and related real-estate through one or more Special Purpose Vehicles.**



Target acquisitions are generally required to meet at least 3 (three) of the following criteria:

- 2.2.1 Minimum 40 to 50 hectares with possibility to expand to a minimum of 150 hectares by acquiring small parcels of land from the surrounding area;
- 2.2.2 Located in an area where there are no potential water shortages that are likely to occur. This will be measured by way of historical meteorological data and as far as possible long term forecasts.
- 2.2.3 Low probability of effect of climate change which will be measured by way of historical meteorological data;
- 2.2.4 Existence of wine making facilities i.e. wine cellars, bottling installation and similar facilities with potential for modernisation;
- 2.2.5 Exhibit the potential of an expanded production capacity of 300,000 to 500,000 bottles annually post improvements;
- 2.2.6 Areas with very good terroir (see 2.3) to produce wine of Premium, Top Premium and Icon quality;

### 2.3 **Terroir**

It is understood that the profit potential of investing in vineyards tends to be a lot higher than with that of merely buying and selling the final product (i.e. wine). The Fund will continuously search for domains that are ideally situated with a great "Terroir" (the term refers to the natural environment of a specific region that offers a complex interaction of climate, microclimate, soil composition and character, drainage, sunlight exposure, and elevation which all contribute to the unique character of wines from a specific locality) and thus ideal to be reconverted into model vineyards par excellence that will produce top quality wines. In order to do so the Fund will focus on purchasing properties in Mediterranean Europe and possibly some new wine countries (e.g. Argentina, Chili, South-Africa) where the profit potential tends to be the highest because of the much lower initial investment to buy and cultivate a vineyard.

The Fund will also look to invest in French properties, the wine country par excellence, if such domains can be acquired at a fair price and will add additional value to the Fund. Although in general French properties are still expensive compared to vineyards in many other countries, it could be worth the extra investment to give more credibility to all of the Fund's vineyards and to assure that the wines of the Fund produced in other countries could benefit from this to receive higher prices in combination with the Fund's French wines.

### 2.4 **European Union subsidies**

The Fund will focus on investing in those areas that are eligible for European Union subsidies. The receipt of European Union subsidies can reduce the Fund's required investment considerably when developing a new vineyard or restructuring an existing one (or any other eligible investment for which an EU subsidy exists).

### 2.5 **Sales of assets**

The intention is that investments will be held for the long term appreciation of capital and income, however from time to time the Fund may sell any asset if there is a convincing case that by selling such an asset the Fund may realize substantial profits. Ideally (but not required in order to sell) other more interesting buying alternatives should be available in the short term. Sales may also occur to provide liquidity for the purchase of an asset deemed to be more beneficial.

### 2.6 **Expected returns**

Overall, the Fund is aiming to provide an annual double digit return for its Shareholders over a period of 10-years or longer. The return on investment could even be higher depending on high inflation periods and some unique buying opportunities in some of the Fund's target countries at the moment and the foreseeable future.

Any investment in the Fund could offer a Shareholder portfolio diversification but also a level of protection against upcoming periods of high inflation and/or currency depreciations.

Note that the Fund's actual performance may not meet these expectations and that no guarantee is provided (please see Section "Risk Profile" below).

The Fund is expected to profit in three ways from its investments in vineyards:

- 2.6.1 The land and Real Estate of the vineyards may appreciate in value every year because of inflation and the decreasing amount of agricultural land available in the world. Historically land and Real Estate have always proven to be a good protection against periods of high or hyperinflation unlike many other investments. The Fund and its Shareholders may profit substantially from this situation.
- 2.6.2 The Fund's own indirect wine production via the invested Special Purpose Vehicles which may provide for a continuous cash flow and profit. Given the current low prices for quality vineyards in Southern Europe due to the economic setback this alone may provide for annual double digit returns on the Fund's investment in a vineyard.
- 2.6.3 Through subsidies from the European Union on a substantial part of the Fund's investments in its European vineyards. Such subsidies differ from the sort of investment and from country to country and even from region to region and (under current rules) range from 10 to even 75% in certain specific cases. The General Partner expects that most of the Fund investments that will meet the requirements for EU subsidies in its target countries will be in the 30-50% subsidy range.

## 2.7 Investment decisions

The Specialist Vineyard Manager provides its recommendation on investments to the AIFM. The AIFM is in charge and responsible and controls the investment decision process. The AIFM may approve investment or divestment recommendations, with or without amendments at its discretion. The AIFM may involve the General Partner in investment and/or divestment decisions.

## 2.9 Valuations

All assets will be subject to valuations. Please see section 6 "Valuation & Independent Appraisers" below.

## 2.10 Borrowings and Leverage

The Fund may seek to raise finance, possibly even at Subsidiary level, to leverage against the investment at the time of purchase and/or to re-finance to maximise the use of the cash available. Limits on Borrowings and leverage are presented in section 7 "Borrowings and Leverage".

## 2.11 Rules on Subsidiaries

Assets may be acquired through one or more Subsidiaries and funded by equity and borrowing at Subsidiary level.

The governing body of each Subsidiary company will be under the control of the General Partner, directly or indirectly (as for example through nomination of a company controlled by the General Partner) by any reasonable means including but not limited to any one or more of the following:

- a) Shareholding agreements restricting the powers of the Subsidiaries' directors such that ultimate power remains with the General Partner; or
- b) The governing body of each Subsidiary company will be organised in order that:
  - veto or special voting rights are given to the members of these governing bodies that are from the General Partner or to companies controlled by the General Partner, or
  - a majority of members are from the General Partner.

For the purposes of the presentation of the accounts of the Fund, any Subsidiary will be regarded as transparent and the accounts will contain a list of all investments held through such Subsidiaries. In some rare cases finders fees or deal arrangement fees may be paid occasionally to agents or other companies involved in the buying or selling of assets. Such payments will be included in the financial analysis of the investment used for decision making, and will be seen as an integral part of the purchase or selling price of an asset.

### 3. VINEYARD & PROPERTY MANAGER

The General Partner has appointed Chrysavgi Management Group Ltd. ("Chrysavgi") as Vineyard & Property Manager to the European Vineyards Fund. Chrysavgi is a private limited liability company incorporated in Paphos, Cyprus on 16 August 2016 to serve as external specialist advisor to manage vineyards and to design tailor made profitability programs for wine producing companies.

The directors of the Vineyard & Property Manager (the "**Directors**") combine a vast and diverse amount of experience in both the wine and vineyard industry as well as the financial world.

Subject to the terms of the Vineyard & Property Manager Agreement between the AIFM, the Vineyard & Property Manager and the Company, the Vineyard & Property Manager will, subject to the final approval, supervision of, and review by, the AIFM, identify, investigate and research the nature of the financial and commercial activities of the Fund and provide advisory and management services to the Fund through its cooperation with the AIFM in assessing investment opportunities.

The Directors of the Vineyard & Property Manager are:

Mr. Marc Schiettekat

Mr. Marc Spiessens

Please refer to page 25 of this Private Placement Memorandum for a brief biography of both directors.

#### 3.1 Vineyard & Property Manager's Fees

Chrysavgi will be responsible for the management of the various properties and assets of the Fund which ownership will be held through fully owned Subsidiary companies of the Fund in different countries (Special Purpose Vehicles ("SPVs")). Chrysavgi will be responsible for, among others, the hiring of employees, the supervision of all the employees, follow up on the daily activities of the property, organizing the harvest and winemaking, blending of the different wines to create premium, top premium and icon wines with the assistance of the property's dedicated winemaker, organize the bottling of the different wines, create brands and design the labels for each sort of wine, organize wine tasting events for global buyers, assist with the worldwide sales of the produced wines, and for reporting to the Fund's AIFM about the daily activities of each subsidiary on a regular basis. Chrysavgi will not be responsible for the salaries, expenses or any other costs which can be assumed to be part of running a vineyard and wine business or any related investment. For acting in this capacity as external manager and supervisor of the various subsidiaries, Chrysavgi will receive a quarterly property management fee of 0.625% (approximately 2.5% per annum) of the total gross value of each Subsidiary SPV it has to supervise and manage. The total value of each Subsidiary will be determined by external appraisers.

Chrysavgi's property management fees will be paid within 30 days after the end of each calendar quarter by the relevant Subsidiary.

### 4. INVESTORS

#### 4.1 Eligibility

All Non-US persons interested in investing in the Fund qualified as Institutional Investors, Professional Investors and/or Well-informed Investors within the meaning of article 2 of the RAIF Law and not a Prohibited Person, who have satisfied all applicable KYC and AML requirements of the General Partner, the Central Administration and the AIFM.

#### 4.2 Investor Profile

Investment in the Fund is only appropriate for those whose investment experience is such that they are capable of evaluating the merits of their prospective investment and have no need for their investment to be liquid at short notice, as the European Vineyards Fund is best suited to investors that are prepared to invest

for the medium to long term. Investors should accordingly consult a suitably qualified professional advisor before committing themselves to an investment in European Vineyards Fund.

## 5. RELATED PARTY TRANSACTIONS

Service Providers to the Fund – including but not limited to its advisors and distributors – may be related parties. Transactions with related parties may give rise to a conflict of interest which will be assessed by the AIFM and the General Partner and appropriate action may be taken. In this regard the AIFM will maintain effective arrangements in order to identify, prevent, manage and monitor potential specific risk or conflict of interests which may arise with respect to such related parties transactions.

## 6. VALUATIONS AND INDEPENDENT APPRAISERS

The AIFM will appoint independent valuers (members of the RICS or the local equivalent) that will provide independent valuation services and valuation advice on each property prior to them being acquired (exceptions may be made for smaller plots of land which will be immediately added or merged with an existing property and which acquisition price will not exceed 3% of the Fund's last known NAV). Accordingly, one or more of these AIFM appointed and approved valuers may be contracted by the Fund to provide regular valuations or valuation advice on an annual basis with in-between updates whenever the AIFM considers it necessary.

In order to determine the Fair Market Value of the Fund's vineyards and possibly any other Real Estate in good faith, the AIFM will appoint two different independent appraisers for each property. The average appraisal of the two will then be used as the value for purpose of determining the Fund's NAV. In the unlikely case that any two appraisals for the same property would be very different (over 10% difference) the AIFM's valuation committee may resort to a number of options including but not limited to one or more of the following:

- Obtaining a third independent valuation;
- Calculating a form of weighted average of the valuations;
- Other reasonable means considered to be in the best interests of Shareholders.

Other assets of the Fund which are in nature immovable, such as wine stocks, will always be taken into account at their production costs or purchase prices for reason of determining the Fund's NAV, unless the Specialist Vineyard Manager and the AIFM consider it relatively certain that the Fair Market Value of one or more of such assets is considerably higher or lower than the actual purchase price in which case the Directors may decide in their sole discretion and in good faith, to use this different value for said asset(s) in order to determine the Fund's NAV.

All assets will be valued at least once per Calendar Year any time before 31 December, unless the General Partner or AIFM requests an updated valuation based on changes to the asset or in market conditions. Subject to the General Partner's approval, further valuations may be required, following any major events which affect a particular investment.

Semi-Annual property values may be shown at either the purchase price or last valuation price plus or minus any adjustment; or any value reasonably derived therefrom to be fair to Shareholders, as determined by the valuation committee of the AIFM.

Notwithstanding the foregoing, the AIFM shall be entitled, at their discretion, to apply a method of valuing any investment and / or asset of the Fund different from that prescribed hereunder if such method would in their opinion better reflect the fair value of such investment and/or asset and, without prejudice to the generality of the foregoing, the AIFM may rely upon opinions and estimates of any independent entities who appear to them to be competent to value investments of any type or designation by reason of any appropriate professional qualification or experience of the relevant market.

Property surveys may be commissioned by the AIFM and the General Partner as and when considered appropriate.

The AIFM will remain responsible for the valuation function and the oversight of the NAV calculation process.

## 6.1 Fees of the Independent Appraisers

When independent appraisers are appointed by the AIFM, Investors will be duly informed of the fees payable to such independent appraisers and this Private Placement Memorandum will be updated to include such fees. Appraiser fees may vary from country to country and will be paid by the Fund directly or by the relevant subsidiary. It is expected that in most countries in which the Fund or its subsidiaries intend to buy assets such appraiser fees will likely range from 0.06% to 0.20% based on the value of the assets, subject to minimum fees in many cases.

## 7. BORROWINGS AND LEVERAGE

The Fund or any subsidiary is permitted to utilise borrowings for the purpose of purchasing investments and for reconversion purposes. The Fund may borrow significant sums from banks and other third parties.

Borrowing creates an opportunity for a greater yield and total return, but, at the same time, will increase the exposure to capital risk and interest costs.

Borrowings may multiply the effect of falls and rises in the value of the property investment portfolio.

The facilities granted by the lender may be terminated or altered in certain circumstances which may adversely affect the Fund.

The AIFM ensures the calculation of the leverage exposure of the Fund in accordance with the gross and commitment methods as set out in Articles 7 and 8 of the Commission Delegated Regulation (EU) N° 231/2013 of 19 December 2012.

The Fund will manage external leverage as follows:

	AIFMD Commitment Method	AIFMD Gross Method	Loan-To-Value (LTV)
Fund Target	350% of NAV	350% of NAV	71.4% of GAV
Maximum	400% of NAV	400% of NAV	75.0% of GAV
Individual Investment Maximum	500% of NAV	500% of NAV	80.0% of GAV

The Fund will not use short term borrowings beyond the Fund level leverage limit.

## 8. INVESTMENT LIMITS AND RESTRICTIONS

Subject to a ramp-up period of four (4) years, the assets of this Fund shall be invested in accordance with the following investment limits and restrictions.

As from the third anniversary of the closing of the Initial Offering Period, the Fund must not hold directly or indirectly more than:

- 30% of the GAV of the Fund in any single Asset.
- 70% of the GAV of the Fund in any single country.
- 30% of the GAV of the Fund in active developments.

Notwithstanding the aforementioned restrictions, the Fund may breach these levels in exceptional circumstances and/or as a consequence of situations beyond the AIFM's control such as delayed acquisitions of new assets or delayed disposals of assets or valuation changes. In this situation, the AIFM will make its best endeavours to regularise the situation taking into account the best interest of Shareholders.

The General Partner or its affiliates may, at its sole discretion, charge advisory or other fees to any joint venture or co-investment partners, provided these are negotiated on an arms-length basis and not in contradiction of AIFMD remuneration requirements.

The Fund may invest in joint-ventures, provided it holds a majority or controlling position, e.g. joint control or veto rights.

The cash assets held by the Fund from time to time in relation to pending investments, distributions, or other utilisation or as reserves may be invested in:

- Cash deposits; and
- money market instruments; and
- Gold and silver; and
- shares of the Swiss Central Bank (Schweizerische Nationalbank), for not more than maximum 5 (five)% of the Fund's NAV

## **9. LIQUIDITY MANAGEMENT STRATEGY**

It is important for Investors to note that the Fund will mainly be investing in illiquid assets and as such only investors with a medium to long term investment horizon (i.e. 4 to 10+ years) or investors with their own sufficient liquidity should consider an investment in the Fund.

The Fund may use borrowings to assist with liquidity.

## **10. LIQUID ASSETS AND HEDGING**

In addition to, and elaborating on, the guidelines as highlighted above, the following shall apply:

10.1 The Fund intends to hold its Liquid Assets in Euros (EUR), unless otherwise decided by the General Partner, subject to the condition of the markets.

10.2 Under normal circumstances, and after a ramp-up period of four (4) years, the Fund will aim to have approximately 90-95% of its NAV invested. The liquid assets held by the Fund from time to time in relation to pending investments, distributions, or other utilisation or as reserves may be invested in cash deposits and money market instruments.

10.3 The Fund may only enter into interest rate or currency hedging transactions where the AIFM considers it appropriate and only in relation with the Fund's vineyards investments and never for speculative reasons. No currency hedging shall occur at the level of the Share Classes.

## **11. AIFM, OTHER SERVICE PROVIDERS AND RELATED FEES**

### **11.1 AIFM**

Audentia Capital Management Ltd. is the AIFM of the Company. Details relating to the AIFM are set out in Part I of the Private Placement Memorandum under the heading entitled: "AIFM".

#### **11.1.1 AIFM's fees**

In respect of providing the services to the Fund, the AIFM receives on-going annual fees on a sliding scale ranging from 12bps to 10bps for assets under management depending on the size of the Fund's assets, subject to an annual minimum of EUR 39,000, fees paid out of the assets of the Fund. This annual minimum includes EUR 2,000 for Annex IV reporting. The AIFM shall be entitled to receive further fees for the marketing notification services provided to the Company.

Moreover, the AIFM shall be entitled to receive out of the assets of the Company additional fees corresponding to the provision of additional services, as agreed priorly in writing from time to time.

### **11.2 The Central Administration, Registrar and Transfer agent**

Bolder Luxembourg S.A. is the Central Administration, Registrar and Transfer Agent of the Company. Details relating to the Central Administration, Registrar and Transfer Agent (the "Central Administration") are set out in Part I of the Private Placement Memorandum under the heading entitled: "Central Administration, Registrar and Transfer Agent".

### 11.2.1 Administration fees

The Central Administration receives the following fees per annum in respect of providing the services to the Fund and paid out of the assets of the Fund.

- (a) On-going fees paid on a sliding scale ranging from 5bps to 3bps depending on the size of the Fund's assets subject to an annual minimum of EUR 13,000.
- (b) Other Costs and Disbursements tax d'abonnement, and printing and publication costs will be charged separately.
- (c) Reporting Services are included in the annual Administration fees.
- (d) CRS reporting fees will be charged at EUR 100 per limited partner subject to a minimum annual fee of EUR 2,000

### 11.3 Depositary

Q Securities S.A., the Luxembourg branch, is the Depositary of the Company. The Depositary will be entitled to an annual Depositary fee on a sliding scale ranging from 3.5bps to 2.5bps of the Net Asset Value of the Fund and subject to an annual minimum of EUR 24,000.

In addition to the above, the Fund shall pay to the Depositary transaction, account maintenance and other Depositary services related fees as set out in the Depositary Agreement. The Depositary shall also be entitled to be repaid out of the assets of the Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Fund.

Details relating the Depositary are set out in Part I of the Private Placement Memorandum under the heading entitled: "Depositary".

### 11.4 Auditor

Mazars has been appointed as the independent auditors of the Company. Mazar estimated fees for the Fund to be in the region of EUR 10,000 to 15,000 per annum. Details relating the Auditors are set out in Part I of the Private Placement Memorandum under the heading entitled: "Auditors".

### 11.5 Domiciliation Agent

Bolder Luxembourg S.A. will act as the Domiciliation Agent of the Company. The annual fees for domiciliation and secretarial services are included in the annual Administration fees.

### 11.6 General Partner fees and costs.

The General Partner will receive from the Fund a quarterly management fee of 0.5% (approximately 2% per annum) of the Net Asset Value determined as of the latest Valuation Day. The General Partner will be responsible, with the help of the Specialist Vineyard Manager, for determining and locating the best possible properties and the acquisition of such premium properties at the best possible prices in the different countries in which the Fund seeks to acquire vineyards or related investments. The General Partner together with the Specialist Vineyard Manager will use all of their many international contacts to find the best suitable properties for the Fund and all of its experience to negotiate with the owners of such properties to make sure that the Fund will always pay the lowest price possible for the desired properties.

The General Partner's management fees will be paid within 30 days after the end of each calendar quarter by the Fund. A substantial portion of the management fees received by the General Partner will be paid to the Specialist Vineyard Manager. A portion of the management fees may also be paid to companies instrumental with the distribution of the Fund.

The General Partner is also entitled to receive a Performance Fee based upon the Early Redemption Asset Value (the "ERAV") (please refer to section 12.7 Redemptions) of Shares in the Fund. The General Partner will receive an annual Performance Fee equal to 20% of the new net realised profits of the Fund. For

Performance Fee calculations the new net realised profits of the Fund will be determined at the last Valuation Day of each financial year (31 December). The Performance Fee will be determined by the increase in the Early Redemption Asset Value at the end of each financial year compared with the previous financial year after deducting all costs, fees and related charges but before redemptions and before any accrual for the Performance Fee; and any distributions made during the preceding year(s) shall be added back.

Realised profits will come from the sale of wines produced by the companies owned by the Fund occasionally from the sale of vineyards and other Private Equity or Real Estate assets. No performance fee shall be paid on unrealised profits, except when shares are redeemed at the Net Asset Value per share (after the full recommended holding period) and paid in full to the redeeming investor(s). In such case, the reserved performance fee on these redeemed shares will be due and shall be paid to the General Partner.

**The first period for the Performance Fee calculation will be from the end of the Initial Offering Period till the Valuation Day of 31 December 2023. From thereon Performance Fees will be calculated annually.**

The Performance Fee will be payable half in cash and half in new Class A shares of the Fund at the then current Net Asset Value. If the Fund's liquidity situation makes it difficult to meet the cash half of the Performance Fee (if any is due), then the General Partner may decide in its sole discretion, to accept a larger part of its Performance Fee in new Class A Shares of the Fund. The General Partner however has no obligation to do so and may still request that the cash portion of the Performance Fee be paid in cash.

A high water mark principle will apply. Each Early Redemption Asset Value which generates a Performance Fee is a high water mark. A subsequent Performance Fee in respect of a Share that was in issue at the date of such high water mark will be payable only if and so far as the subsequent Early Redemption Asset Value exceeds such high water mark as increased at the annual hurdle rate. A 6% hurdle rate will be applied when calculating the Performance fee.

In the event of a Business Loss at the level of a share class by the Fund, no further Performance Fees shall be paid until such net loss (as adjusted for redemptions, dividends and distributions, if any) has been recovered.

Performance Fees having been paid, shall not be recoverable by the Fund from the General Partner in the event of a subsequent Business Loss by the Fund.

A substantial portion of the Performance Fees received by the General Partner will be paid to the Specialist Vineyard Manager.

Operating costs of the General Partner are borne by the Fund, either by direct payment or by providing funding to the General Partner in accordance with a defined annual budget, or for specific adhoc items as approved by the Board of the General Partner.

#### 11.7 Distributor

The Global Distributor may appoint Distributors from time to time for distributing the Shares of the Fund. Only the Global Distributor and duly appointed Distributors may represent the Fund regarding the distribution of Shares of the Fund.

#### 11.8 Organisational Expenses

The Organisational Expenses of the Fund will be paid by the General Partner. The Organisational Expenses will not be charged to the Fund separately but are included in the Subscription Fees. The General Partner shall receive a portion of the Subscription Fees as compensation for these organisational expenses.

#### 11.9 Ongoing Expenses

The Fund will also be responsible for the Ongoing Expenses allocated to the Fund. Additional charges, taxes and fees may have to be paid out of the Fund's assets. The maximum amount of the charges payable for such on-going expenses and charges applicable to the Fund are not anticipated to exceed the sum of €10,000 annually.



**11.10 Investment –Related Expenses**

The AIFM and the Specialist Vineyard Manager shall be reimbursed by the Fund in respect of all reasonable Investment-Related Expenses incurred by them. Investment Manager Fees paid to the AIFM shall be of EUR 8,000 per annum.

**11.11 Value Added Tax**

All fees and expenses pursuant to the above are exclusive of value added taxes or other chargeables thereon, which shall be paid by the Fund as required

**12. OFFERING OF SHARES****12.1 Summary**

The following table (on the next page) is a summary of text in this Private Placement Memorandum that describes the essential characteristics of the Investor Shares and the timing associated with subscriptions.

Reference Currency	EUR	EUR
Class	A	B
Restricted to Which Investors*	Eligible Investors who are European Union investors	Eligible non European Union investors which are non-US investors
Initial Offering Period**	15 February 2022 to 15 June 2023 (both dates inclusive)	15 February 2022 to 15 June 2023 (both dates inclusive)
Minimum Subscription Amount***	EUR 100,000	EUR 100,000
Minimum Subsequent Subscription***	EUR 50,000	EUR 50,000
Minimum Holding Amount ***	EUR 100,000	EUR 100,000
Subscription Price per Share	EUR 1,000 during the Initial Offering Period thereafter the prevailing NAV	EUR 1,000 during the Initial Offering Period thereafter the prevailing NAV
Subscription Fee	See Paragraph 12.6 below	See Paragraph 12.6 below
Valuation Day	Last Business Day of June and December	Last Business Day of June and December
Redemption Fee for Early Redemptions	See Paragraph 12.7 below	See Paragraph 12.7 below
Redemption Day	Last Business Day of December	Last Business Day of December
Close-ended Period	36 months. See Paragraph 12.7.1	36 months. See Paragraph 12.7.1
Dealing Day	On the Business Day following the applicable Valuation Day	On the Business Day following the applicable Valuation Day
Subscription Cut-Off Time for remittance of Subscription Agreements, anti-money laundering documentation and subscription monies	12:00 CET 10 Business Days prior to the Valuation Day	12:00 CET 10 Business Days prior to the Valuation Day

\* Where distribution takes place using the AIFMD passport, only Eligible Investors may invest. Additional restrictions, as set out in the Subscription Agreement, may be applicable;

\*\* The General Partner however reserves the right, in its discretion, to shorten the Initial Offering Period upon reaching the target size for the Fund (i.e. as soon as the Fund has reached, an amount determined by the General Partner to be the level for the Fund to be operated in an economically efficient manner). The General Partner also reserves the right to extend the Initial Offering Period, in its discretion, in the event of exceptional and/or unexpected events which can be seen as force majeure or Acts of God;

\*\*\* This may be reduced by the General Partner but at all times ensuring the fair treatment of Investors.

The General Partner may, in its absolute discretion, determine additional Offering Periods where any Class of Shares may be offered at its discretion and where existing Shareholders may be allowed to subscribe for new Investors Shares and/or new Shareholders may be accepted; any such period being referred to as a "Subsequent Closing".

## 12.2 Classes of shares

At present, the following currency Classes of Investor Shares are available for subscription in the Fund to Eligible Investors:

- Class A - EUR (open to European Union investors only)
- Class B - EUR (open to all non-US investors from outside the European Union)

The minimum subscription and holding amounts per Class of Shares appears in the table 12.1 "The Summary of Terms of Offer".

The Fund has authority to issue different Classes of Shares within the Fund. The proceeds from the issue and subscription for the different classes will be invested pursuant to the investment objectives and investment strategies of the Fund and will be subject to the same investment restrictions. This supplement shall be updated should any new classes be offered.

## 12.3 Valuation Frequency

Valuation frequency is semi-annual on the last business day of June and December.

## 12.4 Subscriptions during the Initial Offering Period

Investors wishing to subscribe for shares in the Fund during the Initial Offering Period must submit a complete written and signed Subscription Agreement to the Central Administration (the relevant address appear on the Subscription Agreement), to be received by the Central Administration no later than 12:00 CET 10 Business Days prior to the end of the Initial Offering Period; and deliver to the Company bank account cleared funds in the Reference Currency of the Shares for the full amount of the subscription order pursuant to the Subscription Agreement, no later than 16.00 CET on the last day of the Initial Offering Period.

Investors should note that if either of the Subscription Agreement or the related subscription moneys are received after the above cut-off times or in the event that the Subscription Agreement is incomplete (i.e., all requested papers are not received by the Central Administration), the Subscription Agreement will be rejected, the application for Shares will be cancelled, any subscription money paid will be returned and a new subscription order will have to be submitted, provided that this new Subscription Agreement (and related subscription money) be received by the relevant deadlines set out above to be valid. The Board may decide, at their sole discretion, to accept Subscription Agreements and cleared funds that were received after the close of the Initial Offering Period. They will review such late arrivals of Subscription Agreements and cleared funds on a case-by-case basis.

The number of Shares issued to a subscriber in connection with the foregoing procedures will be equal to the subscription monies (minus Subscription Fees) provided by the subscriber divided by the Initial Subscription Price.

## 12.5 On-going Subscriptions

After the Initial Offering Period, investors will be offered the opportunity to subscribe for Shares in the Fund on any Valuation Day in accordance with the procedure set out below.

Subscriptions may be made by investors by (i) submitting a complete written and signed Subscription Agreement to the Central Administration by no later than 12:00 CET 10 Business Days prior to the Subscription Cut-Off Time. Subscription requests received after this deadline shall be rejected and the subscription money will be returned; and (ii) deliver to the Company bank account cleared funds in the Reference Currency of the Shares for the full amount of the subscription order no later than the Subscription Cut-Off Time.

Applications received by the Central Administration on behalf of the Fund are irrevocable unless and until rejected by the General Partner as provided below. Where any subscription monies are paid and the application is rejected in full or in part, such monies or part thereof, as appropriate, will be returned to the applicant, by wire transfer to the account at the remitting bank/financial institution from which the original subscription was made, without any interest as soon as reasonable thereafter. Accordingly, interest earned by the Fund in respect of subscription monies will accrue to the Fund.

The number of Shares issued to a subscriber or Shareholder in connection with the foregoing procedures will be equal to the subscription monies (minus Subscription Fees) provided by the subscriber or Shareholder divided by the Net Asset Value per Share as at the relevant Valuation Day.

## 12.6 Subscription Fees

The subscription fees shall apply to all initial and any subsequent subscriptions other than in respect of the Participating Share.

All Organisational Expenses borne by the General Partner will not be charged separately to the Sub-Fund but are integrated in the Subscription fees.

The Shares will be subject to a maximum subscription fee of 3% of the amount invested (minimum 97% allocation).

Such charge will be deducted from the subscription amount received. The proceeds of the subscription fee will be paid:

- (a) in part to any financial agents being instrumental in the offering of the Shares in proportion to normal placement fees charged on an arms-length basis; and
- (b) in part (0,5% of the relevant amount) to the General Partner to offset the set-up costs of the Fund.

## 12.7 Redemptions

### 12.7.1 General

Subject to the restrictions described in this document, any registered holder may request the redemption of any or all of his Shares by completing and delivering a form of Request for Redemption of Shares. The duly completed form must be received by the Central Administration Agent not later than six (6) months prior to the Redemption Day as of which redemption is to be effected.

Investors may redeem part or all of their Shares on every Redemption Day (once a year on the last business day of each Financial Year ending on 31 December) and for the first time on 31 December 2025, provided that Investors have held their shares for a period of not less than 36 months. No redemptions of shares shall be permitted before that date, the "Close-ended Period".

After the Close-ended Period is finished (31 December 2025), Shareholders may have the possibility to redeem part or all of their Shares provided they have held their Shares for a period of not less than 36 months. Such redemptions may only take place at the sole discretion of the General Partner taking into account cash available, immediate future investment needs and the interests of all Shareholders.

Redemptions will be settled as cash becomes available, pro-rata and sequentially as set out below under the section "Payment of Redemptions".

No Shareholder may request to redeem part or all of their Shares unless the remaining Shares are equal to the Minimum Holding. Notwithstanding the aforesaid, the General Partner may, in its absolute discretion, accept Redemption Requests which result in the redeeming Shareholder's remaining Shares being less than the Minimum Holding.

Shareholders will have the right to cancel their redemption requests by sending a written request to the Central Administration, Registrar and Transfer Agent of the Fund no later than 12 p.m. CET (Luxembourg time) ten (10) business days after the publication of the NAV as of the applicable Redemption Day.

This procedure will ensure shareholders are knowledgeable about any unrealised profits they will not be receiving as a result of the Redemption Fee for Early Redemptions (as detailed in Article 12.7.4 below) prior to the final and irrevocable acceptance of their redemption request.

After the ten (10) business days grace period the redemption request may only be revoked with the consent of the General Partner, in its absolute discretion. Nevertheless, unless the General Partner is in the process of making cash available to pay a redemption that is being revoked, the General Partner will make reasonable efforts to allow the revocation, e.g. where a secondary sale of the shares has been agreed.

Redemption requests need to be received at latest by 12 p.m. Luxembourg time six (6) months prior to the Redemption Day by the Central Administration, Registrar and Transfer Agent. Applications received after this time, are considered for the following Redemption Day.

#### 12.7.2 Payment of Redemptions

If the Fund has sufficient liquid assets, the General Partner will use reasonable endeavours to satisfy Redemption Requests as soon as possible during the Initial Redemption Period of 24 months commencing on the Redemption Day on which a Redemption Request was submitted to the Central Administration Agent. The Redemption Price will be calculated as set out below at the most recent financial year end NAV. During the Initial Redemption Period, there is no obligation of the Fund to sell, finance or refinance assets to satisfy a Redemption Request, if it does not otherwise have sufficient liquidity to do so.

After the Initial Redemption Period, the AIFM will be obliged to use commercially reasonable efforts to sell, finance or refinance assets in order to satisfy such Redemption Requests in full, but will not be obliged to sell assets representing more than 10% of the Fund's Net Asset Value (as determined at the end of the latest Initial Redemption Period, and thereafter annually at the end of each following twelve (12) month period. The General Partner and the AIFM may also suspend redemptions where it believes it to be in the best interests of the Fund and its Shareholders, having regard to prevailing market conditions. Further the AIFM is not obliged to sell any asset within four (4) years of its acquisition by the Fund.

Where a number of Shareholders have outstanding Redemption Requests and there is insufficient liquidity to satisfy all Redemption Requests in full, a 'queuing' system will be used so that redemptions will be made first to the Shareholder(s) with the earliest Redemption Date. Where more than one (1) Shareholder has the same Redemption Date, redemptions will be made pro rata based on outstanding Shares subject to the relevant Redemption Request.

In deciding how, when and if to meet Redemption Requests, the General Partner and the AIFM will have regard to political, economic, military, terrorist or monetary events or any circumstance outside the control, responsibility and power of the AIFM, or the existence of a state of affairs in the property market or significant net Redemption Requests being received by the Fund, whereby in the opinion of the General Partner and the AIFM the disposal of assets of the Fund to meet such Redemption Requests is not reasonable practicable without adversely affecting and prejudicing the interests of the Shareholders remaining in the Fund.

In the event of termination or liquidation of the Fund, all redemption notices are cancelled and all Shareholders are treated equally.

### 12.7.3 Redemption Price

The Redemption Price per Share shall be equal to the most recent **NAV per Share minus the Redemption Fee for Early Redemptions, when applicable**. Please refer to Article 12.7.4.

Shareholders who hold their Shares for a minimum period of ten (10) years from the date of subscription will not be subject to any redemption fees. The restrictions on the payment of redemptions as described hereunder in section 12.7.3 will also apply to such Redemptions.

### 12.7.4 Redemption Fee for Early Redemptions

Due to the illiquid nature of the Fund's specific assets in the vineyard industry and the long-term investment horizon recommended to investors of at least 10-years, the Fund will charge a redemption fee on all shares which are redeemed prior to the 10-year anniversary of the subscription date.

Early Redemption Fees charged by the Fund will stay in the Fund and will ultimately be added to the proceeds to be distributed to remaining investors that do not redeem during the Recommended Holding Period.

The Redemption Fee for Early Redemptions will be equal to any unrealised profits generated up until the applicable Redemption Day. Although unlikely it is possible that for Shareholders who subscribed for Shares during the on-going subscription period, and not during the Initial Offering Period, that such Redemption Fee could include profits that may have been generated prior to the Shareholder entering the Fund. This resulting amount shall be referred to as ERAV (Early Redemption Asset Value) and shall be calculated on every Valuation Day. The ERAV shall be published by the Fund Administrator along the NAV on every Valuation Day and can never be higher than the NAV on the same Valuation Day. The ERAV will include a provision for realised performance fees.

## 12.8 Compulsory transfers or redemption of shares of an Investor

Please refer to section "Compulsory transfers or redemption of shares of an Investor" in Part I of the Private Placement Memorandum.

## 13. DISTRIBUTIONS

Class A and B Shares will be Distribution type shares. This does not necessarily apply to new share classes that may be introduced at a later stage.

As of the Net Asset Value calculation of 31 December 2025, minimum 50% of all net realised gains will be distributed among Shareholders in the form of dividends. The balance (maximum 50%) of all net realised gains as well as all unrealised gains will be capitalised.

## 14. REINVESTMENT OF NET DISTRIBUTABLE CASH

The Fund may re-invest Net Distributable Cash or any gross sales proceeds from its investments made in accordance with its investment policy subject to the liquidity requirements of the Fund.

## 15. REFERENCE CURRENCY OF THE FUND

The reference currency of the Fund is the Euro.

## 16. RISK PROFILE AND FACTORS

The Fund will invest in a niche investment sector, and Investors have no guarantees that such a strategy will be successful. The value of the Shares and distribution of income and capital proceeds are not guaranteed in any way and Shareholders must be able to withstand a substantial loss of their investment.

Each Investor should carefully consider whether they can afford to bear the risks of investing in the Fund and should review Annexure Schedule 1 of Part I of the Private Placement Memorandum.

In addition to the risk factors details in the General Part, the Compartment may be exposed to specific risks associated with an investment in Compartment Eligible Assets.

Investors must be aware of the general risks involved in the investment activities, and be aware that the Fund is authorised to invest in any opportunity which it assesses as appropriate to meet the Fund's investment objective.

The Fund will also be relying heavily on the expertise of the Specialist Vineyard Manager and the AIFM. No assurance can be given that the Fund will meet its investment objectives.

This section sets out a number of risks which the Fund is exposed to and prospective investors should consider before investing in the Fund. Investors who are not prepared to accept these risks and the wide investment discretion of the Fund should not invest.

Risk Management policies and procedures are in place to identify as many of these risks as possible to monitor and manage them. However, there can be no guarantee that all risks will be identified nor that mitigation techniques will be as effective as planned.

The risks and comments set out in this section are intended as a guide only and the AIFM and the General Partner of the Fund recommend that prospective investors seek independent professional financial advice on the suitability of the risk profile of this Fund to the needs, portfolio and risk appetite of the investor.

Identified risks applicable to the Fund are listed below. It is not intended to include all of the factors relating to the risks which may be encountered. The Risks are more fully described in Part I of the Private Placement Memorandum (Schedule 1 - titled "Risk factors and investment considerations"), the reader is referred accordingly.

The Shares of the Compartment are suitable for purchase only by investors for whom an investment in the Compartment would not constitute a complete investment program and which fully understand, are willing to assume and have the financial resources necessary to withstand the risks involved in the Compartment's investment program, and which are able to bear the potential loss of their entire investment. Prospective investors should maintain investment holdings with risk characteristics different than those of the Compartment. Each prospective investor is urged to consult with its own professional advisors to determine the suitability of an investment in the Compartment and the relationship of such an investment to the prospective investor's overall investment program and financial and tax position. There can be no assurance that the investment objective of the Compartment will be achieved.

There are certain risks to be considered that are common to an investment fund of this nature, including some inherent risks involved when investing in vineyards most of them are due to climate and extreme weather conditions and may be insured if insurance is available and feasible. These include but are not limited to:

#### 16.1. Credit risk

A Compartment, which invests in, or has an exposure to, Compartment Eligible Assets, is subject to the risk that debtors or originators may not make payments on such assets. A debtor or an assignor suffering an adverse change in its financial condition could lower the credit quality of a Compartment Eligible Asset, leading to greater price volatility of the Compartment Eligible Asset. A lowering of the creditworthiness of a Compartment Eligible Asset may also offset the Compartment Eligible Asset's liquidity, making it more difficult to sell. Investments in lower quality Compartment Eligible Asset are more susceptible to these problems and their value may be more volatile.

## 16.2. Counterparty risk

Investments in or exposure to Compartment Eligible Assets will expose the Compartment to the credit of its counterparties and their ability to satisfy the terms of such contracts.

In the event of a bankruptcy or insolvency of a counterparty, the Compartment could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Compartment seeks to enforce its rights, inability to realize any gains on its investment during such period and fees and expenses incurred in enforcing its rights.

When investing in Compartment Eligible Assets, the Compartment may find itself exposed to risks arising from the creditworthiness of the Compartment Eligible Assets and their capacity to fulfil their obligations.

Specific risks may be triggered by the Compartment Eligible Assets lack of liquidity as well as their insolvency, default, or bankruptcy.

## 16.3. Foreign exchange risk

The Compartment may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates between the Reference Currency and other currencies as the Compartment's Eligible Assets may be denominated in currencies different to the Reference Base. Changes in currency exchange rates may influence the value of the Compartment's Shares, the dividends or interest earned, and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions.

If the currency in which a Compartment Eligible Asset is denominated appreciates against the Reference Currency, the value of the Compartment Eligible Assets will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

The Compartment considers that foreign exchange rate is significantly mitigated, as Compartment Eligible Assets denominated in currencies other than the Reference Currency are expected to be ancillary.

## 16.4. Liquidity risk

The Compartment is exposed to the risk that a particular Compartment Eligible Assets cannot be easily unwound or offset due to insufficient market depth or market disruption. This can affect the ability of a shareholder to request the redemption of his Shares from the Compartment and can also have an impact on the value of the Compartment.

Although the Compartment will invest mainly in liquid Compartment Eligible Assets in which the shareholders are entitled to request the redemption of their Shares within a reasonable timeframe, there may be exceptional circumstances in which the liquidity of such Compartment Eligible Assets cannot be guaranteed. Absence of liquidity may have a determined impact on the Compartment Eligible Assets and the value of its investments.

## 16.5. Risks associated with performance fee

The General Partner and the Investment Manager are also entitled to a performance fee for certain Classes of Shares. The valuation of the Compartment may include both realized and unrealized gains and a performance fee may be paid on unrealized gains, which may not subsequently be realized. Due to the way in which the performance fee is calculated, a Shareholder may incur a performance fee even though ultimately such shareholder does not receive a positive return.

## 16.6. Risk of limited number of investments

The Investment Strategy of the Compartment is based, in part, upon the premise that the Compartment Eligible Assets will be available for purchase by the Compartment at prices and upon terms and conditions (including financing), which are considered favorable to the Compartment. No assurance is given that the

Compartment Eligible Assets will be available for purchase by the Compartment at prices and upon terms and conditions, which the General Partner considers favorable.

#### 16.7. Risks associated with leveraging of assets

The Compartment may incur external borrowings in connection with its investments. Although the use of leverage may enhance returns and increase the number of investments that can be made, it may also substantially increase the risk of loss. The use of leverage will subject the Compartment to risks normally associated with debt financing, including the risk that the cash flow of the Compartment may be insufficient to meet required payments of principal and interest, the risk that indebtedness may not be able to be refinanced and the risk that the terms of such refinancing may not be as favorable as the terms of the existing indebtedness. In addition, the Compartment may incur indebtedness that may bear interest at variable rates. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect the Compartment. The Compartment may in the future engage in transactions to limit its exposure to rising interest rates as it deems appropriate and cost effective, which transactions could expose the Compartment to the risk that counterparties to such transactions may not perform and cause the Compartment to lose the anticipated benefits therefrom, which would have the adverse effects associated with increases in market interest rates.

#### 16.8. Taxation

Although the Compartment will be structured with the objective of minimizing adverse tax consequences to which it may be subject, tax charges and withholding taxes in various jurisdictions in which the Compartment will invest will affect the value of its investments and related income and accordingly the value for Investors. No assurance can be given as to the level of taxation suffered by the Compartment or its investments.

#### 16.9. Insurance and uninsured losses

The Compartment will carry comprehensive liability, fire, flood (where appropriate), extended coverage and rental loss insurance with respect to properties within their assets, in each case on such terms and with such insured limits as are customary for similar properties. Certain types of risk (such as wars, nuclear accidents, civil disturbances, earthquakes and environmental matters) may be either uninsurable or not economically insurable. In the event of an uninsured loss, or of a loss in excess of insured limits, the Compartment may lose both its capital invested in, and the return expected from, the assets concerned while remaining obligated with respect to indebtedness and other obligations incurred in connection with such assets.

#### 16.10. Water Supply and Irrigation

Grapevines annually require a great amount of water. This may vary from 1 to 3 mega litre per hectare depending on the final yield and end use of the fruit. In many areas of Europe it is forbidden to irrigate vineyards even when drought becomes a risk of losing a harvest. And although the Fund is currently looking to acquire vineyards in areas that do allow irrigation it cannot be ruled out that some, or even all, future properties may not hold an irrigation approval and this could cause a temporary setback in the eventual profitability of the Fund in periods of exceptional and unforeseen drought.

#### 16.11. Wet or Cold Weather

Wine grapes can be affected by wet or cold weather, both during plant development and at harvest. Prudent site selection and best management practices can minimize the effect on the crops.

#### 16.12. Spring Frost

Wine grapes may be damaged by frost. Spring frost, although extremely rare in the Funds' prospected areas and countries, cannot be ruled out completely. The choice of the vineyard sites and the vineyard design and management lowers the risk of fruit being affected by frost. Vineyard rows are orientated down the prevailing slopes to facilitate air drainage, while the vineyard floor is kept mown to reduce the frost risk. Should it be considered necessary, susceptible areas of vineyards will be managed with specialist irrigation systems or frost fans.



### 16.13. Insects and diseases

Insect and disease control are a significant part of any crop management program. The wine grape industry has invested significant capital to ensure disease control standards are maintained to prevent the spread of disease from vineyard to vineyard. Wine grapes are susceptible to these risks and best practice management is employed to minimize the risk of fungal disease. Grapevines may be sprayed with fungicides to reduce the incidence of such fungal diseases as powdery and downy mildew. Routine spraying every 14-21 days with fungicides is considered to be industry standard. In most, if not all, cases the Fund's vineyards will be managed with as little as possible spraying of fungicides since the Fund will obtain to produce wines in the most sustainable way as much as possible on all of its vineyards.

### 16.14. Fire

Although fire does not pose a significant threat to vineyards it is still a risk. Standard fire prevention procedures including a reduction in combustible material to form fire breaks, are commonly used in vineyards.

### 16.15. Sector specific Sustainable Risks

#### a) Sustainability risks associated with investments in agribusiness and foods

- Environmental risk: Environmental risks surround using water resources to help expand crop cultivation, which could affect water availability for communities and the ecosystem. Biodiversity could also lessen as agribusiness companies use certain high-yielding crops, reducing the number of varieties being cultivated. Despite higher sales of co-products, commodity food industries often produce waste that can hurt the environment such as animal manure, which contaminates soil. Finally greenhouse gases are being produced during the process of transforming agricultural commodities into commodity foods.
- Social risk: The industry is gradually becoming less labor-intensive and gradual mechanization creates discontent among workers and social tension in communities where agribusiness is a significant employer. Tension can arise between large agribusiness companies and small farmers when it comes to land expansion, notably in emerging markets. We also see customer safety, especially the quality assurance and traceability of agricultural products, as important, as well as consumer attitudes towards genetically modified foods. Best-in-class agribusiness companies increasingly support local communities to develop sustainable farming techniques (such as for cocoa) to ensure solid production and because their main clients—large food and beverage multinationals—are becoming more sensitive to consumer pressure.

#### b) Sustainability risks associated with investments in containers and packaging

- Environmental risk: Key environmental factors for the containers and packaging sector reflect the adverse impact of plastics, as well as opportunities to provide customers with environmentally friendly initiatives like recycling and light weighting. The recent focus on reducing plastic waste has been largely from both stricter regulations and increased consumer awareness. Over the past few years, there has been more scrutiny on the environmental impact of single-use consumable plastics and rising demand for more environmentally friendly packaging alternatives, with newer regulations like plastic bags and straws bans in California and in other municipalities. We expect more regulations could affect the sector. To some extent, these trends have reduced the use of plastic packaging, with other materials (such as paper, glass, and metal) being used instead, if possible. Producers of the latter will likely benefit from this financially. Nevertheless, plastic packaging remains widely used, and we believe that it will remain a key input in some industries (such as pharmaceuticals and food) due to its unique properties (shatterproof, hygienic, durable, flexible, and lightweight).
- Social risk: The social risk assessment focuses on the sector's exposure to changing consumer behaviors. Consumers are seeking alternatives to traditional plastic packaging, and plastic packaging producers are trying to capitalize by refocusing their product ranges toward more biodegradable and recyclable plastic products or by light-weighting products, lessening the

environmental impact of disposal. They are also seeking to use a higher share of bioplastics and recycled plastics in their production, and are trying to improve the plastic recycling processes. The sector can also face reputational risk related to the amount of plastic in the ocean and the resulting effects on marine life.

c) Sustainability risks associated with investments in transportation

- Environmental risk: Transportation is a heterogeneous sector, and its subsectors must deal with distinct risks. Most face high and increasing regulation of GHG emissions, with airlines and shipping companies facing the greatest risk. For airlines, the risk is mostly long-term because, in 2016, most countries agreed to rules under the U.N.-sponsored International Civil Aviation Organization that apply only to international routes and can be met fairly easily using current and planned aircraft engine technology over the next several years. However, this might become gradually more costly thereafter. European airlines face a separate additional emissions trading scheme to help offset emissions there. Shipping companies face near-term regulations by the International Maritime Organization that mandate much lower emissions of sulfur compounds as of Jan. 1, 2020. Measures to meet this are costly (mostly either using more expensive fuel or installing “scrubbers”) in a competitive industry with low margins. Other sectors, such as railroads and trucking, face some regulations but they tend not to be as impactful.
- Social risk: Community opposition to expansion of transportation infrastructure (such as airport runways) limits growth and raises operating costs, but also allows transportation companies to raise prices by limiting capacity in the market. Employee management is a factor because many transportation companies are heavily unionized and strikes can be very costly and disruptive. Another risk is safety, particularly for airlines, for whom accidents are highly visible and deadly (albeit rare statistically). For freight transportation companies, the safety risk relates mostly to employees or accidents that endanger others (such as toxic or flammable spills from rail accidents). Other social risks, such as exposure to consumer behavior or demographic shifts, are much less of a risk, and can even be favorable. The spread of internet commerce has been a boon for freight transportation and global demographic trends are propelling traffic.

**17. PUBLICATION OF NAV AND ERAV**

The NAV and ERAV will be published as soon as practicable following the Valuation Day or if this day is a public holiday the next Business Day.

**18. CONVERSION**

No conversion is allowed between shares in the Fund to other Sub-Funds of the Company.

**19. TRANSFER, TRANSFER RESTRICTIONS**

Shareholders wishing to transfer some or all of the Shares registered in their names (including transfer of right or obligations from one Shareholder to the other) should submit to the Registrar and Transfer Agent a share transfer form or other appropriate documentation signed by the transferor and the transferee. No stamp duty is payable in Luxembourg on transfer. Transfer of Shares may only be carried out if the transferee qualifies as an Eligible Investor and accepts to take over liabilities, if any, of the transferor towards the Fund.

However, the Board may decline, in its entire and full discretion, to register any such transfer of Shares.

**19.1 Assistance by the General Partner or a Distribution Agent**

A Shareholder wishing to sell its Shares may approach the General Partner or a Distribution Agent to procure a third party purchaser for the Shares. The Shareholder and the General Partner or a Distribution Agent will agree the terms on which the General Partner or a Distribution Agent may provide such assistance. For disclosure purposes, the General Partner or a Distribution Agent may charge a fee of up to 4% (four) of the sales price to such a Shareholder. The transfer of the Shares will be subject to the provisions of the Private Placement Memorandum and the Articles.

## 19.2 **Minimum Holding**

No transfer of Shares shall be permitted if it would result in either the transferor or the transferee holding Shares in an amount less than the Minimum Holding (or such lesser amount as may be approved by the AIFM) following such transfer. If the Shareholder's current holding is for any reason less than the Minimum Holding the whole of the transferor's holding must be transferred.

## 19.4 **General Transfer Restrictions**

The Fund will not recognise any attempted resale, pledge or other transfer of Shares unless made in accordance with the provisions and restrictions imposed in the Private Placement Memorandum and the Articles.

## 20. **DURATION OF THE FUND**

The Fund is open-ended.

### 20.1 **Liquidation and termination**

The Fund may be liquidated at any time:

20.1.1 if the General Partner determines that a substantial modification in the political, economic or monetary situation renders the Fund illegal, impracticable, inadvisable or uneconomic to continue the Fund or as a matter of economic rationalisation of the Fund or of the General Partner;

20.1.2 if such a decision by the General Partner is required under Luxembourg laws; or

20.1.3 if the General Partner determines that the total net assets in the Fund have decreased to, or have not reached, an amount determined by the General Partner to be the minimum level for the Fund to be operated in an economically efficient manner.

Assets which may not be distributed to the Shareholders immediately upon liquidation will be deposited with the Depositary until such Assets may be distributed. Should the Fund be the only Fund left in the Company, then Assets which may not be distributed to their beneficiaries upon liquidation will be deposited with the Depositary for a period of nine (9) months from the beginning of the liquidation; after such period, the assets will be deposited with the Caisse de Consignation on behalf of the persons entitled thereto.

For the avoidance of doubt, upon liquidation of the Fund, the General Partner Share shall be called for redemption by the General Partner and shall be redeemed at its issue price of one thousand Euro.

In accordance with the provisions set out under section "Termination, Amalgamation and Transfer of assets from Funds / Classes of Investors Shares" in Part I of this Private Placement Memorandum, the assets and liabilities of the Fund may be allocated to another existing Fund within the Company, or to another Luxembourg investment company or to another Fund thereof .

## 21. **LISTING ON THE LUXEMBOURG STOCK EXCHANGE**

The General Partner will not apply for the listing of the Shares of the Fund on the Luxembourg Stock Exchange or any other stock exchange.

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## APPENDIX B

### ELEVATE CAPITAL FUND

#### ("THE FUND")

The following analysis of principal terms is subject to and qualified in its entirety by the detailed information included elsewhere in the Private Placement Memorandum and the Company's Documents, the forms of which will be provided to Eligible Investors upon request. Subscription in the Fund will only be accepted on the basis of the full Private Placement Memorandum.

#### 1. INVESTMENT OBJECTIVE

The Fund aims to achieve profits by participating in a program of (without limitation): buying and selling of companies in the financial services and infrastructure sectors; looking for long term opportunities within the financial services sector, building a global network of banking and payments institutions that have high growth potential within reputable jurisdictions with highly value licenses and technology to leverage. The Fund will provide funding either by debt or by equity for large scale infrastructure projects that provide both high level returns and have social responsibility at their core. This will allow to guarantee long term returns to Fund's investors.

#### 2. INVESTMENT POLICY & STRATEGY

The investment strategy of the sub-fund is to generate investment returns by investing in long term cash generative projects with the opportunity for future resale, this to be accompanied by debt funding that provides secure returns to the fund over a long period.

The geography of the investments will be based in the EU, UK, US, EEA (European Economic Area) and SEA (South East Asia). This will be unless any exceptional opportunities arise and which must be prior approved by the AIFM and Depositary of the Fund. Companies domiciled in or have shareholders in jurisdictions present in any restriction or sanction list of FATF, are not eligible for investments. The Fund will not be available for retail investors.

In view of the nature of the Fund and underlying assets, the objectives and policies of the Fund are not limited towards investing in assets which promote environmental or social characteristics. To this end the Fund does not consider that an ad hoc approach to the analysis of sustainability issues should be adopted, and the Investment Manager shall accordingly not integrate the consideration of sustainability risks in the investment management process in respect of the Fund.

##### 2.1 Eligible assets for investments

The Fund's approach is to be a long-term investor in its chosen projects. It will not adopt short-term trading strategies. The Fund has stringent investment criteria in selecting projects for its investment portfolio. These criteria aim to ensure that the Fund invests in:

- high quality businesses that can sustain a high return on operating capital employed;
- businesses whose advantages are difficult to replicate;
- businesses which do not require significant leverage to generate returns;
- businesses with a high degree of certainty of growth from reinvestment of their cash flows at high rates of return;
- businesses that are resilient to change, particularly technological innovation;
- businesses whose valuation is considered by the AIFM to be attractive.

It is understood that the AIFM shall select the assets of the Fund at its sole discretion.

The Fund may also invest with the intention to improve, restructure and or/ reconvert a particular investment in order to align it with the investment objective.

## 2.2 Investment criteria

Investment criteria cannot be specified exactly as prospective opportunities need to be assessed on a case-by-case basis. However, the Fund will seek to identify business cases compliant with the following requirements:

### Financial Services

- Must have high potential of value increase;
- Already be cash generative or close to breakeven;
- Current owners must not be from countries sanctioned by the FATA or any other international sanctions list such as the OFAC ;
- Direct Fed Line access preferable;
- Tier 1 SWIFT access preferable;
- Must be based in the EEA, UK, EU;
- Tier 1 bank preferred, Tier 2 possible;
- The entity must have no regulatory issues within the last 10 years;
- E-Money institutions that have access to central bank settlement accounts.

### Infrastructure

- Debt funding with a minimum of 5% return;
- Maximum loan term of 10 years;
- Projects that have potential for recoverability of loans;
- Must only be lent to a business;
- Business must have at least 2 years of trading history;
- Business must have a turnover of at least 3X the loan amount required.

Although the Fund may invest in every aspect of the Financial Services and Infrastructure business the portfolio manager's intention is to invest at least 90% of the Fund assets and keep up to 10% as cash. In exceptional market turmoil circumstances, the portfolio manager may keep a position of up to 100% of the Fund's assets, invested in cash.

## 2.3 Sales of assets

The intention is that investments will be held for the long term appreciation of capital and income, however from time to time the Fund may sell any asset if there is a convincing case that by selling such an asset the Fund may realize substantial profits. Ideally (but not required in order to sell) other more interesting buying alternatives should be available in the short term. Sales may also occur to provide liquidity for the purchase of an asset deemed to be more beneficial.

## 2.4 Expected returns

Overall, the Fund is aiming to provide an annual return for its Shareholders over a period of 10-years or longer, with an initial period of up to 24 months of portfolio establishment. The return on investment could even be higher depending on some unique buying opportunities in some of the Fund's target countries at the moment and the foreseeable future.

Any investment in the Fund could offer a Shareholder portfolio diversification but also a level of protection against upcoming periods of high inflation and/or currency depreciations.

Note that the Fund's actual performance may not meet these expectations and that no guarantee is provided (please see Section "Risk Profile" below).

## 2.5 Investment decisions

The Investment Advisor provides its recommendation on investments to the AIFM. The AIFM is in charge and responsible and controls the investment decision process. The AIFM may approve investment or divestment recommendations, with or without amendments at its discretion.

## 2.6 Valuations

All assets will be subject to valuations. Please see section 6 “Valuation & Independent Appraisers” below.

## 2.7 Borrowings and Leverage

The Fund does not plan to borrow money or leverage its investments.

## 2.8 Rules on Subsidiaries

Assets may be acquired through one or more Subsidiaries and funded by equity and borrowing at Subsidiary level. Each subsidiary must be fully owned by the Fund.

The governing body of each Subsidiary company will be under the supervision of the General Partner, directly or indirectly (as for example through nomination of a company controlled by the General Partner) by any reasonable means including but not limited to any one or more of the following:

- a) Shareholding agreements restricting the powers of the Subsidiaries’ directors such that ultimate power at Fund level remains with the General Partner; or
- b) The governing body of each Subsidiary company will be organised in order that:
  - veto or special voting rights are given to the members of these governing bodies that are from the General Partner or to companies controlled by the General Partner.

For the purposes of the presentation of the accounts of the Fund, any Subsidiary will be regarded as transparent and the accounts will contain a list of all investments held through such Subsidiaries. In some rare cases finders fees or deal arrangement fees may be paid occasionally to agents or other companies involved in the buying or selling of assets. Such payments will be included in the financial analysis of the investment used for decision making, and will be seen as an integral part of the purchase or selling price of an asset.

## 3. Consultant

The General Partner has appointed Elevate Capital Holdings Limited (“Elevate”) as Consultant to the Elevate Capital Fund. Elevate is a company limited by shares, incorporated in Douglas, Isle of Man on 14 November 2022 to serve as Consultant, to assist in design of tailor made investment cases in financial services and infrastructure companies.

The directors of the Consultant (the “**Directors**”) combine a vast and diverse amount of experience in both the private equity industry as well as the financial sector in general.

Subject to the terms of the Consultant Agreement between the AIFM, the Consultant and the Company, the Investment Consultant will, subject to the final approval, supervision of, and review by, the AIFM, identify, investigate and research the nature of the financial and commercial activities of the Fund and provide consultancy services to the Fund through its cooperation with the AIFM in assessing investment opportunities.

The Directors of the Consultant are:

Mr. Ian Stuart Hamer

Mr. Shaun Corris

## 4. INVESTORS

### 4.1 Eligibility

All persons interested in investing in the Fund qualified as Well-informed Investors within the meaning of article 2 of the RAIF Law and not a Prohibited Person, who have satisfied all applicable KYC and AML requirements of the General Partner, the Central Administration/Transfer Agent and the AIFM.

#### 4.2 **Investor Profile**

Investment in the Fund is only appropriate for those whose investment experience is such that they are capable of evaluating the merits of their prospective investment and have no need for their investment to be liquid at short notice, as the Elevate Capital Fund is best suited to investors that are prepared to invest for the medium to long term. Investors should accordingly consult a suitably qualified professional advisor before committing themselves to an investment in Elevate Capital Fund.

### 5. **RELATED PARTY TRANSACTIONS**

Service Providers to the Fund – including but not limited to its advisors and distributors – may be related parties. Transactions with related parties may give rise to a conflict of interest which will be assessed by the AIFM and the General Partner and appropriate action may be taken. In this regard the AIFM will maintain effective arrangements in order to identify, prevent, manage and monitor potential specific risk or conflict of interests which may arise with respect to such related parties transactions.

### 6. **VALUATIONS AND INDEPENDENT APPRAISERS**

The AIFM will appoint independent valuers (members of the RICS or the local equivalent) that will provide independent valuation services and valuation advice on each company or deal prior to them being acquired . Accordingly, one or more of these AIFM appointed and approved valuers may be contracted by the Fund to provide regular valuations or valuation advice on an annual basis with in-between updates whenever the AIFM considers it necessary.

In order to determine the Fair Market Value of the Fund's assets in good faith, the AIFM will appoint an independent appraiser for each transaction. In the unlikely case that the appraisal is considered as irrelevant by the AIFM, the AIFM's valuation committee may resort to a number of options including but not limited to one or more of the following:

- Obtaining a second independent valuation;
- Calculating a form of weighted average of the valuations;
- Other reasonable means considered to be in the best interests of Shareholders.

Other assets of the Fund which are in nature immovable, will always be taken into account at their purchase prices for reason of determining the Fund's NAV, unless the Consultant and the AIFM consider it relatively certain that the Fair Market Value of one or more of such assets is considerably higher or lower than the actual purchase price in which case the Directors may decide in their sole discretion and in good faith, to use this different value for said asset(s) in order to determine the Fund's NAV.

All assets will be valued at least once per Calendar Year any time before 31 December, unless the General Partner or AIFM requests an updated valuation based on changes to the asset or in market conditions. Subject to the General Partner's approval, further valuations may be required, following any major events which affect a particular investment.

Semi-Annual company values may be shown at either the purchase price or last valuation price plus or minus any adjustment; or any value reasonably derived therefrom to be fair to Shareholders, as determined by the valuation committee of the AIFM.

Notwithstanding the foregoing, the AIFM shall be entitled, at their discretion, to apply a method of valuing any investment and / or asset of the Fund different from that prescribed hereunder if such method would in their opinion better reflect the fair value of such investment and/or asset and, without prejudice to the generality of the foregoing, the AIFM may rely upon opinions and estimates of any independent entities who appear to them to be competent to value investments of any type or designation by reason of any appropriate professional qualification or experience of the relevant market.

The AIFM will remain responsible for the valuation function and the oversight of the NAV calculation process.

## 6.1 Fees of the Independent Appraisers

Appraiser fees may vary from country to country and will be paid by the Fund directly or by the relevant subsidiary. It is expected that in most countries in which the Fund or its subsidiaries intend to buy assets such appraiser fees will likely range from 0.10% to 0.30% based on the value of the assets, subject to minimum fees in many cases.

## 7. BORROWINGS AND LEVERAGE

Borrowing creates an opportunity for a greater yield and total return, but, at the same time, will increase the exposure to capital risk and interest costs.

The Fund or any subsidiary are not permitted to utilise borrowings for the purpose of purchasing investments and for reconversion purposes. The Fund can borrow sums from banks and other third parties only under exceptional circumstances to meet a liquidity need which may occur, with a limitation of 100% of the NAV under the AIFMD Gross and Commitment Methods.

## 8. INVESTMENT LIMITS AND RESTRICTIONS

Subject to a ramp-up period of two (2) years, the assets of this Fund shall be invested in accordance with the following investment limits and restrictions.

As from the second anniversary of the closing of the Initial Offering Period, the Fund must not hold directly or indirectly more than:

- 30% of the GAV of the Fund in any single Asset issued by the same issuer.
- 75% of the GAV of the Fund in any single country.

Notwithstanding the aforementioned restrictions, the Fund may breach these levels in exceptional circumstances and/or as a consequence of situations beyond the AIFM's control such as delayed acquisitions of new assets or delayed disposals of assets or valuation changes. In this situation, the AIFM will make its best endeavours to regularise the situation taking into account the best interest of Shareholders.

The General Partner or its affiliates may, at its sole discretion, charge advisory or other fees to any joint venture or co-investment partners, provided these are negotiated on an arms-length basis and not in contradiction of AIFMD remuneration requirements.

The Fund may invest in joint-ventures, provided it holds a majority or controlling position, e.g. joint control or veto rights.

The cash assets held by the Fund from time to time in relation to pending investments, distributions, or other utilisation or as reserves may be invested in:

- Cash deposits; and
- Money market instruments.

## 9. LIQUIDITY MANAGEMENT DISCLAIMER

It is important for Investors to note that the Fund will mainly be investing in illiquid assets and as such only investors with a medium to long term investment horizon (i.e. 4 to 10+ years) or investors with their own sufficient liquidity should consider an investment in the Fund.

The Fund may use borrowings to assist with liquidity.

## 10. LIQUID ASSETS AND HEDGING

In addition to, and elaborating on, the guidelines as highlighted above, the following shall apply:



10.1 The Fund intends to hold its Liquid Assets in Euros (EUR) and US Dollars (USD), unless otherwise decided by the General Partner, subject to the condition of the markets.

10.2 Under normal circumstances, and after a ramp-up period of two (2) years, the Fund will aim to have approximately 90% of its NAV invested. The liquid assets held by the Fund from time to time in relation to pending investments, distributions, or other utilisation or as reserves may be invested in cash deposits and money market instruments.

10.3 The Fund may only enter into interest rate or currency hedging transactions where the AIFM considers it appropriate and only in relation with the Fund's investments and never for speculative reasons. A currency hedging may occur at the level of the Share Classes in a currency different than the reference currency of the Fund.

## 11. AIFM, OTHER SERVICE PROVIDERS AND RELATED FEES

### 11.1 AIFM

Audentia Capital Management Ltd. is the AIFM of the Company. Details relating to the AIFM are set out in Part I of the Private Placement Memorandum under the heading entitled: "AIFM".

#### 11.1.1 AIFM's fees

In respect of providing the services to the Fund, the AIFM receives on-going annual fees on a sliding scale ranging from 12bps to 6,5bps for assets under management depending on the size of the Fund's assets, subject to an annual minimum of EUR 38,500, fees paid out of the assets of the Fund. This annual minimum includes EUR 2,000 for Annex IV reporting. The AIFM shall be entitled to receive further fees for the marketing notification services provided to the Fund, Compliance and Risk management services.

Moreover, the AIFM shall be entitled to receive out of the assets of the additional fees corresponding to the provision of additional services, as agreed priorly in writing from time to time.

#### 11.1.2 Performance Fee

The AIFM shall be entitled to receive a Performance Fee. The AIFM will receive an annual Performance Fee equal to 15% of the new net realised profits of the Fund, with a hurdle of 10%. For Performance Fee calculations the new net realised profits of the Fund will be determined at the last Valuation Day of each financial year (31 December). The Performance Fee will be determined by the increase in the Net Asset Value at the end of each financial year compared with the previous financial year after deducting all costs, fees and related charges but before redemptions and before any accrual for the Performance Fee; and any distributions made during the preceding year(s), if any have been decided by the General Partner, shall be added back.

No performance fee shall be paid on unrealised profits, except when shares are redeemed at the Net Asset Value per share (after the lock-up period) and paid in full to the redeeming investor(s). In such case, the reserved performance fee on these redeemed shares will be due and shall be paid to the AIFM.

**The first period for the Performance Fee calculation will be from the end of the Initial Offering Period till the Valuation Day of 31 December 2023. From thereon Performance Fees will be calculated annually.**

A high water mark principle will apply. Each Net Asset Value which generates a Performance Fee is a high water mark. A subsequent Performance Fee in respect of a Share that was in issue at the date of such high water mark will be payable only if and so far as the subsequent Net Asset Value exceeds such high water mark as increased at the annual hurdle rate. A 10% hurdle rate will be applied when calculating the Performance fee.

In the event of a Business Loss at the level of a share class by the Fund, no further Performance Fees shall be paid until such net loss (as adjusted for redemptions, dividends and distributions, if any) has been recovered.

Performance Fees having been paid, shall not be recoverable by the Fund from the AIFM in the event of a subsequent Business Loss by the Fund.

## 11.2 The Central Administration, Registrar and Transfer agent

Bolder Luxembourg S.A. is the Central Administration, Registrar and Transfer Agent of the Company. Details relating to the Central Administration, Registrar and Transfer Agent (the "Central Administration") are set out in Part I of the Private Placement Memorandum under the heading entitled: "Central Administration, Registrar and Transfer Agent".

### 11.2.1 Administration fees

The Central Administration receives the following fees per annum in respect of providing the services to the Fund and paid out of the assets of the Fund.

- (a) On-going fees paid on a sliding scale ranging from 5bps to 3bps depending on the size of the Fund's assets subject to an annual minimum of EUR 20,000.
- (b) Other Costs and Disbursements tax d'abonnement, and printing and publication costs will be charged separately.
- (c) Reporting Services are included in the annual Administration fees.
- (d) Tax reporting fees will be charged at EUR 125 per limited partner subject to a minimum annual fee of EUR 2,200

## 11.3 Depositary

Q Securities S.A., the Luxembourg branch, is the Depositary of the Company. The Depositary will be entitled to an annual Depositary fee on a sliding scale ranging from 3.5bps to 2.5bps of the Net Asset Value of the Fund and subject to an annual minimum of EUR 24,000.

In addition to the above, the Fund shall pay to the Depositary transaction, account maintenance and other Depositary services related fees as set out in the Depositary Agreement. The Depositary shall also be entitled to be repaid out of the assets of the Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Fund.

Details relating the Depositary are set out in Part I of the Private Placement Memorandum under the heading entitled: "Depositary".

## 11.4 Auditor

Mazars has been appointed as the independent auditors of the Company. Mazars estimated fees for the Fund to be in the region of EUR 10,000 to 15,000 per annum. Details relating the Auditors are set out in Part I of the Private Placement Memorandum under the heading entitled: "Auditors".

## 11.5 Domiciliation Agent

Bolder Luxembourg S.A. will act as the Domiciliation Agent of the Company. The annual fees for domiciliation and secretarial services are included in the annual Administration fees.

## 11.6 General Partner fees and costs.

Operating costs of the General Partner are borne by the Fund, either by direct payment or by providing funding to the General Partner in accordance with a defined annual budget, or for specific adhoc items as approved by the Board of the General Partner.

The General Partner will receive from the Fund a quarterly directorship fee of EUR 10,000 (EUR 40,000 per annum), payable in advance at each first day of each quarter. This amount covers the mandates of General Partner's Managers as Directors of the Fund.

The General Partner will receive from the Fund an annual management fee of 1,5% of the Net Asset Value determined as of the latest Valuation Day. The AIFM will be responsible, with the help of the Consultant, for determining and locating the best possible business transactions and the acquisition of such premium deals at the best possible prices in the different countries in which the Fund seeks to acquire private equity or related investments. The General Partner together with the Consultant will use all of their many international contacts to find the best suitable business projects for the Fund and all of its experience to negotiate with the owners of such target companies to make sure that the Fund will always pay the best price possible for the desired assets, from investor perspective.

The General Partner's management fees will be paid within 30 days after the end of each calendar quarter by the Fund. A substantial portion of the management fees received by the General Partner will be paid to the Consultant. A portion of the management fees may also be paid to companies instrumental with the distribution of the Fund, if any.

#### 11.7 Distributor

The Global Distributor may appoint Distributors from time to time for distributing the Shares of the Fund. Only the Global Distributor and duly appointed Distributors may represent the Fund regarding the distribution of Shares of the Fund.

#### 11.8 Organisational Expenses

The Organisational Expenses of the Fund will be paid by the General Partner. The Organisational Expenses will not be charged to the Fund separately but are included in the Subscription Fees. The General Partner shall receive a portion of the Subscription Fees as compensation for these organisational expenses.

#### 11.9 Ongoing Expenses

The Fund will also be responsible for the Ongoing Expenses allocated to the Fund. Additional charges, taxes and fees may have to be paid out of the Fund's assets. The maximum amount of the charges payable for such on-going expenses and charges applicable to the Fund are not anticipated to exceed the sum of €15,000 annually (sustainable reports, ESG&SFDR reporting, etc...).

#### 11.10 Investment –Related Expenses

The AIFM and the Consultant shall be reimbursed by the Fund in respect of all reasonable Investment-Related Expenses incurred by them. Investment Manager Fees paid to the AIFM shall be of EUR 8,000 per annum. This does not include ad hoc costs or out of pocket expenses that may arise during the management of the fund.

#### 11.11 Value Added Tax

All fees and expenses pursuant to the above are exclusive of value added taxes or other chargeables thereon, which shall be paid by the Fund as required

### 12. OFFERING OF SHARES

#### 12.1 Summary

The following table (on the next page) is a summary of text in this Private Placement Memorandum that describes the essential characteristics of the Investor Shares and the timing associated with subscriptions.

Reference Currency	EUR	USD
Class	A	B
Initial Offering Period**	1 June 2023 to 1 September 2023	1 June 2023 to 1 September 2023

	(both dates inclusive)	(both dates inclusive)
Minimum Subscription Amount***	EUR 100,000	EUR 100,000 equivalent in USD
Minimum Subsequent Subscription***	EUR 50,000	USD 50,000
Minimum Holding Amount ***	EUR 100,000	EUR 100,000 equivalent in USD
Subscription Price per Share	EUR 100 during the Initial Offering Period thereafter the prevailing NAV	USD 100 during the Initial Offering Period thereafter the prevailing NAV
Subscription Fee	See Paragraph 12.6 below	See Paragraph 12.6 below
Valuation Day	Last Business Day of each calendar quarter	Last Business Day of each calendar quarter
Redemption Fee for Early Redemptions	See Paragraph 12.7 below	See Paragraph 12.7 below
Redemption Day	Last Business Day of December. First redemption day is 31 <sup>st</sup> December 2025	Last Business Day of December. First redemption day is 31 <sup>st</sup> December 2025
Lock-up Period	60 months. See Paragraph 12.7.1	60 months. See Paragraph 12.7.1
Dealing Day	On the Business Day following the applicable Valuation Day	On the Business Day following the applicable Valuation Day
Subscription Cut-Off Time for remittance of Subscription Agreements, anti-money laundering documentation and subscription amount	12:00 CET 10 Business Days prior to the Valuation Day	12:00 CET 10 Business Days prior to the Valuation Day

\* Where distribution takes place using the AIFMD passport, only Eligible Investors may invest. Additional restrictions, as set out in the Subscription Agreement, may be applicable;

\*\* The General Partner however reserves the right, in its discretion, to shorten the Initial Offering Period upon reaching the target size for the Fund (i.e. as soon as the Fund has reached, an amount determined by the General Partner to be the level for the Fund to be operated in an economically efficient manner). The General Partner also reserves the right to extend the Initial Offering Period, in its discretion, in the event of exceptional and/or unexpected events which can be seen as force majeure or Acts of God;

\*\*\* This may be reduced by the General Partner but at all times ensuring the fair treatment of Investors.

The General Partner may, in its absolute discretion, determine additional Offering Periods where any Class of Shares may be offered at its discretion and where existing Shareholders may be allowed to subscribe for new Investors Shares and/or new Shareholders may be accepted; any such period being referred to as a "Subsequent Closing".

## 12.2 Classes of shares

At present, the following currency Classes of Investor Shares are available for subscription in the Fund to Eligible Investors:

- Class A – EUR
- Class B – USD

The minimum subscription and holding amounts per Class of Shares appears in the table 12.1 "The Summary of Terms of Offer".

The Fund has authority to issue different Classes of Shares within the Fund. The proceeds from the issue and subscription for the different classes will be invested pursuant to the investment objectives and investment strategies of the Fund and will be subject to the same investment restrictions. This supplement shall be updated should any new classes be offered.

### 12.3 Valuation Frequency

The Fund will have quarterly valuations, on the last business day of March, June, September and December.

### 12.4 Subscriptions during the Initial Offering Period

Investors wishing to subscribe for shares in the Fund during the Initial Offering Period must submit a complete written and signed Subscription Agreement to the Central Administration (the relevant address appear on the Subscription Agreement), to be received by the Central Administration no later than 12:00 CET 10 Business Days prior to the end of the Initial Offering Period; and deliver to the Company bank account cleared funds in the Reference Currency of the Shares for the full amount of the subscription order pursuant to the Subscription Agreement, no later than 16.00 CET on the last day of the Initial Offering Period.

Investors should note that if either of the Subscription Agreement or the related subscription money are received after the above cut-off times or in the event that the Subscription Agreement is incomplete (i.e., all requested papers are not received by the Central Administration), the Subscription Agreement will be rejected, the application for Shares will be cancelled, any subscription money paid will be returned and a new subscription order will have to be submitted, provided that this new Subscription Agreement (and related subscription money) be received by the relevant deadlines set out above to be valid. The Board may decide, at their sole discretion, to accept Subscription Agreements and cleared funds that were received after the close of the Initial Offering Period. They will review such late arrivals of Subscription Agreements and cleared funds on a case-by-case basis.

The number of Shares issued to a subscriber in connection with the foregoing procedures will be equal to the subscription money (minus Subscription Fees) provided by the subscriber divided by the Initial Subscription Price.

### 12.5 On-going Subscriptions

After the Initial Offering Period, investors will be offered the opportunity to subscribe for Shares in the Fund on any Valuation Day in accordance with the procedure set out below.

Subscriptions may be made by investors by (i) submitting a complete written and signed Subscription Agreement to the Central Administration by no later than 12:00 CET 10 Business Days prior to the Subscription Cut-Off Time. Subscription requests received after this deadline shall be rejected and the subscription money will be returned; and (ii) deliver to the Company bank account cleared funds in the Reference Currency of the Shares for the full amount of the subscription order no later than the Subscription Cut-Off Time.

Applications received by the Central Administration on behalf of the Fund are irrevocable unless and until rejected by the General Partner as provided below. Where any subscription monies are paid and the application is rejected in full or in part, such monies or part thereof, as appropriate, will be returned to the applicant, by wire transfer to the account at the remitting bank/financial institution from which the original subscription was made, without any interest as soon as reasonable thereafter. Accordingly, interest earned by the Fund in respect of subscription monies will accrue to the Fund.

The number of Shares issued to a subscriber or Shareholder in connection with the foregoing procedures will be equal to the subscription monies (minus Subscription Fees) provided by the subscriber or Shareholder divided by the Net Asset Value per Share as at the relevant Valuation Day.

### 12.6 Subscription Fees

The subscription fees shall apply to all initial and any subsequent subscriptions other than in respect of the Participating Share.

All Organisational Expenses borne by the General Partner will not be charged separately to the Fund, but are integrated in the Subscription fees.

The Shares will be subject to a maximum subscription fee of 3% of the amount invested (minimum 97% allocation).

Such charge will be deducted from the subscription amount received. The proceeds of the subscription fee will be paid:

- (a) in part to any financial agents being instrumental in the offering of the Shares in proportion to normal placement fees charged on an arms-length basis; and
- (b) in part (0,5% of the relevant amount) to the General Partner to offset the set-up costs of the Fund.

## 12.7 Redemptions

### 12.7.1 General

Subject to the restrictions described in this document, any registered holder may request the redemption of any or all of his Shares by completing and delivering a form of Request for Redemption of Shares. The duly completed form must be received by the Central Administration Agent not later than six (6) months prior to the Redemption Day as of which redemption is to be effective.

Investors may redeem part or all of their Shares on every Redemption Day (once a year on the last business day of each Financial Year ending on 31 December) and for the first time on 31 December 2028, provided that Investors have held their shares for a period of not less than 36 months. No redemptions of shares shall be permitted before that date, the "Lock-up Period".

Redemptions will be settled as cash becomes available, pro-rata and sequentially as set out below under the section "Payment of Redemptions".

No Shareholder may request to redeem part or all of their Shares unless the remaining Shares are equal to the Minimum Holding. Notwithstanding the aforesaid, the General Partner may, in its absolute discretion, accept Redemption Requests which result in the redeeming Shareholder's remaining Shares being less than the Minimum Holding.

Shareholders will have the right to cancel their redemption requests by sending a written request to the Central Administration, Registrar and Transfer Agent of the Fund no later than 12 p.m. CET (Luxembourg time) ten (10) business days after the publication of the NAV as of the applicable Redemption Day.

This procedure will ensure shareholders are knowledgeable about any unrealised profits they will not be receiving as a result of the Redemption Fee for Early Redemptions (as detailed in Article 12.7.4 below) prior to the final and irrevocable acceptance of their redemption request.

After the ten (10) business days grace period the redemption request may only be revoked with the consent of the General Partner, in its absolute discretion. Nevertheless, unless the General Partner is in the process of making cash available to pay a redemption that is being revoked, the General Partner will make reasonable efforts to allow the revocation, e.g. where a secondary sale of the shares has been agreed.

Redemption requests need to be received at latest by 12 p.m. Luxembourg time six (6) months prior to the Redemption Day by the Central Administration, Registrar and Transfer Agent. Applications received after this time, are considered for the following Redemption Day.

### 12.7.2 Payment of Redemptions

If the Fund has sufficient liquid assets, the General Partner will use reasonable endeavours to satisfy Redemption Requests as soon as possible after the Lock-up Period, commencing on the Redemption Day on which a Redemption Request was submitted to the Central Administration Agent. The Redemption Price will be calculated as set out below at the most recent financial year end NAV.

During the Lock-up Period, there is no obligation of the Fund to sell, finance or refinance assets to satisfy a Redemption Request, if it does not otherwise have sufficient liquidity to do so. The Fund is closed for redemptions during a period of five (5) years from the date of the initial investments made by the relevant Investor. During the Lock-up Period for Redemption, the Fund will not grant its Shareholders a right to request a redemption. Moreover, during the Lock-up Period for Redemption, the Shareholders may propose (but in no event request) the redemption for the consideration of the General Partner. In this case, the Fund should not be bound by the proposal of the Shareholders. If a suggestion for a redemption is accepted by the General Partner, a fee will be applied in accordance with subsection 12.7.4.

After the Lock-up Period, the AIFM will be obliged to use commercially reasonable efforts to sell, finance or refinance assets in order to satisfy such Redemption Requests in full, but will not be obliged to sell assets representing more than 10% of the Fund's Net Asset Value, and thereafter annually at the end of each following twelve (12) month period. The General Partner and the AIFM may also suspend redemptions where it believes it to be in the best interests of the Fund and its Shareholders, having regard to prevailing market conditions. Further the AIFM is not obliged to sell any asset within three (3) years of its acquisition by the Fund.

Where a number of Shareholders have outstanding Redemption Requests and there is insufficient liquidity to satisfy all Redemption Requests in full, a 'queuing' system will be used so that redemptions will be made first to the Shareholder(s) with the earliest Redemption Date. Where more than one (1) Shareholder has the same Redemption Date, redemptions will be made pro rata based on outstanding Shares subject to the relevant Redemption Request.

In deciding how, when and if to meet Redemption Requests, the General Partner and the AIFM will have regard to political, economic, military, terrorist or monetary events or any circumstance outside the control, responsibility and power of the AIFM, or the existence of a state of affairs in the property market or significant net Redemption Requests being received by the Fund, whereby in the opinion of the General Partner and the AIFM the disposal of assets of the Fund to meet such Redemption Requests is not reasonable practicable without adversely affecting and prejudicing the interests of the Shareholders remaining in the Fund.

In the event of termination or liquidation of the Fund, all redemption notices are cancelled and all Shareholders are treated equally.

### 12.7.3 Redemption Price

The Redemption Price per Share, after the end of the Lock-up Period shall be equal to the most recent **NAV per Share**.

Shareholders who hold their Shares for a minimum period of five (5) years on 31<sup>st</sup> December 2028, will not be subject to any redemption fees. The restrictions on the payment of redemptions as described in section 12.7.2 above will also apply to such Redemptions.

### 12.7.4 Redemption Fee for Early Redemptions (before the end of the lock-up Period)

Due to the illiquid nature of the Fund's specific assets, the long-term investment horizon recommended to investors and the Lock-Up period of the Fund, a redemption fee will be charged on all shares which are redeemed prior to the 5-year Lock-up Period. Acceptance of such redemptions requests shall be exclusively at the discretion of the General Partner.

Early Redemption Fees charged by the Fund will stay in the Fund and will ultimately be added to the proceeds to be distributed to remaining investors that do not redeem during the Lock-Up period.

The Redemption Fee for Early Redemptions will be equal to any unrealised profits generated up until the applicable Redemption Day. This resulting amount shall be referred to as ERAV (Early Redemption Asset Value) and shall be calculated on every Valuation Day. The ERAV shall be published by the Fund Administrator along the NAV on every Valuation Day and can never be higher

than the NAV on the same Valuation Day. The ERAV will include a provision for realised performance fees.

#### **12.8 Compulsory transfers or redemption of shares of an Investor**

Please refer to section "Compulsory transfers or redemption of shares of an Investor" in Part I of the Private Placement Memorandum.

#### **13. DISTRIBUTIONS**

Class A and B Shares are non-distribution type shares. This does not necessarily apply to new share classes that may be introduced at a later stage.

#### **14. REINVESTMENT OF NET DISTRIBUTABLE CASH**

The Fund shall re-invest Net Distributable Cash or any gross sales proceeds from its investments made in accordance with its investment policy subject to the liquidity requirements of the Fund.

#### **15. REFERENCE CURRENCY OF THE FUND**

The reference currency of the Fund is the Euro (EUR).

#### **16. RISK PROFILE AND FACTORS**

The Fund will invest in a niche investment sector, and Investors have no guarantees that such a strategy will be successful. The value of the Shares and capital proceeds are not guaranteed in any way and Shareholders must be able to withstand a substantial loss of their investment.

Each Investor should carefully consider whether they can afford to bear the risks of investing in the Fund and should review Annexure Schedule 1 of Part I of the Private Placement Memorandum.

In addition to the risk factors details in the General Part, the Compartment may be exposed to specific risks associated with an investment in Compartment Eligible Assets.

Investors must be aware of the general risks involved in the investment activities, and be aware that the Fund is authorised to invest in any opportunity which it assesses as appropriate to meet the Fund's investment objective.

The Fund will also be relying heavily on the expertise of the Consultant and the AIFM. No assurance can be given that the Fund will meet its investment objectives.

This section sets out a number of risks which the Fund is exposed to and prospective investors should consider before investing in the Fund. Investors who are not prepared to accept these risks and the wide investment discretion of the Fund should not invest.

Risk Management policies and procedures are in place to identify as many of these risks as possible to monitor and manage them. However, there can be no guarantee that all risks will be identified nor that mitigation techniques will be as effective as planned.

The risks and comments set out in this section are intended as a guide only and the AIFM and the General Partner of the Fund recommend that prospective investors seek independent professional financial advice on the suitability of the risk profile of this Fund to the needs, portfolio and risk appetite of the investor.

Identified risks applicable to the Fund are listed below. It is not intended to include all of the factors relating to the risks which may be encountered. The Risks are more fully described in Part I of the Private Placement Memorandum (Schedule 1 - titled "Risk factors and investment considerations"), the reader is referred accordingly.



The Shares of the Compartment are suitable for purchase only by investors for whom an investment in the Compartment would not constitute a complete investment program and which fully understand, are willing to assume and have the financial resources necessary to withstand the risks involved in the Compartment's investment program, and which are able to bear the potential loss of their entire investment. Prospective investors should maintain investment holdings with risk characteristics different than those of the Compartment. Each prospective investor is urged to consult with its own professional advisors to determine the suitability of an investment in the Compartment and the relationship of such an investment to the prospective investor's overall investment program and financial and tax position. There can be no assurance that the investment objective of the Compartment will be achieved.

There are certain risks to be considered that are common to an investment fund of this nature, including some inherent risks involved when investing in vineyards most of them are due to climate and extreme weather conditions and may be insured if insurance is available and feasible. These include but are not limited to:

#### 16.1. Market risk

The Fund will be exposed to long term market conditions, however with its solid investment criteria the goal is to reduce the fund's risk as much as possible. This is why one of the main criteria is that each target investment is a business which has been through different market cycles in the past.

#### 16.2. Counterparty risk

Investments in or exposure to Fund's eligible assets will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts.

In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realize any gains on its investment during such period and fees and expenses incurred in enforcing its rights.

When investing in Fund's eligible assets, the Fund may find itself exposed to risks arising from the creditworthiness of the Compartment Eligible Assets and their capacity to fulfil their obligations.

Specific risks may be triggered by the Fund's eligible assets lack of liquidity as well as their insolvency, default, or bankruptcy.

#### 16.3. Foreign exchange risk

The Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Reference Currency and other currencies as the Fund's eligible assets may be denominated in currencies different to the Reference Base. Changes in currency exchange rates may influence the value of the Fund's Shares, the dividends or interest earned, and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions.

If the currency in which a Fund's eligible asset is denominated appreciates against the Reference Currency, the value of the Fund's eligible assets will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

The Fund considers that foreign exchange rate is significantly mitigated, as Fund's eligible assets denominated in currencies other than the share class currencies are expected to be ancillary.

#### 16.4. Liquidity risk

The Fund is exposed to the risk that a particular Fund's eligible assets cannot be easily unwound or offset due to insufficient market depth or market disruption. This can affect the ability of a shareholder to request the redemption of his Shares from the Fund and can also have an impact on the value of the Fund.

Although the Fund will invest mainly in liquid Fund's eligible assets in which the shareholders are entitled to request the redemption of their Shares within a reasonable timeframe, there may be exceptional circumstances in which the liquidity of such Fund's eligible assets cannot be guaranteed. Absence of liquidity may have a determined impact on the Fund's eligible assets and the value of its investments.

#### 16.5. Risks associated with performance fee

The Investment Manager is also entitled to a performance fee for certain Classes of Shares. The valuation of the Fund may include both realized and unrealized gains and a performance fee may be paid on unrealized gains, which may not subsequently be realized. Due to the way in which the performance fee is calculated, a Shareholder may incur a performance fee even though ultimately such shareholder does not receive a positive return.

#### 16.6. Risk of limited number of investments

The Investment Strategy of the Compartment is based, in part, upon the premise that the Compartment Eligible Assets will be available for purchase by the Compartment at prices and upon terms and conditions (including financing), which are considered favorable to the Compartment. No assurance is given that the Compartment Eligible Assets will be available for purchase by the Compartment at prices and upon terms and conditions, which the General Partner considers favorable.

#### 16.7. Regulatory risk

The Fund will be exposed to a certain pressure from the relevant regulators of the investments, by making sure the due diligence carried out in the first instance is thorough enough to spot any potential risks from the outset and ensuring the management teams either currently in place or that are put in place, are credible and of a standard to maintain adequate risk governance to satisfy the regulatory requirements.

#### 16.8. Taxation

Although the Fund will be structured with the objective of minimizing adverse tax consequences to which it may be subject, tax charges and withholding taxes in various jurisdictions in which the Fund will invest will affect the value of its investments and related income and accordingly the value for Investors. No assurance can be given as to the level of taxation suffered by the Fund or its investments.

#### 16.9. Insurance and uninsured losses

The Compartment will carry comprehensive liability, fire, flood (where appropriate), extended coverage and rental loss insurance with respect to properties within their assets, in each case on such terms and with such insured limits as are customary for similar properties. Certain types of risk (such as wars, nuclear accidents, civil disturbances, earthquakes and environmental matters) may be either uninsurable or not economically insurable. In the event of an uninsured loss, or of a loss in excess of insured limits, the Compartment may lose both its capital invested in, and the return expected from, the assets concerned while remaining obligated with respect to indebtedness and other obligations incurred in connection with such assets.

#### 16.10. Sector specific Sustainable Risks

##### a) Sustainability risks associated with investments in the banking sector

- Environmental risk: Environmental risks for the banking sector balance the low use of physical infrastructure and facilities needed to operate against the material indirect exposure coming from its lending and investment activities. In addition, the fast-growing use of IT services in banking (digitization, cloud computing, big data) is increasing CO2 emissions, even if their physical infrastructure is reducing. Regulators, investors, customers, and activists are increasingly looking at the banking sector's contribution and exposure to environmental risks through their lending and investment activities. Although these risks can be significant, we see the introduction of ESG criteria in their underwriting policies, lessened exposure to polluting sectors or entities, as well as the generally high level of diversification of their loan and securities portfolios, as important mitigating factors.

Social risk: Social exposure for the banking sector is limited despite its exposure to consumer behaviors (retail and wholesale) and human capital management. Banks rely on customer confidence, the loss of which could rapidly damage their franchise, for instance if there's data privacy or security problems. Risks around conduct issues with customers, such as mis-selling, or illegal activities like money laundering or tax evasion, can also cause serious financial and reputational damage. Nevertheless, the industry benefits from significant regulation and supervision, which supports its stability and enhances customer confidence. As evidence, while several stakeholders blamed banks for the 2008 global financial crisis, 10 years on most people still have bank accounts with the same institution. As a services sector, a large productive human workforce is at the core of banks' business models. Greater use of digitization, automation, and AI bring new challenges and risks that require banks to adjust their operating models, continuously train their large workforce, and potentially reduce that workforce significantly over time.

b) Sustainability risks associated with investments in infrastructures

- Environmental risk: Many challenges exist in order to minimise adverse environmental impact of infrastructure. Increasingly, it is important to think about innovative approaches to environmental protection. For example, blending natural infrastructure with traditional built infrastructure can be a lever for achieving the SDGs while thinking about infrastructure systemically. Nature-based solutions can thus be viewed as a component to achieving the SDGs and for delivering high-quality infrastructure services. For example, managing watersheds that protect drinking water provide a high-quality service and ensure water security while also protecting habit and carbon sequestration. This work would consider infrastructure systems, and the blending of traditional hard infrastructure with natural solutions in order to build resilience, while also protecting biodiversity. The current habits of usage and construction are part of the highest risks to be beate.

## 17. PUBLICATION OF NAV AND ERAV

The NAV and ERAV will be published as soon as practicable following the Valuation Day or if this day is a public holiday the next Business Day.

## 18. CONVERSION

No conversion is allowed between shares in the Fund to other Sub-Funds of the Company.

## 19. TRANSFER, TRANSFER RESTRICTIONS

Shareholders wishing to transfer some or all of the Shares registered in their names (including transfer of right or obligations from one Shareholder to the other) should submit to the Registrar and Transfer Agent a share transfer form or other appropriate documentation signed by the transferor and the transferee. No stamp duty is payable in Luxembourg on transfer. Transfer of Shares may only be carried out if the transferee qualifies as an Eligible Investor and accepts to take over liabilities, if any, of the transferor towards the Fund.

However, the Board may decline, in its entire and full discretion, to register any such transfer of Shares.

### 19.1 Assistance by the General Partner or a Distribution Agent

A Shareholder wishing to sell its Shares may approach the General Partner or a Distribution Agent to procure a third-party purchaser for the Shares. The Shareholder and the General Partner or a Distribution Agent will agree the terms on which the General Partner or a Distribution Agent may provide such assistance. For disclosure purposes, the General Partner or a Distribution Agent may charge a fee of up to 4% (four) of the sales price to such a Shareholder. The transfer of the Shares will be subject to the provisions of the Private Placement Memorandum and the Articles.

### 19.2 Minimum Holding

No transfer of Shares shall be permitted if it would result in either the transferor or the transferee holding Shares in an amount less than the Minimum Holding (or such lesser amount as may be approved by the

AIFM) following such transfer. If the Shareholder's current holding is for any reason less than the Minimum Holding the whole of the transferor's holding must be transferred.

#### 19.4 **General Transfer Restrictions**

The Fund will not recognise any attempted resale, pledge or other transfer of Shares unless made in accordance with the provisions and restrictions imposed in the Private Placement Memorandum and the Articles.

### 20. **DURATION OF THE FUND**

The duration of the Fund is indefinite

#### 20.1 **Liquidation and termination**

The Fund may be liquidated at any time:

20.1.1 if the General Partner determines that a substantial modification in the political, economic or monetary situation renders the Fund illegal, impracticable, inadvisable or uneconomic to continue the Fund or as a matter of economic rationalisation of the Fund or of the General Partner;

20.1.2 if such a decision by the General Partner is required under Luxembourg laws; or

20.1.3 if the General Partner determines that the total net assets in the Fund have decreased to, or have not reached, an amount determined by the General Partner to be the minimum level for the Fund to be operated in an economically efficient manner.

Assets which may not be distributed to the Shareholders immediately upon liquidation will be deposited with the Depositary until such Assets may be distributed. Should the Fund be the only Fund left in the Company, then Assets which may not be distributed to their beneficiaries upon liquidation will be deposited with the Depositary for a period of nine (9) months from the beginning of the liquidation; after such period, the assets will be deposited with the Caisse de Consignation on behalf of the persons entitled thereto.

For the avoidance of doubt, upon liquidation of the Fund, the General Partner Share shall be called for redemption by the General Partner and shall be redeemed at its issue price of one thousand Euro.

In accordance with the provisions set out under section "Termination, Amalgamation and Transfer of assets from Funds / Classes of Investors Shares" in Part I of this Private Placement Memorandum, the assets and liabilities of the Fund may be allocated to another existing Fund within the Company, or to another Luxembourg investment company or to another Fund thereof .

### 21. **LISTING ON THE LUXEMBOURG STOCK EXCHANGE**

The General Partner will not apply for the listing of the Shares of the Fund on the Luxembourg Stock Exchange or any other stock exchange.

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