

APPENDIX 1

Name of Offeree: _____

Information Memorandum Number: _____

The Directors of Cayman National Securities Mutual Funds, SPC (the "**Company**"), whose names appear in the Directory of this information memorandum ("**Information Memorandum**"), accept responsibility for the information contained in this document. To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything which is likely to affect the import of such information. The Directors accept responsibility accordingly.

CAYMAN NATIONAL SECURITIES MUTUAL FUNDS, SPC

(an open-ended exempted company registered as a segregated portfolio company under the laws of the Cayman Islands with registered number WK221909)

INFORMATION MEMORANDUM

This Information Memorandum is dated May 2024

The Company is a segregated portfolio company with multiple segregated portfolios each of which constitutes a separate segregated portfolio of the Company (a "**Segregated Portfolio**"), and is valued separately and has its own defined investment objectives and investment strategies. This Information Memorandum contains generic information relating to the Company and each of its Segregated Portfolios. This Information Memorandum does not constitute an offer of any shares of any Segregated Portfolio in the Company. Shares in the Company may only be subscribed on the terms of the applicable Listing Particulars or Offering Memorandum relating to that particular Segregated Portfolio as read with the Memorandum and Articles of Association of the Company (the "**Articles**"). Distribution of this Information Memorandum is not authorised unless accompanied by Listing Particulars or an Offering Memorandum issued by the Company. This Information Memorandum should be read in conjunction with such Listing Particulars or Offering Memorandum, the Subscription Documents and the Articles and may not otherwise be relied upon. In the event of a conflict between any provision of this Information Memorandum and any provision of any Listing Particulars or Offering Memorandum, the terms of the relevant Listing Particulars or Offering Memorandum shall prevail. **Potential investors should read carefully the section entitled "Risk Factors" set out on page 10 of this Information Memorandum prior to investing in the Company.**

IMPORTANT INFORMATION

Cayman National Securities Mutual Funds, SPC (the "**Company**") is a segregated portfolio company with multiple segregated portfolios each of which constitutes a separate segregated portfolio of the Company (a "**Segregated Portfolio**"). The non-voting, participating, redeemable shares, par value US\$0.01 per share (the "**Shares**" or "**Participating Shares**"), of the Company are being offered pursuant to this Information Memorandum and the accompanying Listing Particulars or Offering Memorandum relating to the applicable Segregated Portfolio (collectively, the "**Offering Documents**"). This Information Memorandum does not on its own constitute an offer of any Shares. No governmental commission or authority has passed upon the accuracy or adequacy of the Offering Documents.

The Shares may not be resold or transferred except in accordance with the terms of the Offering Documents.

The Company is an open-ended exempted company with limited liability incorporated and registered as a segregated portfolio company under the provisions of the Companies Act (as revised) of the Cayman Islands on January 12, 2009.

The Company is a regulated mutual fund for the purposes of the Mutual Funds Act (as revised) of the Cayman Islands and is registered with the Cayman Islands Monetary Authority pursuant to section 4(1)(b) of that law. Certain filings have been made and will in the future be made in relation to the Company with the Cayman Islands Monetary Authority. However, no Cayman Islands authority has passed upon or endorsed the merits of the offering of the Shares or the accuracy or adequacy of the Offering Documents.

A MUTUAL FUND LICENCE ISSUED OR A FUND REGISTERED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE CAYMAN ISLANDS MONETARY AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE COMPANY.

FURTHERMORE, IN ISSUING SUCH A LICENCE OR IN REGISTERING A FUND, THE CAYMAN ISLANDS MONETARY AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS OR OFFERING DOCUMENT.

Investors must: (i) have adequate means of providing for their current needs and be willing and able to bear the economic risks of this investment; and (ii) have no immediate need for liquidity in this investment. Shares may not be purchased by persons under the age of 21. **IMPORTANT** If you are in any doubt about the contents of this Information Memorandum and the suitability of making an investment in the Company, you should consult your financial advisor or stockbroker.

This Information Memorandum constitutes an offer only if: (i) accompanied by Listing Particulars or an Offering Memorandum; (ii) the name of the prospective investor appears on the cover page; and (iii) delivery of the Offering Documents is authorised by the Company and complies with the law of the country in which the offeree resides. Any reproduction of this Information Memorandum or the divulgence of any of its contents, without the prior written consent of the Company, is prohibited.

Subject to any initial launch announcements relating to the launch of a Segregated Portfolio it is not intended to employ any offering literature or advertising in the offering of the

Shares except for the Offering Documents. No person has been authorised to make any representation or warranty or provide any information with respect to the Shares except the information contained in the Offering Documents. Neither the delivery of the Offering Documents nor any sales made hereunder shall create an implication that there has been no change in the matters discussed herein since the date hereof.

This Information Memorandum should not be construed as investment, legal or tax advice. Each prospective investor is urged to seek independent investment, legal and tax advice concerning an investment in the Company.

This Information Memorandum cannot be reproduced or distributed to any other persons. The recipient of this Information Memorandum, by accepting delivery thereof, agrees to return it and all related documents to the Company if the recipient elects not to purchase any of the securities offered pursuant to the Offering Documents.

The Investment Manager, on behalf of the relevant Segregated Portfolio, shall make available to each prospective investor prior to the purchase of Shares the opportunity to ask questions and receive answers concerning the offering of Shares and to obtain additional information, to the extent the Investment Manager possesses such information or can acquire it without unreasonable effort or expense.

The Offering Documents do not constitute an offer or solicitation in any state or other jurisdiction in which an offer or solicitation is not lawful or authorised or in which the person making such offer or solicitation is not qualified to do so.

There shall be no offering, and the Offering Documents do not constitute an offering of Shares, to the public in the Cayman Islands unless the Shares attributable to the relevant Segregated Portfolio are listed on the Cayman Islands Stock Exchange.

All references herein to a "Segregated Portfolio", the "Segregated Portfolios" or to the "Company" shall, where the context requires, refer to the Company acting on behalf of and for the account of the relevant Segregated Portfolio or Segregated Portfolios.

All references herein to "dollars" or "\$" are to US Dollars.

IT SHOULD BE NOTED THAT THE PRICE OF SHARES MAY GO DOWN AS WELL AS UP. THE COMPANY HAS NO OBLIGATION TO REDEEM SHARES AT THE SUBSCRIPTION PRICE ORIGINALLY PAID AND INVESTORS MAY NOT GET BACK THE AMOUNT INVESTED.

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DIRECTORY

CAYMAN NATIONAL SECURITIES MUTUAL FUNDS, SPC

PRINCIPAL AND REGISTERED OFFICE

c/o JTC Fund Services (Cayman) Ltd
94 Solaris Avenue, 2nd Floor, Camana Bay, PO Box 30745, Grand Cayman, Cayman
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Cayman Islands

DIRECTORS

Ryan Bahadur
Ian C. Whan Tong
Ravi Mykoo

ADMINISTRATOR

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INVESTMENT MANAGER

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CUSTODIAN

unless specified otherwise in any relevant Listing Particulars
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As to Cayman Islands law
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Cayman Islands

SUMMARY

This Information Memorandum sets forth the method of operation of Cayman National Securities Mutual Funds, SPC (the "**Company**") and certain risks associated with the purchase of Shares and other pertinent information. This Information Memorandum contains more detailed information under the captions referred to below, and this summary is qualified in its entirety by the information appearing elsewhere in this Information Memorandum, including any supplements hereto and the attached Listing Particulars or Offering Memorandum (the Information Memorandum and the Listing Particulars or Offering Memorandum collectively, the "**Offering Documents**"). In the event of a conflict between any provision of this Information Memorandum and any provision of any Listing Particulars or Offering Memorandum, the terms of the relevant Listing Particulars or Offering Memorandum shall prevail.

Structure and Management of the Company

The Company

The Company is an exempted company with limited liability incorporated and registered as a segregated portfolio company under the provisions of the Companies Act (as revised) of the Cayman Islands (the "**Companies Act**") on January 12, 2009. The Company has an unlimited duration.

The Segregated Portfolios

As a segregated portfolio company, the Company can operate segregated portfolios (each a "**Segregated Portfolio**") with the benefit of statutory segregation under Cayman Islands law of assets and liabilities between each Segregated Portfolio. Although not judicially tested, the principal advantage of a segregated portfolio company is that it protects the assets of one segregated portfolio from the liabilities of other segregated portfolios under the law of the Cayman Islands.

The board of directors of the Company (the "**Directors**") has the power to create Segregated Portfolios from time to time, and issue different classes or series (respectively "**Classes**" and "**Series**") of Shares in respect of each Segregated Portfolio, without the authorisation or vote of the Shareholders. Each such Segregated Portfolio shall be designated as a Segregated Portfolio by the Directors.

Each Segregated Portfolio constitutes a separate segregated portfolio of the Company and is separately valued and has its own defined investment objectives and investment strategies. The investment objective of any Segregated Portfolio may include seeking a leveraged return on its investments. Segregated Portfolios may account, and Classes thereof may be issued, in different base currencies (each, a "**Base Currency**").

The investment objectives and investment strategies, Base Currency and amount of leverage, if any, particular

to each Segregated Portfolio, as well as the terms of the issuance of Shares of such Segregated Portfolio and other pertinent information particular to such Segregated Portfolio, are set forth in the listing particulars or offering memorandum of the Segregated Portfolio (including any supplements thereto, each, the "**Listing Particulars**" or "**Offering Memorandum**", as the case may be).

Service providers have been, or may be, appointed by the Directors to act as service providers to the Company on behalf of and for the account of the Segregated Portfolios. These service providers include the following: (i) the Investment Manager (as defined below) to be responsible for managing the investments of the Segregated Portfolios on a discretionary basis in accordance with the investment objectives and investment strategies of such Segregated Portfolio, as well as for marketing Shares of such Segregated Portfolio; (ii) the Administrator (as defined below) to provide administrative and bookkeeping services; and (iii) the Custodian (as defined below, and a sub-custodian or prime or clearing broker as necessary) to retain the assets of the Segregated Portfolios.

All references herein to a "Segregated Portfolio", the "Segregated Portfolios" or to the "Company" shall, where the context requires, refer to the Company acting on behalf of and for the account of the relevant Segregated Portfolio or Segregated Portfolios.

Segregation of Assets and Liabilities

The Company has been registered as a segregated portfolio company under the Companies Act. The Companies Act provides that the assets held within each Segregated Portfolio created by the Company are segregated from the assets and liabilities held within each other Segregated Portfolio created by the Company or the assets of the Company that are not held within or on behalf of a Segregated Portfolio. Consequently, the assets of a Segregated Portfolio are only available and can only be used to meet liabilities to the creditors of the Company who are creditors in respect of that Segregated Portfolio. However, the Company is a single legal entity and none of the Segregated Portfolios constitute a legal entity separate from the Company. Separate books and records will be maintained for each Segregated Portfolio.

Investment Objectives and Investment Strategies

The Company's overall objective is to achieve appreciation of the assets of each Segregated Portfolio. Each Segregated Portfolio has its own defined investment objectives and strategies. Unless otherwise provided in the applicable Listing Particulars or Offering Memorandum, each Segregated Portfolio is intended to operate as a stand-alone fund.

The Company, on behalf of and for the account of a Segregated Portfolio, may directly or indirectly trade, buy, sell, and otherwise acquire, hold, dispose of, and deal in: (i) securities (long positions, listed or unlisted, in public or private offerings), including but not limited to equities, bonds, debentures, money market obligations to buy and sell securities or issues in any jurisdiction ("**Securities**"); and (ii) cash and forward contracts, currencies ("**Commodity Interests**"). In addition, the Company, on behalf of and for the account of a Segregated Portfolio, may, solely for hedging or principal protection purposes, invest in derivative instruments; provided that no such derivative instrument may expose the Company or the relevant Segregated Portfolio to any contingent liability (collectively, "**Overlay Instruments**" and together with the Securities and Commodity Interests, the "**Investments**").

Directors

The Company is managed by, and each Segregated Portfolio is subject to the overall supervision of, the Directors. The Directors are Ryan Bahadur, Ian C. Whan Tong and Ravi Mykoo. See "Management and Administration – Directors" for biographical information regarding the Directors. Additional or different Directors may be appointed in the future.

Investment Management

Cayman National Securities Ltd., an ordinary company limited by shares and incorporated in the Cayman Islands on June 21, 1976 (the "**Investment Manager**") shall be appointed as discretionary investment manager to the Segregated Portfolios. When acting in its capacity as investment manager of the Segregated Portfolios, the Investment Manager shall be responsible for all investment decisions, portfolio management and trading activity of such Segregated Portfolios, subject to the overall control and supervision of the Directors.

The Investment Manager shall receive a management fee (and may receive a performance fee with respect to certain Segregated Portfolios) for the provision of its investment management services, which shall be attributed to the relevant Segregated Portfolio. Details of such management fee and performance fee shall be set out in the relevant Listing Particulars or Offering Memorandum.

Administration Services

JTC Fund Services (Cayman) Ltd. (the "**Administrator**") has been appointed as administrator to the Company and shall be appointed as administrator to the Segregated Portfolios. When acting in its capacity as administrator, the Administrator shall provide administration, accounting, and registrar and transfer agency services to the Company which shall include calculating the Net Asset

Value of the Segregated Portfolios and the Net Asset Value per Share (as defined under "Net Asset Value, Fees and Expenses – Net Asset Value") of the Segregated Portfolios.

Custody

Cayman National (Nominees) Ltd. or such other custodian as may be specified in any relevant Listing Particulars (the "**Custodian**") shall be appointed as custodian to the Segregated Portfolios. The Custodian may itself retain custody of the assets of the Segregated Portfolios or may appoint sub-custodians and/or prime or clearing brokers to hold any or all of the assets of the Segregated Portfolios. Details of any such sub-custodian or prime or clearing broker will be specified in the applicable Listing Particulars or Offering Memorandum.

Risk Factors and Conflicts of Interest

An investment in Shares issued in respect of any Segregated Portfolio may be very speculative and can involve a high degree of risk. These risks include, but are not limited to, the speculative nature of a Segregated Portfolio's activities, which could result in the complete loss of a Shareholder's investment, the charges which a Segregated Portfolio will incur regardless of whether any profits are earned, and the actual and potential conflicts of interest that exist in the structure and operation of the Segregated Portfolio's and the Company's business. See "Risk Factors", "Conflicts of Interest" and the attached Listing Particulars or Offering Memorandum for a more detailed discussion of the risks of an investment in Shares of the Company attributable to the relevant Segregated Portfolio.

The Offering

Securities Offered

The Company is offering non-voting, participating, redeemable shares, par value \$0.01 per share (the "**Shares**" or "**Participating Shares**"), which may be issued in respect of a Segregated Portfolio, on the terms and conditions set forth in the applicable Listing Particulars or Offering Memorandum. Accepted subscribers for Shares become shareholders in the Company ("**Shareholders**"). The Shares are issued in book-entry, registered form.

Management Shares: The Company has authorised 100 non-participating, voting shares (the "**Management Shares**"). All of the Management Shares are currently held by Cayman National Securities Ltd.

Initial Offering

The applicable Listing Particulars or Offering Memorandum set out the date of commencement of the offering of Shares of each Segregated Portfolio.

Continuous Offering

Shares of each Segregated Portfolio may be issued on the days specified in the applicable Listing Particulars or Offering Memorandum (each, a "**Dealing Day**"). The Directors may, in their discretion, terminate the offering of Shares of any Segregated Portfolio at any time, in whole or in part, or with respect to any jurisdiction.

Issue Price of Shares

The applicable Listing Particulars or Offering Memorandum set out the initial issue price of Shares of any particular Segregated Portfolio. Thereafter, except as otherwise provided in the applicable Listing Particulars or Offering Memorandum, Shares are issued at a price equal to the Net Asset Value per Share of the relevant Class or Series of such Segregated Portfolio as of the relevant Dealing Day (subject to any equalisation arrangements).

Minimum Subscription

The minimum subscription from any investor for Shares of a Segregated Portfolio is such amount as specified in the applicable Listing Particulars or Offering Memorandum.

Placement of Shares

Shares are offered and sold directly by the Company, the Investment Manager and any selling agents ("**Selling Agents**") retained by the Company on a Segregated Portfolio-by-Segregated Portfolio basis without registration under the securities laws of any jurisdiction. When Selling Agents are used, the applicable compensation arrangements will be disclosed to investors in the applicable Listing Particulars or Offering Memorandum.

Suitability

An investment in the Shares of any Segregated Portfolio is only suitable for investors that have: (i) adequate means of providing for their current needs and be willing and able to bear the economic risks of this investment; and (ii) no immediate need for liquidity in this investment. Shares may not be purchased by persons under the age of 21. Investors must carefully read and understand the Offering Documents prior to subscribing for Shares.

Any specific suitability requirements related to the Shares of a Segregated Portfolio will be set forth in the applicable Listing Particulars or Offering Memorandum.

Any subscription for Shares may be accepted or rejected, in whole or in part, in the sole discretion of the Directors.

Fees and Expenses

Formation and Preliminary Expenses

Each Segregated Portfolio bears all costs and expenses related to the organisation of the Segregated Portfolio and the initial offering of its Shares.

Fees to Service Providers

Investment Management Fees: The fees of the Investment Manager in respect of each Segregated Portfolio are paid solely out of the assets of that Segregated Portfolio, and the applicable Listing Particulars or Offering Memorandum set out details of such fees, including any performance fees.

Administration Fees: The Administrator is entitled to reasonable and customary administration fees payable from the assets of each Segregated Portfolio.

Custody Fees: The Custodian is entitled to reasonable and customary custody fees payable from the assets of the relevant Segregated Portfolio.

Fees to Other Service Providers: The fees of any other service provider appointed in respect of a Segregated Portfolio are paid solely out of the assets of that Segregated Portfolio, and the applicable Listing Particulars or Offering Memorandum set out details of such fees.

Other Fees and Expenses

Each Segregated Portfolio bears its direct and indirect operating and ongoing offering expenses, including, but not limited to: (i) transaction costs and investment related expenses including brokerage fees, broker-dealer mark-ups, clearing costs, margin expenses and interest expenses; (ii) routine legal, accounting, auditing, tax preparation, and related fees and expenses; (iii) costs and expenses of preparing and printing reports to Shareholders; (iv) marketing expenses; and (v) extraordinary expenses (e.g., litigation and indemnification expenses), if any. In addition, each Segregated Portfolio bears its proportionate share (based on the number of Segregated Portfolios in existence at the time the expense is incurred) of any direct or indirect operating expenses of the Company that are not attributable to a specific Segregated Portfolio, including registration fees and other expenses due to supervisory or regulatory authorities.

Operation of the Company

Redemptions

Shares of each Segregated Portfolio may be redeemed on the days specified in the applicable Listing Particulars or Offering Memorandum (each, a "**Redemption Day**") at the Net Asset Value per Share of the relevant Class or Series of such Segregated Portfolio as of the relevant Redemption Day calculated on the relevant Calculation Day (as defined under "Net Asset Value" below). In order to make a redemption, a Shareholder must complete a redemption form made available by the Administrator (a "**Redemption Form**") and submit it to the Administrator within the time period specified in the applicable Listing

Particulars or Offering Memorandum (the "**Redemption Notice Requirement**"). Redemption Forms that do not comply with the relevant Redemption Notice Requirement will be honoured on the next following Redemption Day.

Partial redemptions from any Segregated Portfolio may be subject to a requirement that the aggregate Net Asset Value (as defined below) of all Shares held by a redeeming Shareholder after giving effect to such partial redemption equal an amount set forth in the applicable Listing Particulars or Offering Memorandum.

Subject to any rights or restrictions for the time being attached to any Class or Series, the Directors shall be entitled to impose such restrictions on redemptions of Shares of any Class or Series as they shall determine in their sole discretion are appropriate or desirable in order to limit the aggregate number and/or Net Asset Value of Shares of any Class or Series that may be redeemed on a particular date or during a particular period. Further details of any such restrictions will be set out in the applicable Listing Particulars or Offering Memorandum.

The Directors may determine that a redeeming Shareholder shall not be permitted to redeem part only of his holding of Shares of any Class or Series if such redemption would result in such redeeming Shareholder holding Shares with an aggregate Net Asset Value of less than such amount as the Directors may from time to time determine. The Directors shall not be required to redeem fewer than such minimum number of Shares of any redeeming Shareholder calculated by reference to their Net Asset Value per Share as they may from time to time determine. Further details of any such restrictions will be set out in the applicable Listing Particulars or Offering Memorandum.

The timing of payments to a redeeming Shareholder of the redemption proceeds to which such redeeming Shareholder is entitled upon a redemption of Shares shall be set out in the relevant Listing Particulars or Offering Memorandum. The amounts of each payment of redemption proceeds, the currency in which such redemption proceeds shall be paid, the extent to which reserves may be established in relation thereto and the extent to which amounts may be withheld therefrom and the interest (if any) to be applied thereto, shall be determined by the Directors from time to time.

The Company may charge a redemption fee (specified in the applicable Listing Particulars or Offering Memorandum) with respect to redemptions from any Segregated Portfolio. Any such redemption fee will be

deducted from the redemption proceeds and either will be retained by the relevant Segregated Portfolio or paid to a third party in accordance with the terms of the relevant Listing Particulars or Offering Memorandum.

The Directors may declare a suspension of: (i) the determination of Net Asset Values of the Company; and/or (ii) the subscription for Shares; and/or (iii) the redemption of Shares at the option of the Shareholder(s) (either in whole or in part); and/or (iv) the purchase of Shares; and/or (v) the payment of any amount to a redeeming Shareholder in connection with the redemption of Shares, in each case for the Company as a whole or any one or more Segregated Portfolios, for the whole or any part of such period and in such circumstances as the Directors may determine.

Any suspension declared pursuant hereto shall take effect at such time as the Directors shall declare and shall remain in effect until the Directors shall declare the suspension to be at an end.

The Directors may with respect to any Shareholder suspend the redemption rights of such Shareholder, including the right to receive the redemption price, if the Directors deem it necessary to do so to comply with anti-money laundering laws and regulations or any other legal requirement applicable to the Company, any Segregated Portfolio, the Investment Manager, any other service provider to the Company, any Segregated Portfolio or any affiliate of any of them.

The Directors may postpone the payment of all or a part of the redemption proceeds relating to Shares of a particular Segregated Portfolio in circumstances where investments of such Segregated Portfolio cannot, without having a material adverse effect on the remaining Shareholders of such Segregated Portfolio, be liquidated in a timely fashion to meet redemption requests.

Redemption proceeds are paid on the terms set forth in the applicable Listing Particulars or Offering Memorandum.

Compulsory Redemption

Subject to any rights and restrictions for the time being attached to any Class or Series of Shares of a Segregated Portfolio as set forth in the applicable Listing Particulars or Offering Memorandum, the Company may at any time redeem any or all of a Shareholder's Shares for any reason or for no reason.

Transfer of Shares

Subject to the provisions of the applicable Listing Particulars or Offering Memorandum relating to the

transfer of Shares, the Directors may refuse to register any transfer of Shares. The applicable Listing Particulars or Offering Memorandum set out the policy in relation to the transferability of Shares of a particular Segregated Portfolio or Class or Series . There is no public or secondary market for the Shares and it is not expected that any will develop.

Distribution Policy

Except as may be specified in the Listing Particulars or Offering Memorandum relating to any particular Segregated Portfolio, it is not intended that any dividends or other periodic distributions be made to the Shareholders.

Net Asset Value

"Net Asset Value" means the amount determined pursuant to the Offering Documents and the Memorandum and Articles of Association of the Company (the **"Articles"**) as being the net asset value of the Company or any Segregated Portfolio or of the Shares or any Class or Series as the context may require.

The Net Asset Value per Segregated Portfolio and the Net Asset Value per Share (each as defined under "Net Asset Value, Fees and Expenses – Net Asset Value") are calculated on the days specified in the applicable Listing Particulars or Offering Memorandum (each, a **"Calculation Day"**) by the Administrator.

Reports to Shareholders

The Company will provide all Shareholders with audited financial statements annually.

Taxation

The Cayman Islands at present impose no taxes on profit, income, capital gains or appreciations in value of the Company. There are also currently no taxes imposed in the Cayman Islands by withholding or otherwise on the Shareholders on profit, income, capital gains or appreciations in respect of their Shares nor any taxes on the Shareholders in the nature of estate duty, inheritance or capital transfer tax. Each subscriber should consult with its own tax advisor for information on the income and capital gains tax consequences applicable to the subscriber in its country of residence.

Term and Termination

The term of the Company and, except as otherwise provided in the applicable Listing Particulars or Offering Memorandum, each Segregated Portfolio, is open-ended.

Fiscal Year

The **"Fiscal Year"** of the Company ends on September 30.

Business Day

Except as provided in any Listing Particulars or Offering Memorandum, a **"Business Day"** is any day on which

Use of the Offering Documents

banks are open for business in the Cayman Islands.

This Information Memorandum is important, and should be read in its entirety in conjunction with the relevant Listing Particulars or Offering Memorandum relating to each Segregated Portfolio an investor is considering subscribing to before deciding whether to do so. The Directors make no representation as to the suitability of an investment in any Segregated Portfolio to any investor. Professional advisors should be consulted, as needed, before an investment decision is made.

RISK FACTORS

An investment in Cayman National Securities Mutual Funds, SPC (the "**Company**") involves a high degree of risk and there is no guarantee against loss of an investor's entire investment. The following is not intended to be an exhaustive listing of all the risks involved in an investment in the Shares and does not purport to be an explanation of all the risks associated with an investment in the Company. Potential investors should review this entire Information Memorandum and the accompanying Listing Particulars or Offering Memorandum, and consult with their own counsel and advisors before deciding to invest in the Shares.

General Considerations

No Guarantee of Profit

There is no guarantee against loss of some or all of a Shareholder's investment in the Company. There can be no assurance that any Segregated Portfolio will achieve its investment objectives.

Reliance on the Investment Manager

The success of any Segregated Portfolio is dependent on the judgement and abilities of the board of directors of the Company (the "**Directors**") in selecting Cayman National Securities Ltd. as investment manager of the Company (the "**Investment Manager**") and the judgement and abilities of the Investment Manager in selecting and monitoring the performance of Investments. Investors will not have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding the Investments and will be dependent on the Investment Manager's judgement and abilities. There is no assurance that the Investment Manager will be successful. Accordingly, an investor should not purchase Shares unless it is willing to entrust all aspects of the investment activities of a Segregated Portfolio to the Investment Manager. Furthermore, the death, incapacity or retirement of any key personnel of the Investment Manager may adversely affect the investment results of a Segregated Portfolio.

Importance of General Market Conditions to Profitability

Most traders are more likely to trade profitably during periods when major price movements occur although there can be no assurance that this will be the case. Major price movements generally occur in a given market only infrequently, and during periods of static or "whipsaw" markets it is unlikely that the Investment Manager will achieve profits for a Segregated Portfolio.

Currency Exchange Risks

The Investments in which any Segregated Portfolio may invest may be denominated in a range of currencies. Investors, therefore, may bear the risk of fluctuations in the exchange rates of such Investments and the Base Currency of the particular Segregated Portfolio and/or Shares concerned and between such Base Currency and the investor's own base currency if different. While the Investment Manager may seek to hedge such currency risks, it will not be obliged to do so.

Hedging Risks -- Overlay Instruments

The Investment Manager may seek to hedge, for example, currency exchange and interest rate risks by investing in Overlay Instruments. Any such hedging carries its own risks, such as the risk of an imperfect hedge, the illiquidity of the Overlay Instruments and the risk of the hedge counterparty defaulting, and there is a risk that such hedging could result in greater losses than if hedging had not been used. In the event that the Investment Manager is directed to liquidate any Overlay Instrument used for hedging purposes, the Segregated Portfolio could be exposed to substantial investment risk.

Trading Volatility

A principal risk in speculative trading is the traditional volatility in the market prices of instruments. Generally, price movements in the markets in which a Segregated Portfolio may directly or indirectly invest can be volatile and are influenced, among other things, by: (i) changing supply and demand relationships; (ii) government trade and fiscal policies; (iii) national and international political and economic events; and (iv) changes in interest rates. If the Investment Manager incorrectly predicts price movements, large losses could result.

Absence of Investment Restrictions

Except as set forth in the applicable Listing Particulars or Offering Memorandum related to a Segregated Portfolio, there are no investment restrictions and investments may be as diversified or concentrated as the Investment Manager determines.

*Alternative Investment Fund Managers Directive (the "**AIFMD**")*

The AIFMD has been implemented into the national law of the majority of member states of the European Economic Area (the "**EEA**") and is likely to be implemented in the remaining EEA member states in the near term. The AIFMD sets out minimum conditions related to the marketing of interests in alternative investment funds (such as the Shares) in member states of the EEA. These conditions include requirements to register the Company as being marketed in the relevant EEA member state, requirements to file periodic reports with the competent authority in the relevant EEA member state and requirements to comply with disclosure and reporting requirements in respect of investors in the relevant EEA member state. The AIFMD does not, however, prohibit an investor in a relevant EEA member state subscribing for Shares at their own initiative in circumstances where such Shares have not been marketed in such member state and the Company may issue Shares to such investors. Investors should note that the Company has not been registered as being marketed in any EEA member state, and that the sale of Shares of the Company will only be made to an investor based on such investor's own initiative. Accordingly, no reports will be filed with the competent authority in any EEA member state by, or in respect of, the Company and no investor shall be entitled to receive any disclosure or report that is mandated in respect of an alternative investment fund being marketed in any EEA member state. If the Company and/or the Investment Manager elect to engage in marketing in the EEA at any time in the future, the Investment Manager will be required to comply with numerous obligations in relation to its own operations and in relation to the Company. Compliance with the requirements of the AIFMD and marketing rules in the EEA may be costly or could require significant amendments to be made to the structure of the Company. It should be noted that such costs may be prohibitive and, accordingly, may impair the ability of the Investment Manager to market Shares in the EEA in the future which may have a material adverse effect on the Company's ability to achieve its investment objective.

Systems Risk

The Company is dependent upon various computer and telecommunications technologies. The successful deployment of each Segregated Portfolio's investment strategy, the implementation and operation of such investment strategy, and various other critical activities of the Investment Manager on behalf of the Company could be severely compromised by telecommunications failures, power loss, software-related "system crashes," cyber-attacks (including, but not limited to, viruses, worms, Trojan horses, denial-of-service attacks, and hacking), fire or water damage, or various other events or circumstances. The Investment Manager does not provide comprehensive and foolproof protection against all such events (whether because it believes such to be impractical or prohibitively expensive in terms of financial expenditures and/or scheduling delays, or for other reasons), and does not expect to secure such comprehensive or foolproof protection. Any event that interrupts the Investment Manager's computer and/or telecommunications operations, however, could result in, among other things, the inability to establish positions for, modify, liquidate, or monitor the Company's portfolio, and, for those and other reasons, could have a material adverse effect on the Company. In the case of the most severe business disruptions (e.g., regional power outage, cyber-attacks, or loss of personnel), the Investment Manager may not resume establishing positions for, modifying, liquidating, or monitoring the Company's portfolio for one or more business days, because (among other things) such resumption is dependent on other critical business constituents, including brokers and exchanges, and on the nature of the disruption. No assurance can be made that the Investment Manager would be able to resume operations following a business disruption.

Cybersecurity Risks

With the increased use of technologies such as the Internet to conduct business, the Company is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Investment Manager's and other service providers (including, but not limited to, Company accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Company's ability to value its securities or other investments, impediments to trading, the inability of Shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which the Company invests, counterparties with which the Company engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Shareholders) and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Company's service providers are expected to have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Company cannot control the cyber security plans and systems put in place

by its service providers or any other third parties whose operations may affect the Company or its Shareholders. The Company and its Shareholders could be negatively impacted as a result.

Compulsory Redemptions

The Company has the right to compulsorily redeem all or any Shares, for any reason or no reason whatsoever. Such a redemption could result in adverse tax and/or economic consequences to a Shareholder. No person will have any obligation to reimburse any portion of a Shareholder's losses upon dissolution, redemption or otherwise.

General Economic Conditions

The success of any investment activity is influenced by general economic and financial conditions that may affect the level and volatility of equity prices, interest rates, general levels of economic activity, and the extent and timing of investor participation in the markets for both equity and interest-rate-sensitive securities. Unexpected volatility, illiquidity, governmental action, currency devaluation, or other events in global markets in which the Company directly or indirectly holds positions, or national and international circumstances (such as terrorist acts, wars, or security operations) or acts of god (including tornadoes, hurricanes, epidemics, and earthquakes), could impair the ability of the Company to carry out its businesses and could cause the Company to incur substantial losses. In recent years, U.S. and non-U.S. securities markets and exchanges experienced high volatility, market disruption and substantial losses and resulted in governmental reform affecting the hedge fund industry. Prospective investors should be aware that similar market conditions in the future may present significant challenges to investors, including managers with past success under other market conditions. Private investment funds, including the Company, are likely to be further impacted by the recent events in financial markets around the world.

Absence of Regulatory Oversight

Although the Company is a regulated mutual fund under the Mutual Funds Act (as revised), it is not required to, nor does it intend to, register under the laws of any other jurisdiction. As a consequence, the securities laws of other jurisdictions (which may provide certain regulatory safeguards to investors) generally will not apply. Accordingly Investors may not have the benefit of all the protections afforded to them by the securities laws of their home jurisdiction or other relevant jurisdictions.

Risks Associated with Certain Investments and Strategies

The Markets and Instruments Traded by the Segregated Portfolios May Be Illiquid

At various times, the markets for Securities purchased or sold by the Segregated Portfolios may be "thin" or illiquid, making purchases or sales at desired prices or in desired quantities difficult or impossible. In addition, the Segregated Portfolios may invest in private placements and other securities for which there may be no market, making a sale at any price impossible for indeterminate periods of time. This may make it impossible at times for the Segregated Portfolios to liquidate positions, honour requests for redemption, or make redemption payments.

Most US commodity exchanges limit fluctuations in certain commodity interest prices during a single day by imposing what are known as "daily price fluctuation limits" or "daily limits."

The existence of "daily price limits" or "daily limits" may reduce liquidity or effectively curtail trading in particular markets. As part of its emergency powers, an exchange or regulatory authority can suspend or limit trading in a particular security or commodity interest, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. The possibility also exists that governments may intervene to stabilise or fix exchange rates, restricting or substantially eliminating trading in the affected currencies.

In addition, a stock exchange may at any time suspend an entity's securities from trading on the exchange where the entity is unable or unwilling to comply with, or breaks a listing rule, or it is necessary to prevent a disorderly or uninformed market, the exchange rules require it, or it is appropriate for some other reason.

Competition

The Segregated Portfolios will engage in investment and trading activities which are highly competitive with other investment and trading programs including those of mutual funds and other financial institutions, investment banks, broker/dealers, commercial banks, insurance companies and pension funds, as well as private investors, all of whom may have investment objectives similar to those of the Segregated Portfolios. These competitors may have substantially greater resources than the Segregated Portfolios and may have substantially greater experience than the Investment Manager.

Interest Rate Risk

Where a Segregated Portfolio holds debt securities (which may be rated or unrated), investors should be aware that the market value of debt securities generally varies in response to changes in interest rates and the financial condition of the issuer. During periods of declining interest rates, the value of debt generally increases. Conversely, during periods of rising interest rates, the value generally declines. These changes in market value will be reflected in the Net Asset Value of the relevant Segregated Portfolio.

No assurance can be given that debt and fixed income obligations purchased by a Segregated Portfolio will continue to earn yields comparable to those earned historically, nor can any assurance be given that issuers whose obligations a Segregated Portfolio acquires will make payment on such obligations as they become due.

Exchange Rate Fluctuations

Unless the Investment Manager hedges its positions against fluctuations in exchange rates between the base currency of the Segregated Portfolio and the currencies in which its trading is done, any profits that the Segregated Portfolio might realise in such trading could be eliminated as a result of adverse changes in exchange rates, and the Segregated Portfolio could even incur losses as a result of any such changes.

Insolvency Risk

The default or insolvency or other business failure of any issuer of securities held by a Segregated Portfolio or of any counterparty of a Segregated Portfolio could have an adverse effect on the relevant Segregated Portfolio's performance and its ability to achieve its investment objectives.

Risks of Global Investing

The Segregated Portfolios may invest in various capital markets throughout the world. As a result, the Segregated Portfolios will be subject to risks relating to the possible imposition of withholding taxes on income received from or gains with respect to such securities. In addition, certain of these capital markets involve certain factors not typically associated with investing in established securities markets, including risks relating to: (i) differences between markets, including potential price volatility in and relative liquidity of some foreign securities markets; (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; and (iii) certain economic and political risks, including potential exchange control regulations and potential restrictions on foreign investment and repatriation of capital.

Hedging Transactions

The Segregated Portfolios may utilise financial instruments such as forward contracts, currency options, caps and floors, both for investment purposes and to seek to hedge against fluctuations in the relative values of the Segregated Portfolio's portfolio position as a result, for example, of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions nor prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus potentially moderating the decline in the portfolio position's value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio position should increase. Moreover, it may not be possible for a Segregated Portfolio to hedge, for example, against an exchange rate or interest rate fluctuation that is so generally anticipated that the Segregated Portfolio is not able to enter into a hedging transaction at a price sufficient to protect the Segregated Portfolio from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

While the Segregated Portfolios may enter into such transactions to seek to reduce currency exchange rate and interest rate risks, unanticipated changes in currency, interest rates and securities markets may result in a poorer overall performance for the Segregated Portfolios. For a variety of reasons, the Investment Manager may not seek to establish (or may not otherwise obtain) a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Segregated Portfolio from achieving the intended hedge or expose a Segregated Portfolio to risk of loss.

Bankruptcy Proceedings Risk

With regard to the purchase of Securities of, and other investments involving, companies in bankruptcy proceedings, the following additional risks exist:

- (a) many of the events within a bankruptcy proceeding are adversarial and beyond the control of the creditors. Generally, creditors are afforded an opportunity to object to significant actions, but there can be no assurance that a bankruptcy court would not approve actions contrary to the interests of a Segregated Portfolio. There are also instances where creditors lose their ranking and priority as creditors when they obtain management and functional operating control of a debtor;
- (b) generally, the duration of a bankruptcy proceeding can only be roughly estimated. Therefore, unless an investor is entitled to receive interest on its

pre-bankruptcy petition claim, the investor's return on investment can be adversely affected by the passage of time prior to the effective time of the reorganisation of the debtor. It should also be noted that reorganisations outside of bankruptcies are also subject to unpredictable and potentially lengthy delays;

- (c) bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims for purposes of voting on a plan of reorganisation. The standard for classification is vague; consequently, there exists a significant risk that the investor's influence with respect to a class of securities can be lost due to the number and the amount of claims in the class; and
- (d) administrative costs in connection with a bankruptcy proceeding are frequently high and are paid out of the debtor's estate prior to any return to creditors or equity holders.

Company Risks

Segregated Portfolio Company

The Company is registered as a segregated portfolio company. As a matter of Cayman Islands law, the assets of one Segregated Portfolio will not be available to satisfy the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There can be no guarantee that the courts of any jurisdiction outside the Cayman Islands will respect the limitations on liability associated with segregated portfolio companies.

Limited Operating History

Each Segregated Portfolio when initially offered is newly established and has no operating history. The past performance of any Segregated Portfolio and the past performance of the principals of, or entities associated with, the Investment Manager may not be construed as an indication of the future results of an investment in the Segregated Portfolios. As of the date of this Information Memorandum, no accounts have been made up nor dividends declared by the Company.

Substantial Fees and Expenses

Each Segregated Portfolio is required to meet certain fixed costs, including establishment and offering expenses, investment-related expenses, and ongoing administrative and operating expenses (such as fees payable to the service providers). These fees and expenses may be substantial and are payable by each Segregated Portfolio regardless of whether any profits are realised by such Segregated Portfolio.

Illiquidity

There is not now, and there is not likely to develop, any secondary market for the resale of Shares. Shares are subject to limited redemption rights. Furthermore, under certain circumstances, the Company may suspend the redemption of Shares at the option of the Shareholder (either in whole or in part) and/or, the purchase of Participating Shares and/or, the payment of any amount to a redeeming Shareholder in connection with the redemption

of Shares with respect to one or more Segregated Portfolio, or limit the amount redeemed from any Segregated Portfolio on any Redemption Day with respect to one or more Segregated Portfolio. See "Subscriptions, Redemptions and Transfers of Shares – Voluntary Redemptions".

Substantial Redemptions

Substantial redemptions of Shares of a Segregated Portfolio could: (i) cause the indirect liquidation of investments at a time which could adversely affect the value of the remaining Shares or the risk profile of the remaining investments; or (ii) result in the Directors determining to terminate such Segregated Portfolio.

Shareholders Do Not Participate in Management

Shareholders do not participate in the management of the Company or a Segregated Portfolio or the conduct of its business.

Conflicts of Interest

Potential conflicts of interest exist between the Company and its service providers (and their respective officers, directors and employees). See "Conflicts of Interest" below.

Changes in Applicable Law

The Company must comply with various legal requirements, including requirements imposed by securities laws and tax laws in the jurisdictions in which the Company or its service providers operate and/or offer Shares. Should any of those laws change over the term of the Company, the legal requirements to which the Company and the Shareholders may be subject could differ materially from current requirements.

Classes and Series

The Company maintains separate books and records for each class or series (respectively, a "**Class**" or "**Series**") issued in respect of a Segregated Portfolio. However, any Class or Series of a Segregated Portfolio may be at risk in respect of any liabilities incurred by the other Classes or Series of that Segregated Portfolio.

CONFLICTS OF INTEREST

Other Activities

The Investment Manager and its respective affiliates may engage in other business activities and manage the accounts of clients other than a Segregated Portfolio, including those of other collective investment vehicles. The investment strategy for such other clients may vary from that of the Segregated Portfolios. The Investment Manager, and its affiliates, are not required to refrain from any other activity nor disgorge any profits from any such activity, including acting as an investment manager or managing agent for investment vehicles with objectives similar to or different from those of the Segregated Portfolios. The Investment Manager devotes such time and effort to any Segregated Portfolio(s) and its affairs as it deems necessary and appropriate.

If purchases or sales of a particular investment for a Segregated Portfolio take place at or about the same time as those for other clients of the Investment Manager, those

transactions are effected, insofar as practicable, in a manner deemed by the Investment Manager to be equitable to all parties. Purchases or sales of investments on behalf of other clients of the Investment Manager could have an adverse effect on the demand for, supply, or price of, such investments and, thus, could affect the implementation of the Segregated Portfolio's investment strategies.

The Directors may also engage in other business activities, including serving on the boards of directors of other collective investment vehicles that may or may not compete with the Company for investors or investments.

Other Investment Funds

The Investment Manager and its affiliates may, and do, manage, advise or provide services to other investment fund clients having investment objectives that are similar to that of the Segregated Portfolios. As a result, the Investment Manager may have conflicts of interest in allocating management time, services, and functions among the Segregated Portfolios and other business ventures. No Segregated Portfolio receives preferential treatment with respect to the allocation of investment opportunities. In the event that any conflict arises in allocating management time, services, investment opportunities and functions among the Segregated Portfolios and other business ventures, the Investment Manager shall pro rata such management time, services, investment opportunities and functions among the Segregated Portfolios and other business ventures according to the relative size of such Segregated Portfolios and other business ventures.

Multiple Roles of Directors and Affiliation with the Investment Manager

Certain of the Directors may act as directors to a number of investment vehicles unrelated to the Company. The Directors allocate to the business of the Company only such time as they deem appropriate. Currently the Directors are all employed either by the Investment Manager or its affiliates, which may give rise to a conflict of interest between the Directors and the Investment Manager in the management of the Company as well as the fees payable by the Company to the Investment Manager. In addition, the Investment Manager holds all the Management Shares of the Company and as such controls the appointment and removal of the Directors. At all times, so far as practicable, the Directors will have regard to their obligations to act in the best interests of the Company and will seek to ensure that any conflict of interest is resolved fairly.

Common Ownership

The Investment Manager, Cayman National Fund Services Ltd. and Cayman National (Nominees) Ltd. (the "**Custodian**") are subsidiaries or affiliated with Cayman National Corporation Ltd (together with its affiliated group companies, "**Cayman National**"). Consequently, the Administrator is not independent from the Investment Manager, although the Administrator shall undertake its functions with respect to the Company separately from the Investment Manager. In addition, the boards of directors of these various companies overlap, and further, such companies may share services and operations with each other, all leading to potential conflicts of interest.

Common Counsel

Appleby (Cayman) Ltd. is Cayman Islands counsel to the Company. Appleby (Cayman) Ltd. may be counsel to the Investment Manager and its affiliates in matters involving the

Company or not. Consequently, certain conflicts of interest may arise. No separate counsel has been retained by the Company to represent the Shareholders.

MANAGEMENT AND ADMINISTRATION

Directors

The Company is managed by, and each Segregated Portfolio is subject to the overall supervision of, the Directors. The responsibilities of the Directors include, among other things, creating new Segregated Portfolios and Classes and Series thereof, appointing such service providers as they deem necessary on behalf of and for the account of each Segregated Portfolio, supervising and directing all service providers and reviewing any conflicts of interest that exist or may arise.

The Directors serve in a non-executive capacity and have delegated the day-to-day management of each Segregated Portfolio's investments to the Investment Manager. The Directors have also delegated the day-to-day administration of the Company and the Segregated Portfolios to the Administrator.

The Directors are entitled to reasonable and customary fees that are commensurate with the duties and responsibilities of the Directors, which fees may be determined by the Directors. Presently, the Directors do not receive any fees from the Company and have not entered into any separate service contracts with the Company. Any remuneration of the Directors may be determined by the Directors (either by way of unanimous written resolution or at a duly convened quorate meeting of the Directors) or by the approval of an ordinary resolution of the holder of the Management Shares. A meeting of the Directors is quorate if any two or more Directors are present thereat, unless otherwise fixed by the Directors. It is not currently intended that the Directors will receive any remuneration for their services.

The Articles provide that every Director (including for the purposes of the Articles any alternate Director appointed pursuant to the provisions of the Articles), secretary, assistant secretary, or other officer for the time being and from time to time of the Company (but not including the auditors) and the personal representatives of the same (each an "**Indemnified Person**") shall be indemnified and secured harmless as provided in the Articles against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such Indemnified Person, other than by reason of such Indemnified Person's own dishonesty, wilful default or fraud, in or about the conduct of the Company's business or affairs in relation to the Company or any Segregated Portfolio (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions in relation to the Company or any Segregated Portfolio, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such Indemnified Person in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere. The assets out of which each Indemnified Person shall be indemnified pursuant to the Articles shall be:

- (a) the General Assets (as defined below) of the Company, where the actions, proceedings, costs, charges, expenses, losses, damages or liabilities as aforesaid have been incurred or sustained by such Indemnified Person in or about the conduct of the business or affairs of the Company not relating to any Segregated Portfolio; and

- (b) the Segregated Portfolio Assets (as defined below) of the relevant Segregated Portfolio or Segregated Portfolios, where the actions, proceedings, costs, charges, expenses, losses, damages or liabilities as aforesaid have been incurred or sustained by such Indemnified Person in or about the conduct of the business or affairs of the Company in relation to that Segregated Portfolio or those Segregated Portfolios, as the case may be.

The Articles provide that no Indemnified Person shall be liable to account to the Company or any particular Segregated Portfolio:

- (a) for the acts, receipts, neglects, defaults or omissions of any other Director or officer or agent of the Company; or
- (b) for any loss on account of defect of title to any property of the Company; or
- (c) on account of the insufficiency of any security in or upon which any money of the Company shall be invested; or
- (d) for any loss incurred through any bank, broker or other similar person; or
- (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on such Indemnified Person's part; or
- (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of such Indemnified Person's office or in relation thereto,

unless the same shall happen through such Indemnified Person's own dishonesty, wilful default or fraud.

The Articles provide that a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company or the Company on behalf of and for the account of any Segregated Portfolio shall declare the nature of his interest at a meeting of the Directors. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A Director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof, to issue debentures, debenture stock and other Investments whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.

The Management Shares of the Company carry the sole right to receive notice of, attend and vote at general meetings of the Company. Presently all the Management Shares of the Company are held by the Investment Manager. Each of the Directors is affiliated with the Investment Manager in one way or another, however no Director shall hold any Management Shares directly nor hold any options over the same.

The minimum number of Directors that the Company must have is two. The current Directors are Ryan Bahadur, Ian C. Whan Tong and Ravi Mykoo. The biographies of the Directors are set out below.

Ryan Bahadur

Ryan is a career banker with 20 years of banking and regulatory experience. His career started with Republic Bank Limited, Trinidad & Tobago, and over the years he has served various financial institutions at senior levels. Among his appointments have been Director, Risk, CIBC with responsibility for governance, market, credit, liquidity and operational risk; Compliance Manager, Royal Bank of Canada, overseeing trust, captive insurance, mutual fund, private banking and security brokerage business lines; and Deputy Head of Banking Supervision, Cayman Islands Monetary Authority with direct responsibility for the Basel II implementation in the Cayman Islands. He has also consulted financial services companies throughout the Caribbean on AML/CFT and risk management.

Ryan is currently Executive Vice President and Chief Operating Officer for Cayman National Corporation Ltd. with responsibility for operations, information technology, risk and compliance of the group's subsidiary banks, trust companies, fund administrator and securities brokerage.

He holds a B.Sc. (Hons.) in Management and Finance from the University of the West Indies, is a Certified Anti-Money Laundering Specialist and holds the Financial Risk Manager designation from the Global Association of Risk Professionals.

Ian C. Whan Tong

Ian C. Whan Tong is EVP/Group Legal Counsel and Corporate Secretary for Cayman National Corporation Ltd., and is responsible for, oversees, or advises on legal and corporate secretarial affairs of CNC and its subsidiaries, data governance and privacy, and real property.

Ian was first called to the bar in 1996 and practised commercial and regulatory litigation in Toronto at Fasken Martineau. He practiced corporate law in the Cayman Islands from 2002 and was Chief Policy Officer at the Cayman Islands Monetary Authority in 2004. He joined Cayman National as its first and only counsel in 2007.

Ian obtained his AB from Princeton University, and his MPA and JD from Dalhousie University. He was awarded the CAMS designation and holds both CIPP/E and CIPM certifications in privacy and data protection. He expects to earn the GPC.D certification in governance in 2024. He was a top 8 finalist among 3000+ nominees for the Global Counsel Awards. As a volunteer, he founded and is the tournament director of the only high school debating competition in the Cayman Islands.

Ravi Mykoo

Ravi Mykoo, Executive Vice-President, has served in various leadership roles within the Republic Financial Holdings Limited (RFHL) Group. Prior to his appointment at Cayman National Corporation Ltd., he was the Country Manager of Republic Bank (Cayman) Limited. He also served as Manager, Money Market at the Group Treasury Department of Republic Bank in Trinidad as well as the Treasurer of Republic Bank (Suriname) NV. He is a Chartered Financial Analyst (CFA) and a graduate of the University of the West Indies with a BSc. (First Class Hons.) in Economics and Management. Mr Mykoo holds several professional

certificates in Treasury Risk Management, Basel: Understand and Transit, and Corporate Tax Training.

The address of each Director in his or her capacity as a Director of the Company is the registered office of the Company.

The Investment Manager

Cayman National Securities Ltd. (the "**Investment Manager**"), an ordinary company limited by shares and incorporated in the Cayman Islands on June 21, 1976 will act as the investment manager to each Segregated Portfolio established by the Company pursuant to the terms of investment management agreements between the Company on behalf of and for the account of each of the Segregated Portfolios and the Investment Manager (collectively, the "**Investment Management Agreements**").

The Investment Manager is owned and controlled by Cayman National Corporation Ltd.

The Investment Manager's core business is the provision of asset management services. It provides investment advice and management for its clients and is responsible for portfolio construction, asset allocation decisions, risk management and investment of assets under its management. As at the date of this Information Memorandum, the Investment Manager manages a broad range of asset classes approximating to a value of US\$727 million.

The Directors are also current senior officers of the Cayman National organisation and their biographies are set out above.

Notwithstanding the date of execution of an Investment Management Agreement, the obligations and duties of the Investment Manager under an Investment Management Agreement shall include: investing and managing the assets attributed to the relevant Segregated Portfolio on behalf of and for the account of such Segregated Portfolio in compliance with the investment objectives, the investment strategies and any investment restrictions relating to that Segregated Portfolio as set out in the relevant Listing Particulars or Offering Memorandum; carrying out the investment objective and keeping the investment objective under review; advising the Directors on the Segregated Portfolio's investment program and strategy; conducting relations with the Administrator, Custodian and other persons relating to the management and financial and investment counselling of the Segregated Portfolio; selecting brokers and dealers for execution of portfolio transactions; determining how any voting rights of securities held by the Segregated Portfolio should be exercised; submitting all instructions or advice concerning any acquisition, disposal or other dealing in any property of the Segregated Portfolio; carrying out reviews of any Investments or other investments held by the Segregated Portfolio; obtaining for the Segregated Portfolio from time to time valuations of Investments held by the Segregated Portfolio; advising the Segregated Portfolio concerning all actions which, in the opinion of the Investment Manager, the Segregated Portfolio should consider taking to carry into effect investment of the available capital of the Segregated Portfolio; advising the Segregated Portfolio on the weighting necessary between different Investments having regard to the Segregated Portfolio's liabilities and requests for redemptions of Shares whether anticipated or received; preparing material for inclusion in annual or other reports of the Segregated Portfolio whenever the Segregated Portfolio may reasonably require; engaging in any lawful transactions in Investments which the Investment Manager from time to time determines; exercising all rights, powers, privileges and other incidents of ownership or possession with respect to the Investments and other property and funds held or owned by the Segregated Portfolio; where appropriate, opening, maintaining and closing

accounts with brokers and issuing all instructions and authorisations to brokers regarding Investments and money therein and causing the Segregated Portfolio to pay, or authorising the payment and reimbursement of, brokerage commissions, opening, maintaining and closing bank accounts and authorising the drawing of cheques or other orders for the payment of monies; where appropriate, borrowing or raising monies or utilising any other forms of leverage and issuing, accepting, endorsing and executing promissory notes, drafts, bills of exchange, warrants bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness; issuing orders and instructions with respect to the acquisition and disposal of investments of the Segregated Portfolio; purchasing (or otherwise acquiring), selling (or otherwise disposing of) and investing in Investments, and exercising the right for account of the Segregated Portfolio and effecting foreign exchange transactions on behalf of and for the account of the Segregated Portfolio in connection with any such purchase, other acquisition, sale or other disposal or exercise; paying out the assets of the Segregated Portfolio such amounts as may be required from time to time in order to enable it to perform its duties on behalf of and for the account of the Segregated Portfolio and discharging such other proper expenses of the Segregated Portfolio; instructing the Segregated Portfolio's bankers as to the payment of amounts payable by the Segregated Portfolio and the currencies in which the same are so payable and negotiating the borrowing requirements, if any, of the Segregated Portfolio; making all decisions relating to the manner, method and timing of all investment transactions undertaken in accordance with the terms of the Investment Management Agreement; interfacing with investors concerning all aspects of the relevant Segregated Portfolio's operations and notifying all investors of any material changes made to the Offering Documents from time to time; liaising with and reviewing the performance of the Administrator in the performance of its duties to the relevant Segregated Portfolio, subject to the direction of the Directors; and using its commercially reasonable efforts to market the Shares of the relevant Segregated Portfolio, in accordance with applicable law and such other directions as the Directors may from time to time determine.

Notwithstanding the date of execution of an Investment Management Agreement, the Investment Management Agreement shall authorise the Investment Manager to enter into agreements with others pursuant to which services will be provided to the Segregated Portfolio and also to delegate its responsibilities to its affiliates, subject to retaining responsibility for the actions of such delegates. Each Investment Management Agreement shall continue in effect until terminated by the Investment Manager or the Company on behalf of and for the account of the relevant Segregated Portfolio on three months' prior written notice and otherwise in certain stated situations including liquidation of the Investment Manager, or a breach of the Investment Management Agreement by the Investment Manager and the Investment Management Agreement shall terminate automatically upon completion of the winding up, liquidation or termination of the relevant Segregated Portfolio. Each Investment Management Agreement shall also provide that the Investment Manager, shall have no liability to the Company or to any Shareholder of the relevant Segregated Portfolio for any loss or damage of any nature whatsoever sustained or suffered by the Company or any such Shareholder as a result of, or in the course of, the discharge by the Investment Manager of its duties under the Investment Management Agreement, however any such loss may have occurred, unless such loss arises from fraud, negligence, dishonesty or wilful default on the part of the Investment Manager. Each Segregated Portfolio shall indemnify the Investment Manager and each director, officer, employee or agent of the Investment Manager, solely out of the assets attributable to that Segregated Portfolio, against any losses, claims, damages and liabilities, costs and expenses (including legal and other expenses reasonably incurred in connection with such liabilities) to which such person may become subject by reason of its being the Investment Manager or a director, officer, employee or agent of the Investment Manager (but only to the extent

and with respect to services performed by the Investment Manager or such director, officer, employee or agent of the Investment Manager for or on behalf of the Segregated Portfolio or relating to the Segregated Portfolio or relating to investment management services contemplated hereby) provided that the persons seeking to rely on the indemnity have acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Segregated Portfolio and provided such actions did not involve fraud, negligence, dishonesty or wilful default.

An Investment Management Agreement may be terminated by either party giving to the other not less than three months' written notice expiring at any time or earlier in certain circumstances.

Investment management of the Segregated Portfolios by the Investment Manager is subject to the overall supervision of the Directors.

Investment Management Agreements have been executed for each Segregated Portfolio established as of the date of this Information Memorandum.

Investment Management Agreements shall not impose any specific obligations or requirements concerning the allocation of time, effort or investment opportunities to a Segregated Portfolio or any restrictions on the nature of timing of investments for the account of a Segregated Portfolio and for any other accounts which the Investment Manager may manage.

The fees payable to the Investment Manager with respect to the investment management of a Segregated Portfolio shall be set out in the relevant Listing Particulars or Offering Memorandum.

The Administrator

JTC Fund Services (Cayman) Ltd. (the "**Administrator**") has been appointed by the Company as the Company's administrator and the administrator of the Segregated Portfolios established as of the date of this Information Memorandum, pursuant to the terms of a fund administration agreement between the Company and the Administrator (the "**Administrative Services Agreement**"). Additional Segregated Portfolios established by the Company in the future will execute separate fund administrative services agreements or joinder agreements, as applicable, on substantially the same terms as the Administrative Services Agreement and by virtue of which the Administrator will be appointed as administrator to such Segregated Portfolios.

The Administrator holds a mutual fund administrator licence issued by the Cayman Islands Monetary Authority. It is a wholly owned subsidiary of the JTC PLC. Information on the JTC PLC and its applicable regulators can be accessed via www.jtcgroup.com.

The Administrator is responsible, under the supervision of the Directors, for providing administrative services required in connection with the Company and the Segregated Portfolios including maintaining the corporate books and records, keeping the accounts and calculating the Net Asset Value. The Administrator has no responsibility to ensure compliance with the investment objectives of the Company and the Segregated Portfolios.

The Administrative Services Agreement is terminable at any time by the Company in the event that the Administrator, in the reasonable judgement of the Directors, shows reckless disregard, wilful misfeasance, bad faith or gross negligence in the performance of its

obligations and duties under the Administrative Services Agreement. The Administrative Services Agreement is also terminable by either party on 90 days' notice or sooner with the written consent of both parties.

The Administrative Services Agreement provides that the Administrator shall not be liable to the Company for any acts or omissions in the performance of its services, other than by reason of any fraud, gross negligence or material breach of duty by the Administrator.

In the Administrative Services Agreement the Company agrees to indemnify, out of the assets of the relevant Segregated Portfolio, the Administrator and its directors, officers, employees, shareholders, associated and affiliated companies against, and hold harmless from, any expense, loss, liability or damage arising out of any claim asserted or threatened to be asserted by any third party in connection with the Administrator's serving or having served as such pursuant to the Administrative Services Agreement, provided that the Administrator and its directors, officers, employees, shareholders, associated and affiliated companies shall not be entitled to such indemnification with respect to any loss, expense, liability or damage suffered by the Company which was caused by reason of any fraud, gross negligence or material breach of duty of the Administrator or its directors, officers, employees, shareholders, associated and affiliated companies.

The Custodian

The Custodian shall be appointed as the custodian to the Segregated Portfolios established by the Company pursuant to the terms of custodian agreements between the Company on behalf of and for the account of the relevant the Segregated Portfolios and the Custodian (collectively, the "**Custody Agreements**").

The Custodian is owned and controlled by Cayman National Corporation Ltd. and has been providing custody services for 35 years. The Custodian has custody of assets valued at approximately US\$727 million. as at the date of this Information Memorandum, providing custody for assets of servicing high net worth individuals, trusts, corporations and intermediaries all over the world. The Custodian has offices in the Cayman Islands.

Under each Custody Agreement, the Custodian as custodian of the relevant Segregated Portfolio's property, shall: register in its own name all assets forming part of the property of that Segregated Portfolio held by the Custodian pursuant to the relevant Custody Agreement (the "**Property**"), account for all Property in the account of such Segregated Portfolio (the "**Account**") received by it and keep the Property in its custody provided, however, that the Property of the relevant Segregated Portfolio shall at all times be kept separate and be separately identifiable from the property of each other Segregated Portfolio or the Company generally; take all reasonable steps to collect and receive all income, principal, dividends and other payments and distributions when due in respect of any Property in its custody and promptly credit all cash receipts received by it, to the Account; provide the relevant Segregated Portfolio and the Administrator with monthly statements of account in such format as may be agreed to by the parties and, if required, any additional statements at the expense of that Segregated Portfolio; with respect to any corporate actions, promptly forward to the relevant Segregated Portfolio a corporate actions notice that contains a summary of information which is actually received by the Custodian from third party sources believed by the Custodian to be reliable, and request directions with respect to such corporate actions where required; at the request of the relevant Segregated Portfolio, advance monies by overdraft to that Segregated Portfolio for the purposes of settlement of portfolio transactions, on such terms and conditions as the Custodian may in its sole discretion determine, provided that, in order to secure the obligations of the

relevant Segregated Portfolio to repay such borrowings, the principal of and interest charged on such borrowing shall be paid out of the Property of the Account and shall constitute a charge against the Property of the Account until paid; when instructed to do so by the relevant Segregated Portfolio, settle on behalf of that Segregated Portfolio the purchase and sale of the Property provided that the Account has sufficient liquidity, the Custodian being not obliged to make any payment other than out of the Account; execute ownership and other certificates and affidavits which may be required in connection with the collection of bond and note coupons and payments of dividends and interest and pay from the Account all required taxes in connection therewith; deliver to the relevant Segregated Portfolio all forms of proxy and all notices of meetings and any other notices or announcements in connection with the Property; when instructed to do so by the relevant Segregated Portfolio, remit money to banks, brokers or others for the account of that Segregated Portfolio and pay or procure the payment of any invoices or other financial obligations of such Segregated Portfolio; and deliver and surrender any securities or other instruments as and when the same fall(s) due for payment or repayment and debit the Account accordingly and to effect all necessary or appropriate exchanges of securities or other instruments.

Each Custody Agreement shall provide that the Custodian shall be indemnified from the assets attributable to the relevant Segregated Portfolio against losses it may suffer, directly or indirectly, in connection with its services to that Segregated Portfolio, except to the extent that any such loss was caused by the fraud, wilful default or negligence of the Custodian. The Custodian is not liable for any losses of the Company unless, and to the extent that, such losses were caused by the fraud, wilful default or negligence of the Custodian.

A Custody Agreement may be terminated by either party giving to the other not less than three months' written notice expiring at any time after one year from the date the Custody Agreement or earlier in certain circumstances.

Any fees payable to the Custodian under the Custody Agreements shall be set at the Custodian's customary rates for such services, as may be negotiated from time to time.

The Auditors

Ernst & Young have been appointed to act as auditor to the Company and the Segregated Portfolios for a fee to be approved by the Directors annually.

Other Service Providers

The Company, on behalf of and for the account of any Segregated Portfolio, may appoint additional service providers as required.

SUBSCRIPTIONS, REDEMPTIONS AND TRANSFERS OF SHARES

Application Procedure and Subscriptions

The minimum subscription from any Shareholder shall be such amount as is specified in the applicable Listing Particulars or Offering Memorandum.

Shares of a Segregated Portfolio are issued at such times and on such terms as specified in the applicable Listing Particulars or Offering Memorandum.

Suitability

An investment in the Shares of any Segregated Portfolio is only suitable for investors that have: (i) adequate means of providing for their current needs and be willing and able to bear the economic risks of this investment; and (ii) no immediate need for liquidity in this investment. Shares may not be purchased by persons under the age of 21. Investors must carefully read and understand the Offering Documents prior to subscribing for Shares.

Any specific suitability requirements related to the Shares of a Segregated Portfolio are set forth in the applicable Listing Particulars or Offering Memorandum.

Any subscription for Shares may be accepted or rejected, in whole or in part, in the sole discretion of the Directors.

Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, may result in the Directors, the Company or any Segregated Portfolio incurring any liability for taxation or suffering any other pecuniary or other disadvantage which might not otherwise be incurred or suffered, or which would (i) result in the Company or any Segregated Portfolio being required to register under any applicable law, or (ii) result in the Company or any Segregated Portfolio being subject to any greater degree of regulation.

Application Procedures

Applications and payment for Shares of any Segregated Portfolio should be made in accordance with the provisions set out in the applicable Listing Particulars or Offering Memorandum. The following is of general application to all subscription applications.

All subscribers are required to complete and execute the Subscription Documents applicable to the relevant Shares for which they wish to subscribe (the "**Subscription Documents**"). Payment should be made to the account and in accordance with the requirements specified in such Subscription Documents.

When Selling Agents are used, the Company may add to the price of Shares a sales charge (disclosed in the relevant Listing Particulars or Offering Memorandum) payable to the selling agent who effected or assisted in the sale of the relevant Shares. The Directors may, in their sole discretion, waive or reduce any such sales charge with respect to any subscriber.

Once completed Subscription Documents are received by the Administrator they are irrevocable.

The Company reserves the right to charge subscribers for Shares a subscription charge as specified in the applicable Listing Particulars or Offering Memorandum, subject to the Directors being able to waive all or part of such charge with respect to any such subscribers in their absolute discretion.

Although subscriptions for Shares shall generally be for cash, the Company may permit the acceptance of subscription monies "in-kind" in circumstances where the Directors, in their sole discretion, are satisfied that the terms of any exchange are not likely to materially prejudice existing Shareholders of the relevant Segregated Portfolio. In the event that subscription monies are accepted "in-kind", the valuation of such "in-kind" assets shall be made at the discretion of the Directors, or the Administrator.

Confirmations

The Administrator issues a confirmation in respect of all subscription applications received by it as soon as practicable. Confirmations showing details of the applicable subscription price and number of Shares issued is normally sent to Shareholders within five Business Days of the relevant Dealing Day on which the Shares are allotted.

Shares are issued in registered form and Shareholders are not provided with certificates evidencing Shares. The Company requires the Administrator to issue each Shareholder, after receipt of all required documentation and payment for Shares, a personal account number relating to such Shareholder's purchase of Shares. Such personal account number should be kept confidential and should be quoted by any Shareholder seeking to redeem any Shares, make further investments or otherwise corresponding with the Administrator or the Company. Neither the Company, the Directors, the Administrator nor any other person shall be responsible for acting on the instructions of any person quoting a personal account number and purporting to be, or to have been authorised by, the Shareholder to whom such personal account number was allocated.

Redemptions

Voluntary Redemptions

Shares of each Segregated Portfolio may be redeemed on the days specified in the applicable Listing Particulars or Offering Memorandum (each, a "**Redemption Day**") at the Net Asset Value per Share of the relevant Class or Series of such Segregated Portfolio as of the relevant Redemption Day calculated on the relevant Calculation Day (as defined below). In order to make a redemption, a Shareholder must complete a redemption form (a "**Redemption Form**") and submit it to the Administrator within the time period specified in the applicable Listing Particulars or Offering Memorandum (the "**Redemption Notice Requirement**"). Redemption Forms that do not comply with the relevant Redemption Notice Requirement will be honoured on the next Redemption Day.

Partial redemptions from any Segregated Portfolio may be subject to a requirement that the aggregate Net Asset Value of all Shares held by a redeeming Shareholder after giving effect to such partial redemption equal an amount set forth in the applicable Listing Particulars or Offering Memorandum.

Subject to any rights or restrictions for the time being attached to any Class or Series, the Directors shall be entitled to impose such restrictions on redemptions of Shares of any Class or Series as they shall determine in their sole discretion are appropriate or desirable in order to limit the aggregate number and/or Net Asset Value of Shares of any Class or Series that may be redeemed on a particular date or during a particular period. Further details of any such restrictions will be set out in the applicable Listing Particulars or Offering Memorandum.

The Directors may determine that a redeeming Shareholder shall not be permitted to redeem part only of his holding of Shares of any Class or Series if such redemption would result in such redeeming Shareholder holding Shares with an aggregate Net Asset Value of less than such amount as the Directors may from time to time determine. The Directors shall not be required to redeem fewer than such minimum number of Shares of any redeeming Shareholder calculated by reference to their Net Asset Value per Share as they may from time to time determine. Further details of any such restrictions will be set out in the applicable Listing Particulars or Offering Memorandum.

The timing of payments to a redeeming Shareholder of the redemption proceeds to which such redeeming Shareholder is entitled upon a redemption of Shares shall be set out in the relevant Listing Particulars or Offering Memorandum. The amounts of each payment of redemption proceeds, the currency in which such redemption proceeds shall be paid, and the extent to which reserves may be established in relation thereto and the extent to which amounts may be withheld therefrom and the interest (if any) to be applied thereto, shall be determined by the Directors from time to time.

The Company may charge a redemption fee (specified in the applicable Listing Particulars or Offering Memorandum) with respect to redemptions from any Segregated Portfolio. Any such redemption fee will be deducted from the redemption proceeds and either will be retained by the relevant Segregated Portfolio or paid to a third party in accordance with the terms of the relevant Listing Particulars or Offering Memorandum.

The Directors may declare a suspension of: (i) the determination of Net Asset Values of the Company; and/or (ii) the subscription for Shares; and/or (iii) the redemption of Shares at the option of the Shareholder(s) (either in whole or in part); and/or (iv) the purchase of Shares; and/or (v) the payment of any amount to a redeeming Shareholder in connection with the redemption of Shares, in each case for the Company as a whole or any one or more Segregated Portfolios, for the whole or any part of such period and in such circumstances as the Directors may determine.

Any suspension declared pursuant hereto shall take effect at such time as the Directors shall declare and shall remain in effect until the Directors shall declare the suspension to be at an end.

The Directors may with respect to any Shareholder suspend the redemption rights of such Shareholder, including the right to receive the redemption price, if the Directors deem it necessary to do so to comply with anti-money laundering laws and regulations or any other legal requirement applicable to the Company, any Segregated Portfolio, the Investment Manager, any other service provider to the Company, any Segregated Portfolio or any affiliate of any of them.

The Directors may also in certain circumstances reduce the redemption proceeds payable to an investor by the amount of any withholding or other tax borne by the Company that the Directors determine is attributable to such investor.

The Directors may postpone the payment of all or a part of the redemption proceeds relating to Shares of a particular Segregated Portfolio in circumstances where investments of such Segregated Portfolio cannot, without having a material adverse effect on the remaining Shareholders of such Segregated Portfolio, be liquidated in a timely fashion to meet redemption requests.

A confirmation note confirming a redeeming Shareholder's remaining holding of Shares will normally be sent to the Shareholder as soon as practicable after the relevant Redemption Day.

Where permitted by any Listing Particulars or Offering Memorandum, redemption payments may be made "in-kind", in full or in part.

Except in limited circumstances set forth under "Net Asset Value, Fees and Expenses – Net Asset Value – Suspension of Dealings" below, redemption requests cannot be withdrawn without the approval of the Directors.

Compulsory Redemption

Subject to any rights and restrictions for the time being attached to any Class or Series of Shares referable to a Segregated Portfolio as set forth in the applicable Listing Particulars or Offering Memorandum, the Company may at any time redeem any or all of a Shareholder's Shares for any reason or for no reason.

Upon such compulsory redemption being exercised by the Company against a Shareholder, such Shareholder will be entitled to receive the redemption proceeds resulting therefrom in respect of his Shares so redeemed, such redemption proceeds to be paid to such Shareholder in the manner and subject to the same conditions as described herein with respect to voluntary redemptions, and from the day on which such compulsory redemption is effected, such Shareholder shall have no other Shareholder's rights except the right to receive those redemption proceeds and the right to receive any dividends declared but not yet paid.

Distribution Policy

Except as may be specified in the Listing Particulars or Offering Memorandum relating to any particular Segregated Portfolio, it is not intended that any dividends or other periodic distributions be made to the Shareholders.

Transfers of Shares

Subject to the provisions of the applicable Listing Particulars or Offering Memorandum relating to the transfer of Shares, the Directors may refuse to register any transfer of Shares. The Directors' policy in relation to the transferability of Shares of a particular Segregated Portfolio or Class or Series thereof will be set out in the applicable Listing Particulars or Offering Memorandum. There is no public or secondary market for the Shares and it is not expected that any will develop.

NET ASSET VALUE, FEES AND EXPENSES

Net Asset Value

Calculation of Net Asset Value

"Net Asset Value" means the amount determined pursuant to the Offering Documents and the Articles as being the net asset value of the Company or any Segregated Portfolio or of the Shares or any Class or Series as the context may require.

The Administrator, on behalf of the Company, shall, on such day or days as specified in the Listing Particulars or Offering Memorandum of a Segregated Portfolio (each, a **"Calculation Day"**) calculate: (i) the Net Asset Value of that Segregated Portfolio (the **"Net Asset Value per Segregated Portfolio"** or **"Net Asset Value of a/the Segregated Portfolio"**); and (ii) that part of the Net Asset Value of the Segregated Portfolio attributable to the Shares issued in respect of that Segregated Portfolio (after making any adjustments referred to in the applicable Listing Particulars or Offering Memorandum).

The Net Asset Value per Share of any Class or Series issued with respect to a particular Segregated Portfolio (the **"Net Asset Value per Share"**) shall be determined by dividing the value of the assets of that Segregated Portfolio which are attributable to the Participating Shares of the relevant Class or Series less all of the liabilities of such

Segregated Portfolio which are attributable to the Participating Shares of such Class or Series by the number of such Participating Shares as at the relevant Valuation Day and as calculated on the relevant Calculation Day, the result being rounded up or down to the nearest unit of the applicable Base Currency as the Directors may determine.

The Net Asset Value per Segregated Portfolio is expressed in the Base Currency of the Segregated Portfolio and will be equivalent to all the assets of such Segregated Portfolio less all the liabilities of that Segregated Portfolio as at the relevant Valuation Day and as calculated on the relevant Calculation Day. The "**Valuation Day**" applicable to any Segregated Portfolio is determined by the Directors and set forth in the applicable Listing Particulars or Offering Memorandum.

The value of the Investments of the Segregated Portfolios and the method of valuation of such Investment shall be determined by the Administrator following consultation with the Investment Manager. The Administrator is required to assign those valuations to a Segregated Portfolio's Investments for the purpose of determining the Net Asset Value of such Segregated Portfolio or applicable Class or Series of Shares, or the Net Asset Value per Share. The Administrator will receive portfolio valuations from third parties (including pricing services, data providers, brokers and the Investment Manager) and will generally rely on such information in reporting valuations of a Segregated Portfolio, although the Directors reserve the right to make adjustments to such valuations. In valuing a Segregated Portfolio's Investments, the Administrator may use good faith estimates of the value of such Investments. All values assigned by the Administrator, following consultation with the Investment Manager, that are confirmed by the Directors shall be final and conclusive as to all Shareholders. The Shares are valued in dollars.

The assets of the Segregated Portfolios are currently valued as follows:

- (a) securities, other than options and warrants, that are listed or admitted to trading on one or more securities exchanges or similar electronic system, will be valued at the last sales price during the regular trading session on the primary exchange on which such securities trade on the relevant Valuation Day or, if no sale was reported on the Valuation Day on the primary exchange where that security is traded, the security will be valued at the last sales price on the primary exchange when that security was last traded. In the event this last sales price is outside of the bid-ask range the security is then priced at the average of bid-ask. Securities that are not listed or admitted to trading on an exchange or similar electronic system, including, without limitation, "Brady Bonds," will be valued at the mean between the bid and asked prices provided by several dealers whom the Administrator (or an affiliate), acting in good faith, determines to be reputable dealers;
- (b) options and warrants that are listed or admitted to trading on one or more exchanges or similar electronic system will be valued (i) at the last sales price on the primary exchange on which such options or warrants are traded, if such price is equal to or is between, the closing "bid" and the closing "asked" prices on the relevant Valuation Day, or (ii) at the mean between the "bid" and "asked" prices, if, as at the relevant Valuation Day, the last traded price is outside of the closing bid price and the closing asked price for such option or warrant if no trades occurred on the relevant Valuation Day. Options and warrants that are not listed or admitted to trading on an exchange or similar electronic system will be valued at the mean between the bid and asked prices provided by several dealers whom the Administrator (or an affiliate),

acting in good faith, determines to be reputable dealers. The Administrator (or an affiliate), acting in good faith, may also value options and warrants according to a valuation model or volatility formula based on volatility levels provided by dealers deemed to be reputable by the Administrator (or an affiliate);

- (c) futures contracts and options thereon, which are traded on commodities exchanges, will be valued at their settlement value as of the close of such exchanges;
- (d) convertible bonds and convertible preferred stocks that are listed or admitted to trading on one or more exchanges will be valued at the last sale price, if such price is equal to or is between, the "bid" and the "asked" prices;
- (e) convertible bonds, convertible preferred stocks, restricted common shares, options, warrants or any other security or security derivatives that are not listed or admitted to trading on one or more exchanges, will be valued based on specific methodologies designed by the Administrator, provided that the Administrator, at its sole discretion, may elect to have these securities valued by a qualified third party valuation expert;
- (f) fixed income securities are valued on a daily basis with Standard and Poors, IDC or Bloomberg, or as determined by the Administrator;
- (g) commodities are valued at the last sale price reported by Bloomberg;
- (h) securities for which no such market prices are available will be generally carried on the books of the Company at fair value as reasonably determined by the Administrator in accordance with the U.S. Financial Accounting Standards Board Statement No. 157, even if such valuation differs from the value which would otherwise be obtained in accordance with the above;
- (i) all other securities and all property other than securities will be valued at fair value as reasonably determined by the Administrator or its designee. Securities or other property that is subject to any restriction will be valued by the Administrator or its designee taking into account such restriction;
- (j) in the event the Administrator deems any of the foregoing valuation methods to be inadequately representative of an asset's value, the Administrator, acting in good faith and a commercially reasonable manner, may assign to such asset an alternate value.

The assets of a Segregated Portfolio shall be deemed to include:

- (a) all securities or accounts owned or contracted to be acquired and all unrealized gains (or losses) on such securities and accounts attributable to the Segregated Portfolio;
- (b) all cash on hand, on loan or on deposit including accrued interest thereon attributable to the Segregated Portfolio;
- (c) all bills and demand notes and amounts receivable (including proceeds of securities sold but not delivered) attributable to the Segregated Portfolio;

- (d) all interest on any interest-bearing Investments owned by the Segregated Portfolio, except to the extent that the same is included or reflected in the principal amount of such Investments attributable to the Segregated Portfolio; and
- (e) all other assets of every kind and nature, including, without limitation, prepaid expenses attributable to the Segregated Portfolio.

The liabilities of a Segregated Portfolio shall be deemed to include:

- (a) all loans, bills and accounts payable attributable to the Segregated Portfolio;
- (b) all accrued management fees and performance fees payable to the Investment Manager (or to a Selling Agent) and attributable to all Classes of the Segregated Portfolio;
- (c) all accrued and payable administrative expenses (including all fees payable to the Administrator and any other service provider, including a Selling Agent, and any other agent), and any allowance for estimated annual audit fees, Directors' fees, legal fees and other fees, and any additional fees payable to the Investment Manager and attributable to the Segregated Portfolio;
- (d) all known liabilities, present and future, including, without limitation, all matured contractual obligations for payments of money or property attributable to that Segregated Portfolio and any indebtedness owing to any person in respect of such Segregated Portfolio in connection with the acquisition of assets of the Segregated Portfolio with respect to or on behalf of such Segregated Portfolio or otherwise arising in connection with the business of such Segregated Portfolio;
- (e) an appropriate provision for taxes due and future taxes to be assessed attributable to that Segregated Portfolio;
- (f) such expenses incurred in the formation of the Company and the Segregated Portfolio as may be determined by the Directors; and
- (g) all other liabilities of the Company of every kind and nature for which reserves are determined to be required by the Directors attributable to that Segregated Portfolio

In the event that any amount is not payable until some future time after the Calculation Day, the Administrator (who may consult with and rely on the advice of the Investment Manager) shall make such allowance as is considered appropriate to reflect the true current value thereof.

The Net Asset Values of the Company shall be calculated, and its expenses, fees and other liabilities will be accrued, in accordance with International Accounting Standards ("**IAS**"). Reserves (in accordance with IAS) may be established for estimated or accrued expenses, liabilities or contingencies in such manner as the Investment Manager may determine.

In the event that the Directors determine that the valuation of any securities or other property pursuant to the foregoing does not fairly represent market value, the Directors (or their authorised agent) may value such securities or other property as they may reasonably

determine and will set forth the basis of such valuation in writing in the relevant Segregated Portfolio's records.

Valuations provided by third parties (including pricing services, data providers and brokers) are generally not subject to independent review or investigation by the Company, and the Company, the Directors and the Administrator are entitled to rely on such valuations without independent verification from a third party valuation agent. Notwithstanding the foregoing, the Administrator will use reasonable endeavours to verify pricing information, which may be reviewed by the Investment Manager and the Directors.

The Directors may request that the Auditors review the methodology of valuation adopted by the Company at such times as may, in the view of the Directors, be appropriate and the Directors may, following such review, adopt such other basis for valuation as the Auditors may recommend, provided that such basis accords with applicable accounting standards for the Company. The Directors may make such modifications to the means of determining the Net Asset Value as they may from time to time consider reasonable to ensure that the methodology of valuation accords with good accounting practice.

All valuations will be binding on all persons and in no event shall the Directors, the Administrator or the Investment Manager incur any individual liability or responsibility for any determination made or other action taken or omitted by them in the absence of manifest error or bad faith.

Prospective investors should be aware that situations involving uncertainties as to the valuation of Investments could have an adverse effect on a Segregated Portfolio's net assets if the Administrator's or the Investment Manager's judgments regarding appropriate valuations should prove incorrect.

Suspension of Dealings

The Directors may declare a suspension of: (i) the determination of Net Asset Values of the Company; and/or (ii) the subscription for Shares; and/or (iii) the redemption of Shares at the option of the Shareholder(s) (either in whole or in part); and/or (iv) the purchase of Shares; and/or (v) the payment of any amount to a redeeming Shareholder in connection with the redemption of Shares, in each case for the Company as a whole or any one or more Segregated Portfolios, for the whole or any part of such period and in such circumstances as the Directors may determine. Any suspension declared pursuant to the provisions of this Information Memorandum, shall take effect at such time as the Directors shall declare and shall remain in effect until the Directors shall declare the suspension to be at an end.

The Directors may with respect to any Shareholder suspend the redemption rights of such Shareholder, including the right to receive the redemption proceeds relating thereto, if the Directors deem it necessary to do so to comply with anti-money laundering laws and regulations or any other legal requirement applicable to the Company, any Segregated Portfolio, the Investment Manager, any other service provider to the Company, any Segregated Portfolio or any affiliate of any of them.

The Directors may postpone the payment of all or a part of the redemption proceeds relating to Shares of a particular Segregated Portfolio in circumstances where investments of such Segregated Portfolio cannot, without having a material adverse effect on the remaining Shareholders of such Segregated Portfolio, be liquidated in a timely fashion to meet redemption requests.

Each declaration of a suspension by the Directors pursuant to this Information Memorandum shall be consistent with such official rules and regulations (if any) relating to the subject matter thereof as shall have been promulgated by any authority having jurisdiction over the Company as shall be in effect at the time. To the extent not inconsistent with such official rules and regulations, the determination of the Directors shall be conclusive.

If a determination is made to effect a suspension of the voluntary redemption of Shares, a redeeming Shareholder who has submitted a Redemption Form may withdraw his Redemption Form during the period of suspension. Any withdrawal of a Redemption Form shall be made in writing and shall only be effective if actually received by the Company or the Administrator before termination of the period of suspension. If the Redemption Form is not so withdrawn the redemption of the relevant Shares shall be made on the next Redemption Day following the end of such suspension and shall not have any order of priority over any other Shares to be redeemed on such Redemption Day.

Fees and Expenses

Investment Management Fees

The Investment Manager is entitled to an investment management fee payable by the Company from the assets of the relevant Segregated Portfolio on the terms set out in the applicable Listing Particulars or Offering Memorandum. These fees shall accrue and be payable at such rates and on such terms as may be agreed from time to time by the Company with the Investment Manager and detailed in the applicable Listing Particulars or Offering Memorandum. Such fees will comprise of a flat percentage management fee, accruing on each Valuation Day and payable quarterly in arrears at an annual percentage rate of the Net Asset Value of the relevant Segregated Portfolio calculated as of such Valuation Date.

Any equalisation or other method employed in relation to the calculation of a performance fee in respect of any Segregated Portfolio will be set out in the applicable Listing Particulars or Offering Memorandum.

Any increase in the rate of remuneration or other material change to the basis of remuneration of the Investment Manager which could be adverse to Shareholders' interests may only be effected upon 14 days' notice given to all Shareholders affected by the change. Any such increase or other material change will only take effect after a Shareholder has had the opportunity to redeem its Shares.

Administration Fees

The Administrator is entitled to receive from the Company, out of the assets of the relevant Segregated Portfolio, a fee payable quarterly in arrears based on the Net Asset Value, subject to a minimum annual fee. The Administrator is also entitled to receipt, out of the assets of the relevant Segregated Portfolio, of reasonable out-of-pocket expenses incurred on behalf of the Company and the Segregated Portfolios including, without limitation, communications, postage and printing.

Custody Fees

The Custodian may receive a custody fee payable from the assets of the relevant Segregated Portfolio. The Custodian shall be entitled to be reimbursed reasonable out of pocket expenses from the assets attributable to the relevant Segregated Portfolio.

Fees to Other Service Providers

The fees of any other service provider appointed in respect of a Segregated Portfolio or the General Assets (as defined below) shall be paid solely out of the assets of that Segregated Portfolio or the General Assets, as the case may be, and details of such fees shall be contained in the applicable Listing Particulars or Offering Memorandum.

Other Fees and Expenses

Each Segregated Portfolio bears its direct and indirect operating and ongoing offering expenses, including, but not limited to: (i) transaction costs and investment related expenses; (ii) routine legal, accounting, auditing, tax preparation, and related fees and expenses; (iii) costs and expenses of preparing and printing reports to Shareholders; (iv) marketing expenses; and (v) extraordinary expenses (e.g., litigation and indemnification expenses), if any. Each Segregated Portfolio also indirectly bears the expenses of the Investments, including, but not limited to, investment related expenses such as brokerage fees, broker-dealer mark-ups, clearing costs, margin expenses and interest expenses. In addition, each Segregated Portfolio bears its proportionate share (based on the number of Segregated Portfolios in existence at the time the expense is incurred) of any direct or indirect operating expenses of the Company that are not attributable to a specific Segregated Portfolio, including, without limitation, any Directors' fees and registration fees and other expenses due to supervisory or regulatory authorities (which shall include the annual registration fee payable by the Company to the Cayman Islands Monetary Authority of approximately US\$4,268 (plus US\$305 for each Segregated Portfolio) and an annual fee payable to the Cayman Islands Stock Exchange, currently US\$5,000).

OPERATION OF THE COMPANY

The following description relates to certain provisions of the Articles, copies of which (along with copies of the latest audited financial statements) are available from the Company and, where appropriate, is qualified in its entirety by the information appearing in the Articles.

Incorporation and Share Capital

The Company is an exempted company with limited liability incorporated and registered as a segregated portfolio company under the provisions of the Companies Act (as revised) of the Cayman Islands (the "**Companies Act**") on January 12, 2009.

As a segregated portfolio company, the Company can operate Segregated Portfolios with the benefit of statutory segregation under Cayman Islands law of assets and liabilities between each Segregated Portfolio. Although not judicially tested, the principal advantage of a segregated portfolio company is that it protects the assets of one segregated portfolio from the liabilities of other segregated portfolios under the law of the Cayman Islands.

The authorised share capital of the Company is US\$150,000.00 divided into 100 Management Shares of a nominal or par value of US\$0.01 each and 14,999,900 Shares of a nominal or par value of US\$0.01 each.

The Company may from time to time by ordinary resolution of the holder(s) of the Management Shares increase the share capital by such sum, to be divided into Shares of such Classes and amount, as the resolution shall prescribe.

Company may by ordinary resolution of the holder(s) of the Management Shares:

- (a) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares;
- (b) convert all or any of its paid up Shares into stock and reconvert that stock into paid up Shares of any denomination;
- (c) subdivide its existing Shares, or any of them into Shares of a smaller amount, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; and
- (d) cancel any Shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

The Company may by special resolution of the holder(s) of the Management Shares reduce its share capital and any capital redemption reserve in any manner authorised by law.

No Shares of the Company are held under option.

The Shares

Allotment of Shares

On the establishment of any Segregated Portfolio the Directors designate and classify sufficient unclassified shares as Shares of the Class or Series to be issued in respect of such Segregated Portfolio.

The Articles provide that the Directors may authorise the division of Shares into any number of Classes and Series and the different Classes and Series shall be authorised, established and designated (or re-designated as the case may be) and the variations in the relative rights (including, without limitation, voting, dividend and redemption rights), restrictions, preferences, privileges and payment obligations as between the different Classes and Series (if any) and the relevant Base Currency thereof shall be fixed and determined by the Directors.

The net proceeds from the issue of each Class or Series of Shares issued in respect of a Segregated Portfolio comprise an asset of that Segregated Portfolio. All income and capital gains earned on the assets of each Segregated Portfolio accrue to such Segregated Portfolio and all expenses and liabilities related or allocated to a Segregated Portfolio and any redemptions and payment of dividends in respect of the Shares issued in respect of that Segregated Portfolio are charged to and paid from the assets of that Segregated Portfolio. Thus the investment results of any one Segregated Portfolio should have no effect on the value of any other Segregated Portfolio.

Fractions of Shares may be issued to such number of decimal places as the Directors determine.

There are no pre-emption rights attaching to the Shares.

Rights of the Shares

Shares shall confer upon a Shareholder no right to receive notice of, to attend, to speak at nor to vote at general meetings of the Company but shall confer upon the Shareholders rights in a winding-up or repayment of capital and the right to participate in the profits or assets of the Company in accordance with the Articles.

Whenever the capital of the Company is divided into different Classes the rights attached to any such Class may, subject to any rights or restrictions for the time being attached to any Class, only be materially adversely varied or abrogated with the consent in writing of the holders of not less than two-thirds of the issued Shares of the relevant Class or with the sanction of a resolution passed at a separate meeting of the holders of the Shares of such Class by a majority of two-thirds of the votes cast at such a meeting. To every such separate meeting all the provisions of the Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be one or more persons at least holding or representing by proxy one-third in nominal or par value amount of the issued Shares of the relevant Class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present in person or by proxy, those Shareholders who are present in person or by proxy shall form a quorum) and that, subject to any rights or restrictions for the time being attached to the Shares of that Class, every Shareholder of the Class shall on a poll have one vote for each Share of the Class held by him. For the purposes of such a meeting, the Directors may treat all the Classes or any two or more Classes as forming one Class if they consider that the variation or abrogation of the rights attached to such Classes proposed for consideration is the same variation or abrogation for all such relevant Classes, but in any other case shall treat them as separate Classes.

The rights conferred upon the holders of the Shares of any Class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the Shares of that Class, be deemed to be materially adversely varied or abrogated by, *inter alia*, the creation, allotment or issue of further Shares ranking *pari passu* with or subsequent to them, the redemption or purchase of any Shares, or by the passing of any Directors' resolution to change or vary any investment objective, investment technique and strategy and/or investment policy in relation to a Class of Shares or any modification of the fees payable to any service provider to the Company, or any change to a Dealing Day, Valuation Day, Calculation Day or Redemption Day.

Title

Shares are held in book-entry form at the offices of the Administrator. The Company's Register of Members is the sole and conclusive proof of Share ownership. Share certificates are not issued.

Conversion

Subject to any rights or restrictions for the time being attached to any Class or Series, the Company may convert Shares of any Class or Series (the "**Original Class**") held by a Shareholder into a number of Shares of another Class or Series (whether or not referable to the same Segregated Portfolio) having an aggregate Net Asset Value equal to the Net Asset Value of the Shares of the Original Class if either: (i) the Directors determine that such conversion is necessary, advisable or desirable; or (ii) if so permitted in respect of any Class or Series and subject to the rights or restrictions attaching thereto, upon the request of the holder of any Shares of such Class or Series. All conversions of Shares pursuant hereto from

one Class or Series to any other Class or Series shall be effected by the Directors by way of compulsory redemption of Shares in one Class or Series and the issue of new Shares in the other Class or Series. The Directors shall have sole discretion to determine whether any accrued but unpaid fees attaching to the Shares of the Original Class shall attach to the converted Shares; provided that no redemption or subscription fees shall attach to any such conversion. As at the date of this Information Memorandum, the Directors do not anticipate having to effect any conversion of Shares from one Class or Series to Shares of another Class or Series other than upon the request of the holder of the relevant Shares.

Maintenance of Segregated Portfolios

The Directors have the power to create Segregated Portfolios from time to time, and issue different Classes or Series of Shares in respect of each Segregated Portfolio, without the authorisation or vote of the Shareholders. Each such Segregated Portfolio shall be designated as a Segregated Portfolio by the Directors.

The following provisions shall, subject to the Companies Act, apply in relation to each Segregated Portfolio and the General Assets (as defined below):

- (a) the Segregated Portfolio Assets (as defined below) of each Segregated Portfolio shall be segregated and kept segregated, separate and separately identifiable from the General Assets and from the Segregated Portfolio Assets of any other Segregated Portfolio;
- (b) the Directors shall establish and maintain (or cause to be established and maintained) procedures to ensure that:
 - (i) assets and liabilities are not transferred between Segregated Portfolios other than at full value and that assets and liabilities are not transferred between Segregated Portfolios and the Company's General Assets and General Liabilities (as defined below); and
 - (ii) Segregated Portfolio Assets of each Segregated Portfolio shall be segregated and kept segregated, separate and separately identifiable from the General Assets and from the Segregated Portfolio Assets of any other Segregated Portfolio;
- (c) Segregated Portfolio Assets of a particular Segregated Portfolio shall only be available and used to meet such Segregated Portfolio's Segregated Portfolio Liabilities (as defined below). Such Segregated Portfolio Assets shall not be available or used to meet liabilities to, and shall be absolutely protected from, the creditors of the Company who are not Segregated Portfolio Creditors (as defined below) in respect of that particular Segregated Portfolio;
- (d) the liability of the Company with respect to a Segregated Portfolio Liability shall extend only to, and the relevant Segregated Portfolio Creditor shall, in respect of that Segregated Portfolio Liability, be entitled to have recourse only to, the Segregated Portfolio Assets attributable to such Segregated Portfolio. Such liability shall not extend to, and that Segregated Portfolio Creditor shall not, in respect of such Segregated Portfolio Liability, be entitled to have recourse to, the Segregated Portfolio Assets attributable to any other Segregated Portfolio or to the General Assets;

- (e) where a liability of the Company to a Person arises or is imposed otherwise than from a matter in respect of particular Segregated Portfolios or a particular Segregated Portfolio, such liability shall extend only to, and that Person shall, in respect of that liability, be entitled to have recourse only to the General Assets. General Liabilities of the Company shall be discharged from the General Assets only;
- (f) in the case of any asset or liability of the Company which the Directors do not consider is solely attributable to a particular Segregated Portfolio or Segregated Portfolios, the Directors shall, subject to the Companies Act, have discretion to determine the basis upon which any such asset or liability shall be allocated between or among Segregated Portfolios and the General Assets, and the Directors shall have power at any time and from time to time to vary such basis; and
- (g) the Company shall pay any dividend or other distribution in respect of Shares of any Class which are referable to any Segregated Portfolio by reference only to the accounts of such Segregated Portfolio and out of the Segregated Portfolio Assets of such Segregated Portfolio and otherwise in accordance with the rights and restrictions for the time being attached to such Shares.

"General Assets" means all the assets of the Company which do not comprise Segregated Portfolio Assets determined in accordance with the Companies Act and the Articles including, without limitation: (i) income, receipts and other property or rights of or acquired by the Company not otherwise attributable to any Segregated Portfolio; and (ii) the proceeds of the issue of any Shares not referable to any Segregated Portfolio.

"Segregated Portfolio Assets" means, in respect of any Segregated Portfolio: (i) assets representing the share capital and reserves (as defined in the Companies Act) attributable to such Segregated Portfolio; and (ii) all other assets of the Company which are attributable to and held within or on behalf of such Segregated Portfolio, determined in accordance with the Companies Act and the Articles.

"General Liabilities" means all the liabilities of the Company which do not comprise Segregated Portfolio Liabilities determined in accordance with the Companies Act and the Articles.

"Segregated Portfolio Liabilities" means, in respect of any Segregated Portfolio, the liabilities of the Company attributable to or incurred by the Company on behalf of such Segregated Portfolio or arising from a matter, or being otherwise imposed, in respect of or attributable to such Segregated Portfolio, determined in accordance with the Companies Act and the Articles.

"Segregated Portfolio Creditors" means the creditors of a Segregated Portfolio.

Management Shares

Allotment of the Management Shares

All of the Management Shares are currently held by the Investment Manager.

Rights of the Management Shares

The Management Shares shall be issued at par value and shall carry the right to receive notice of and to attend, to speak at and to vote at any general meeting of the Company. In the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purposes of a reorganisation or otherwise or upon any distribution of capital, holders of Management Shares shall have the right to an amount equal to the capital paid up on such Management Shares in accordance with the Articles. Management Shares confer no other right to participate in the profits or assets of the Company. The Management Shares will not be issued in respect of or be referable to any Segregated Portfolio.

Winding Up

If the Company shall be wound up, the liquidator:

- (a) shall deal with the Segregated Portfolio Assets and the General Assets only in accordance with the procedures set out in the Articles and the Companies Act; and
- (b) in discharge of the claims of Segregated Portfolio Creditors and General Creditors, shall apply Segregated Portfolio Assets and General Assets to those Persons entitled to have recourse thereto in accordance with the Articles and the Companies Act.

Subject to the above, if the Company shall be wound up:

- (a) the liquidator shall apply the Segregated Portfolio Assets of each Segregated Portfolio and the General Assets as follows:
 - (i) the Segregated Portfolio Assets attributable to any Segregated Portfolio shall be applied in accordance with the Companies Act:
 - (A) first, in satisfaction of the claims of Segregated Portfolio Creditors of the relevant Segregated Portfolio (other than those set out in (i)(B) below); and
 - (B) second, in payment of any outstanding fees attributable to such Segregated Portfolio and which are due to any other service provider to such Segregated Portfolio; and
 - (ii) the General Assets shall be applied in accordance with the Companies Act:
 - (A) first, in satisfaction of the claims of the General Creditors only; and
 - (B) second, in payment to the holders of the Management Shares of a sum equal to the par value thereof; and
- (b) the balance of the Segregated Portfolio Assets standing to the credit of a Segregated Portfolio, if any, remaining following the application contemplated by paragraph (a)(i) above and the balance of the General Assets, if any, remaining following the application contemplated by paragraph (a)(ii) above,

shall, subject to the rights and restrictions for the time being attached to any Class, be paid:

- (i) first, in the payment to the holders of Shares referable to each Segregated Portfolio of a sum equal to the par value of such Shares held by them; and
- (ii) second, in the payment of any balance to holders of such Shares, such payment being made in proportion to the Net Asset Value per Share of the relevant Class and Series held.

If the Company shall be wound up, the liquidator may, with the sanction of an ordinary resolution divide amongst the Shareholders *in specie* the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different Classes. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator shall think fit, but so that no Shareholder shall be compelled to accept any asset whereon there is any liability.

Any Segregated Portfolio established by the Directors may be terminated by a resolution of the Directors.

If any Segregated Portfolio shall be terminated, other than in a winding up, the Directors shall apply the Segregated Portfolio Assets attributable to such Segregated Portfolio as follows:

- (a) first, in satisfaction of the claims of Segregated Portfolio Creditors of such Segregated Portfolio (other than those set out in (b) below);
- (b) second, in payment of any outstanding fees attributable to such Segregated Portfolio and which are due to any other service provider to such Segregated Portfolio; and
- (c) the balance, if any, remaining following the application contemplated by paragraphs (a) and (b) above shall, subject to the rights and restrictions for the time being attached to any Class, be paid to the holders of the relevant Shares held by them in a sum equal to the par value thereof, and thereafter in proportion to the Net Asset Value per Participating Share of the relevant Class and Series held.

If a Segregated Portfolio shall be terminated, other than in a winding up, the Directors may, with the sanction of an ordinary resolution, divide amongst the holders of the relevant Shares *in specie* the whole or any part of the assets of the Segregated Portfolio (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as they deem fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different Classes in respect of such Segregated Portfolio. The Directors may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the holders of the relevant Shares as the Directors shall think fit, but so that no Shareholder shall be compelled to accept any asset whereon there is any liability.

TAXATION

General

The following is a summary of certain tax considerations, which may be relevant to a prospective investor; it does not attempt to discuss all of the tax consequences that might be applicable. The discussion is based on the presently existing laws of the Cayman Islands, all of which are subject to change. Any such change could be adverse and apply retroactively. Furthermore, the Company may establish subsidiaries or otherwise invest in countries whose tax regulations may have an effect on the Company's income or returns.

Certain Cayman Islands Tax Considerations

It is the responsibility of all persons interested in purchasing Shares to inform themselves as to any tax consequences from their investing in the Company and the Company's operations or management, as well as any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Shares. Investors should therefore seek their own separate tax advice in relation to their holding of Shares and accordingly neither the Company, the Investment Manager nor the Administrator accept any responsibility for the taxation consequences of any investment into the Company by an investor.

Taxation of the Company

There is, at present, no direct taxation in the Cayman Islands and interest, dividends and gains payable to the Company will be received free of all Cayman Islands taxes. The Company is registered as an "exempted company" pursuant to the Companies Act. The Company has received an undertaking from the Governor in Cabinet of the Cayman Islands to the effect that, for a period of twenty years from such date, no law that thereafter is enacted in the Cayman Islands imposing any tax or duty to be levied on profits, income or on gains or appreciation, or any tax in the nature of estate duty or inheritance tax, will apply to any property comprised in or any income arising under the Company, or to the Shareholders thereof, in respect of any such property or income.

Cayman Islands Tax Reporting

The Cayman Islands has signed an inter-governmental agreement to improve international tax compliance and the exchange of information with the United States (the "**US IGA**"). The Cayman Islands has also signed a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "**CRS**" and together with the US IGA, "**AEOI**").

Cayman Islands regulations have been issued to give effect to the US IGA, and the CRS (collectively, the "**AEOI Regulations**"). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the "**TIA**") has published guidance notes on the application of the US IGA and the CRS.

All Cayman Islands "Financial Institutions" are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, except to the extent that they can rely on an exemption that allows them to become a "Non-Reporting Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under the CRS.

The Company does not propose to rely on any reporting exemption and therefore intends to comply with the requirements of the AEOI Regulations.

The AEOI Regulations require the Company to, amongst other things (i) register with the Internal Revenue Service to obtain a Global Intermediary Identification Number (in the context of the US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a "Reporting Financial Institution"; (iii) adopt and implement written policies and procedures setting out how it will address its obligations under the CRS; (iv) conduct due diligence on its accounts to identify whether any such accounts are considered "Reportable Accounts", and (v) report information on such Reportable Accounts to the TIA. The TIA will transmit the information reported to it to the overseas fiscal authority relevant to a reportable account (i.e., the IRS in the case of a US Reportable Account) annually on an automatic basis.

By investing in the Company and/or continuing to invest in the Company, Shareholders shall be deemed to acknowledge that further information may need to be provided to the Company, the Company's compliance with the AEOI Regulations may result in the disclosure of Shareholder information, and Shareholder information may be exchanged with overseas fiscal authorities. Where a Shareholder fails to provide any requested information (regardless of the consequences), the Company reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption of the Shareholder concerned.

Shareholders are encouraged to consult with their own tax advisers regarding their tax status and the applicability of this legislation on their investment in the Company.

ANTI-MONEY LAUNDERING

Cayman Islands

To ensure compliance with applicable statutory requirements relating to anti-money laundering, anti-terrorism and anti-proliferation financing initiatives, the Company is required to adopt and maintain policies and procedures, and accordingly require verification of identity, beneficial owners/controllers (where applicable), address and source of funds from all prospective investors. Where permitted, and subject to certain conditions, the Company may rely on a suitable person for the maintenance of its anti-money laundering, anti-terrorism and anti-proliferation financing policies and procedures (including the acquisition of due diligence information) or otherwise delegate such functions to a suitable person. The Company relies on the Administrator for the maintenance of such policies and procedures.

The Company or the Administrator reserves the right to request such evidence as is necessary to verify the identity, address and source of funds of a prospective investor or transferee and the identity of their beneficial owners/controllers (where applicable). Depending on the circumstances of each application and the policies and procedures of the Administrator, a detailed verification might not always be required at subscription where an exemption applies under applicable law. However, detailed verification may be required prior to payment of any proceeds in respect of any Shares.

In the event of delay or failure by the prospective investor or transferee to produce any evidence required for verification purposes, the Company or the Administrator may refuse to accept the application or (as the case may be) to register the relevant transfer, and (in

the case of a subscription of Shares) any funds received will be returned without interest to the account from which such funds were originally received.

The Company or the Administrator reserves the right to request such verification evidence with respect to a redemption request. The Company and the Administrator also reserve the right to refuse to make any redemption payment or distribution to a Shareholder if any of the Directors or the Administrator suspects or is advised that the payment of any redemption or distribution moneys to such Shareholder might result in a breach or violation of any applicable anti-money laundering, anti-terrorist financing, anti-proliferation financing or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Company, its Directors or the Administrator with any such laws or regulations in any relevant jurisdiction.

The Cayman Islands Monetary Authority has discretionary power to impose substantial administrative fines upon the Company in connection with any breaches by the Company of prescribed provisions of the Anti-Money Laundering Regulations (as revised) of the Cayman Islands, and upon any Director or officer of the Company who either consented to or connived in the breach, or to whose neglect the breach is proved to be attributable. To the extent any such administrative fine is payable by the Company, the Company will bear the costs of such fine and any associated proceedings.

None of the Company, the Investment Manager, the Administrator or their respective delegates, agents and affiliates will be liable for any loss suffered by a subscriber arising as a result of any refusal to accept an application for Shares or for any loss suffered by a Shareholder arising as a result of any refusal to make a redemption payment or distribution.

If any person resident in the Cayman Islands (including the Company) knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or is involved with terrorism or terrorist property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to: (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Act (as revised) if the disclosure relates to criminal conduct or money laundering; or (ii) a police constable not below the rank of inspector, or the Financial Reporting Authority, pursuant to the Terrorism Act (as revised), if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

By subscribing, Shareholders consent to the disclosure by the Company and the Administrator of any information about them to regulators and others upon request in connection with money laundering and similar matters both in the Cayman Islands and in other jurisdictions.

The Company is subject to laws that restrict it from dealing with entities, individuals, organisations and/or investments which are subject to applicable sanctions regimes. Accordingly, each subscriber and Shareholder will be required to make such representations to the Company as the Company, the Administrator and the Investment Manager require in connection with such anti-money laundering, anti-terrorism and anti-proliferation financing programs, including without limitation, representations to the Company that such subscriber or Shareholder is not a prohibited country, territory, individual or entity listed on the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on

an OFAC list or prohibited by any OFAC sanctions programs. Each subscriber and Shareholder will also be required to represent to the Company that amounts contributed by it to the Company were not directly or indirectly derived from activities that may contravene U.S. federal, state or international laws and regulations, including anti-money laundering, anti-terrorism and anti-proliferation financing laws and regulations.

The Company and/or the Administrator may develop additional procedures to comply with applicable anti-money laundering, anti-terrorism and anti-proliferation financing laws and regulations.

AML Officers

Pursuant to Anti-Money Laundering Regulations (as revised) of the Cayman Islands, the Company is required to appoint a Money Laundering Reporting Officer, a Deputy Money Laundering Reporting Officer and an Anti-Money Laundering Compliance Officer. Such officers have been appointed to the Company and further details regarding such officers can be obtained from the Directors.

Other Jurisdictions

The Company will comply with applicable US anti-money laundering regulations. In addition, many jurisdictions are in the process of changing or creating anti-money laundering, embargo and trade sanctions, or similar laws, regulations, requirements (whether or not with force of law) or regulatory policies and many financial intermediaries are in the process of changing or creating responsive disclosure and compliance policies (collectively "**Requirements**") and the Company could be requested or required to obtain certain assurances from applicants subscribing for Shares, disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is the Company's policy to comply with Requirements to which it is or may become subject to and to interpret them broadly in favour of disclosure. Each applicant will be required to agree in the subscription agreement, and will be deemed to have agreed by reason of owning any Shares, that it will provide additional information or take such other actions as may be necessary or advisable for the Company (in the sole judgment of the Company and/or Administrator) to comply with any Requirements, related legal process or appropriate requests (whether formal or informal) or otherwise. Each applicant by executing the subscription agreement consents, and by owning Shares is deemed to have consented, to disclosure by the Company and its agents to relevant third parties of information pertaining to it in respect of Requirements or information requests related thereto. Failure to honor any such request may result in redemption by the Company or a forced sale to another investor of such applicant's Shares.

CAYMAN ISLANDS REGULATION

The Company will fall within the definition of a "mutual fund" under the Mutual Funds Act (as revised) of the Cayman Islands (the "**Mutual Funds Act**") and be regulated in terms of the Mutual Funds Act. Because the minimum aggregate equity interest purchasable by a prospective investor in the Company is less than US\$100,000.00 the Company is required either to be licensed or to employ a licensed mutual fund administrator to provide its principal office in the Cayman Islands. The Administrator is a licensed mutual fund administrator and will provide the principal office for the Company.

As a regulated mutual fund, the Company is subject to the supervision of the Cayman Islands Monetary Authority (the "**Monetary Authority**"). The Company must file the Offering Documents and details of any change that materially affect any information in this document with the Monetary Authority. The Company must also file annually with the Monetary Authority accounts approved by an approved auditor, together with a return containing particulars specified by the Monetary Authority, within six months of its financial year end or within such extension of that period as the Monetary Authority may allow. A prescribed fee must also be paid annually.

The Monetary Authority may, at any time, instruct the Company to have its accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. In addition, the Monetary Authority may ask the Directors to give the Monetary Authority such information or such explanation in respect of the Company as the Monetary Authority may reasonably require to enable it to carry out its duty under the Mutual Funds Act.

The Monetary Authority shall, whenever it considers it necessary, examine, including by way of on-site inspections or in such other manner as it may determine, the affairs or business of the Company for the purpose of satisfying itself that the provisions of the Mutual Funds Act and applicable anti-money laundering regulations are being complied with.

The Directors must give the Monetary Authority access to or provide at any reasonable time all records relating to the Company and the Monetary Authority may copy or take an extract of a record it is given access to. Failure to comply with these requests by the Monetary Authority may result in substantial fines on the part of the Directors and may result in the Monetary Authority applying to the court to have the Company wound up.

The Monetary Authority may take certain actions if it is satisfied that a regulated mutual fund:

- (a) is or is likely to become unable to meet its obligations as they fall due;
- (b) is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
- (c) is not being managed in a fit and proper manner; or
- (d) has persons appointed as Director, manager or officer that is not a fit and proper person to hold the respective position.

The powers of the Monetary Authority include, *inter alia*, the power to require the substitution of Directors, to appoint a person to advise the Company on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Company. There are other remedies available to the Monetary Authority including the ability to cancel the registration of the Company and to apply to the court for approval of other actions.

BENEFICIAL OWNERSHIP REGIME

The Company is regulated as a mutual fund under the Mutual Funds Act (as revised) and, accordingly, does not fall within the scope of the primary obligations under Part XVIIIA of the Companies Act (as revised)(the "**Beneficial Ownership Regime**"). The Company is therefore not required to maintain a beneficial ownership register. The Company may,

however, be required from time to time to provide, on request, certain particulars to other Cayman Islands entities in which the Company has an interest and which are within the scope of the Beneficial Ownership Regime and which are therefore required to maintain beneficial ownership registers under the Beneficial Ownership Regime. It is anticipated that such particulars will generally be limited to the identity and certain related particulars of (i) any person holding (or controlling through a joint arrangement) a majority of the voting rights in respect of the Company; (ii) any person who is a member of the Company and who has the right to appoint and remove a majority of the Directors; and (iii) any person who has the right to exercise, or actually exercises, dominant direct influence or control over the Company.

DATA PROTECTION

The Company is committed to being a responsible custodian of the information investors provide to the Company and the information the Company collects in the course of operating the Company. The Privacy Notice, which is annexed to the subscription agreement and also available on request, sets out how the Company may collect, use and share information and describes:

- the types of information the Company may collect;
- how the Company may use the information it collects;
- how the Company may share the information it collects;
- how the Company protects and safely stores the information it collects;
- investors' choices and rights; and
- how to contact the Company if any investor requires additional information or wishes to raise a concern.

ADDITIONAL INFORMATION

All enquiries concerning the Company and the Shares, including information concerning subscription and redemption procedures and current Net Asset Value, should be sent to the Investment Manager at the address set out in the "DIRECTORY".