

The Directors of Coronation International Investment Limited (the “Company”) whose names appear in the “DIRECTORY” section of this Confidential Information Memorandum (including any Appendix hereto, the “Information Memorandum”), are the persons responsible for all the information contained in this Information Memorandum. To the best of the knowledge and belief of the directors of the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Company accept responsibility accordingly.

No application has been made for the listing of the shares of the Company (collectively, the “Shares”) on any stock exchange, although the Directors of the Company reserve the right to seek such a listing in the future if this is considered to be in the interests of the shareholders of the relevant Class or Classes or series of Shares. The Directors of the Company do not anticipate that an active secondary market will develop in the Shares.

## **CONFIDENTIAL INFORMATION MEMORANDUM**

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**Relating to**

**MULTIPLE CLASSES OF**

**REDEEMABLE PARTICIPATING SHARES**

**(TOGETHER, THE “SHARES”) IN THE CAPITAL OF**

**CORONATION INTERNATIONAL INVESTMENT LIMITED**

**AN OPEN-ENDED, MULTI-CLASS INVESTMENT COMPANY  
INCORPORATED AS AN EXEMPTED COMPANY IN THE CAYMAN ISLANDS**

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19 October 2023

The distribution of this Information Memorandum and the offering of the Shares in certain jurisdictions may be restricted. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. This Information Memorandum does not constitute (and may not be used for the purpose of) an offer or solicitation in any state or other jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

The Shares have not been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the “1933 Act”), or qualified under any applicable state statutes and may not be offered, sold or transferred in the United States (including its territories and possessions) or to or for the benefit of, directly or indirectly, any U.S. Person (as that term is defined under the “ELIGIBLE INVESTORS” section in this Information Memorandum below), except pursuant to registration or an exemption. Neither the Company nor any of the Funds (as defined below) through which the Company invests (each similarly being an exempted company with limited liability formed under the laws of the Cayman Islands or such other type and jurisdiction of subsidiary of the Company as may be determined by the Directors in their sole discretion), has been, or will be, registered under the U.S. Investment Company Act of 1940, as amended (the “1940 Act”) and investors will not be entitled to the benefits of such registration. Pursuant to an exemption from registration under Section 3(c)(7) of the 1940 Act, the Company may make a private placement of Shares to a limited category of U.S. Persons. The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.

No representations or warranties of any kind are intended or should be inferred with respect to the economic return from or the tax consequences of an investment in the Company. No assurance can be given that existing laws will not be changed or interpreted adversely. Prospective investors are not to construe this Information Memorandum as legal or tax advice. Each investor should consult his own counsel and accountant for advice concerning the various legal, tax and economic considerations relating to his investment. Each prospective investor is responsible for the fees of his own counsel, accountants and other advisors.

No offering literature or advertising in any form shall be employed in the offering of the Shares other than this Information Memorandum and the documents referred to herein. Any further distribution or reproduction of this Information Memorandum, in whole or in part, or the divulgence of any of its contents, is prohibited. A prospective investor should not subscribe for Shares unless satisfied that he and/or his investment representative have asked for and received all information which would enable him or both of them to evaluate the merits and risks of the proposed investment. The Shares are not, and are not expected to be, liquid, except as described in this Information Memorandum.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold in the United States except as permitted under the 1933 Act and applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. Each U.S. Person subscribing for Shares must agree that the Directors may reject, accept or condition any proposed transfer, assignment or exchange of those Shares. All investors in the Company have limited redemption rights, and such rights may be suspended under the circumstances described in this Information Memorandum.

Coronation International Investment Limited is an alternative investment fund for the purposes of the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the “AIFM Directive”). The AIFM Directive has been supplemented with further rules and regulations and is required to be transposed into the laws of the European Union (the “EU”) Member States. The overarching purpose of the AIFM Directive is to (a) regulate AIFMs based in the EU and (b) prohibit AIFMs from either (i) managing any alternative investment fund (“AIF”) in the EU or (ii) marketing shares in AIFs to investors in the EU unless authorised and, in the case of an AIF domiciled outside of the EU (such as the Company), unless the domicile of the AIF meets certain conditions. To obtain authorisation and to manage an AIF in the EU,

an AIFM (such as the Investment Manager) would need to comply with various obligations in relation to the AIF which may create significant additional compliance costs that may be passed to investors in the relevant AIF.

No offering of Shares may be made to the public in the Cayman Islands.

The Company falls within the definition of a "Mutual Fund" in terms of the Mutual Funds Act (as amended) of the Cayman Islands (the "Mutual Funds Act") and accordingly is regulated in terms of that Mutual Funds Act. However, the Company is not required to be licensed or employ a licensed mutual fund administrator since the minimum aggregate investment purchasable by a prospective investor in the Company is equal to or exceeds US\$100,000.00 or its equivalent in any other currency.

As a regulated mutual fund, the Company is subject to the supervision of the Cayman Islands Monetary Authority (the "Monetary Authority").

A mutual fund licence issued or a fund registered by the Monetary Authority does not constitute an obligation of the 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 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.

There is no investment compensation scheme available to investors in the Cayman Islands.

No information herein contained shall constitute advice to a proposed investor in respect of his personal position. Any person interested in subscribing for Shares should consult his professional advisers on matters referred to in this Information Memorandum. Persons interested in subscribing for Shares should inform themselves as to (a) the legal requirements within the countries of their nationality, residence or domicile of such acquisition, (b) any foreign exchange restriction or exchange control requirements which they might encounter on the acquisition, holding, redemption or disposal of Shares and (c) the tax consequences which might be relevant to the acquisition, holding, redemption or disposal of Shares in the Company.

No person other than the Company has been authorised to make representations or give any information, with respect to Shares, except the information contained herein, and any information or representation not contained herein or otherwise supplied by the Company must not be relied upon as having been authorised by the Company or any of its Directors. Neither the delivery of this Information Memorandum nor the allotment or issue of Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Funds since the date hereof.

The following statements are required to be made under applicable regulations of the U.S. Commodity Futures Trading Commission ("CFTC"). As the Company and each of the Funds are collective investment vehicles that may make transactions in commodity interests, the Company is considered to be a "commodity pool". The Investment Manager is the commodity pool operator ("CPO") with respect to the Company.

Pursuant to CFTC Rule 4.13(a)(3), the Investment Manager is exempt from registration with the CFTC as a commodity pool operator. Therefore, unlike a registered CPO, the Investment Manager is not required to deliver a disclosure document and a certified annual report to a shareholder in the Company. The Investment Manager qualifies for such exemption based on the following criteria: (i) the Shares in the Company are exempt from registration under the 1933 Act and are offered and sold without marketing to the public in the United States; (ii) the Company meets the trading limitations of either CFTC Rule 4.13(a)(3)(ii)(A) or (B); (iii) the CPO reasonably believes, at the time a U.S. Person investor makes his investment in the Company (or at the time the CPO began to rely on Rule 4.13(a)(3)), that each U.S. Person

investor in the Company is (a) an “accredited investor,” as defined in Rule 501(a) of Regulation D under the 1933 Act, (b) a trust that is not an accredited investor but that was formed by an accredited investor for the benefit of a family member, (c) a “knowledgeable employee,” as defined in Rule 3c-5 under the 1940 Act, or (d) a “qualified eligible person,” as defined in CFTC Rule 4.7(a)(2)(viii)(A); and (iv) shares in the Company are not marketed as or in a vehicle for trading in the commodity futures or commodity options markets.

**There are significant risks associated with an investment in the Company. Investment in the Company may not be suitable for all investors. It is intended for sophisticated investors who can accept the risks associated with such an investment including a substantial or complete loss of their investment. There can be no assurance that the Company (including acting or investing through any one or more Funds) will achieve its investment objectives. Each prospective investor should carefully review this Information Memorandum and carefully consider the risks before deciding to invest. The attention of investors is also drawn to the sections “RISK FACTORS AND CONFLICTS OF INTEREST” of this Information Memorandum.**

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## DIRECTORY

### Directors of the Company and the Funds

**Bryan Melville**, 7th Floor, St Albans House, 57-59 Haymarket, London SW1Y 4QX, UK.

**Claris Ruwende**, Suite 5B201, 2<sup>nd</sup> Floor, One Nexus Way, Camana Bay, P.O. Box 2587, Grand Cayman, KY1-1103, Cayman Islands.

**Ivana Faltysova**, Suite 5B201, 2<sup>nd</sup> Floor, One Nexus Way, Camana Bay, P.O. Box 2587, Grand Cayman, KY1-1103, Cayman Islands.

### Registered Office of the Company and the Funds

Waystone Corporate Services (Cayman) Ltd  
Suite 5B201, 2<sup>nd</sup> Floor, One Nexus Way  
Camana Bay, P.O. Box 2587  
Grand Cayman,  
KY1-1103  
Cayman Islands

### Administrator to the Company and the Funds

J.P. Morgan Administration Services (Ireland) Limited  
200 Capital Dock,  
79 Sir John Rogerson's Quay  
Dublin 2  
DO2 RK 57  
Republic of Ireland

### Investment Manager to the Company and the Funds

Please refer to the Appendix in respect of the Company and each Fund

### Auditors to the Company and the Funds

KPMG  
SIX Cricket Square, George Town,  
Grand Cayman  
KY1-1106  
Cayman Islands

### Custodian to the Funds

JPMorgan Chase Bank, N.A.,  
London Branch,  
25 Bank Street,  
Canary Wharf,  
London E14 5JP  
United Kingdom

### Corporate Service Provider to the Company and the Funds

Waystone Corporate Services (Cayman) Ltd  
Suite 5B201, 2<sup>nd</sup> Floor, One Nexus Way  
Camana Bay, P.O. Box 2587  
Grand Cayman,  
KY1-1103  
Cayman Islands

### Legal Advisors to the Company and the Funds

*As to English and U.S. law:*

Dechert LLP,  
160 Queen Victoria Street,  
London  
EC4V 4QQ  
United Kingdom

*As to Cayman Islands law:*

Walkers,  
190 Elgin Avenue,  
George Town, Grand Cayman  
KY1-9001  
Cayman Islands

## DEFINITIONS

The following terms when used in this Information Memorandum have the meanings specified below:

“Act”	the Companies Act (as amended) of the Cayman Islands and any amendment or other statutory modification thereof and where in this Information Memorandum any provision of the Act is referred to, the reference is to that provision as modified by any law for the time being in force;
“Appendix”	the appendix of this Information Memorandum entitled "APPENDIX 1 – FUNDS INFORMATION" which sets forth certain information in respect of each Fund from time to time and those Class or Classes of Shares (as the case may be) which correspond to each such Fund (and which may be amended and restated from time to time in the sole discretion of the Directors in order to reflect those Funds in active existence from time to time);
“Administration Agreement”	the administration agreement between the Administrator, the Company and each Fund, as may be amended and/or restated from time to time;
“Administrator”	J.P. Morgan Administration Services (Ireland) Limited;
“Application Form”	the application form for Shares available from the Administrator which may comprise of a non-U.S. Person Application Form and a U.S. Person Application Form, respectively or may be in such other form as approved by the Directors;
“Articles”	collectively, the Memorandum and Articles of Association of the Company as may be amended and/or restated from time to time and in force.
“Auditors”	the auditors of the Company and each Fund duly appointed from time to time by the Company and each Fund (in the sole discretion of the Directors) and as at the date of this Information Memorandum, KPMG.
“Benefit Plan Investor”	as defined under the “ELIGIBLE INVESTORS” section of this Information Memorandum;
“Base Currency”	the currency in which different Classes may be denominated by the Directors;
“Business Day”	any week day (Monday to Friday) on which banks are open for ordinary business in Dublin and/or such other days or further days and/or such other places as the Directors may from time to time determine;
“CFTC”	the U.S. Commodity Futures Trading Commission;
“Class”	A class of Shares, the rights, entitlements, obligations and attributes of which shall be as set out in this Information

	Memorandum and, insofar as corresponding with a Fund, more specifically in the applicable section of the Appendix;
“Code”	the Internal Revenue Code of 1986, as amended;
“Company”	Coronation International Investment Limited and, as the context may require, including the Company acting or investing through any one or more Funds;
“Corporate Service Provider”	Waystone Corporate Services (Cayman) Ltd;
“Covered Person”	as defined under FINRA Rule 5131. Covered Persons are, generally, directors and executive officers of certain public companies and covered non-public companies. A more detailed definition of “Covered Person” is contained in the Application Form;
“CPO”	means commodity pool operator;
“Custodian”	JPMorgan Chase Bank, N.A., London Branch, the duly appointed custodian of each Fund;
“Custody Agreement”	the global custody agreement between the Custodian, the Company and each Fund, as may be amended and/or restated from time to time;
“Dealing Day”	a day on which Shares of each Class or Series thereof may be subscribed and/or redeemed as set out in the applicable section of the Appendix for a particular Class or Series thereof (and corresponding underlying Fund) and/or such other, alternative or further day or days as the Directors may from time to time determine in their sole discretion in relation to Shares of each such Class or Series thereof (and corresponding underlying Fund);
“Directors”	the board of directors of the Company and/or, as the context requires, each Fund including any duly authorised committees thereof;
“ERISA”	the U.S. Employee Retirement Income Security Act of 1974, as amended;
“Founder Shares”	the voting non-participating shares of a nominal or par value of US\$1.00 each in the capital of the Company (as more fully described in the section headed “CLASS STRUCTURE” and elsewhere in this Information Memorandum);
“FINRA”	the U.S. Financial Industry Regulatory Authority;
“FSCA”	the Financial Sector Conduct Authority of South Africa or any successor body thereto;
“Fund”	a wholly owned, special purpose subsidiary of the Company, as may be established by the Company (as a Cayman Islands exempted limited (or other jurisdiction and



type) company) from time to time in the sole discretion of the Directors, each of which will hold investments associated with a different Class or Classes (as more fully described in the section headed “CLASS STRUCTURE” and elsewhere in this Information Memorandum, including in particular with respect to each Fund, in the Appendix);

“IFRS”

International Financial Reporting Standards;

“Investment Manager”

an investment manager appointed by the Company and (or in relation to) any particular Fund in the sole discretion of the Directors to provide investment management services in relation to the Company and such Fund as more fully described in the Appendix with respect to that particular Fund;

“Investment Management Agreement”

a discretionary investment management agreement entered into between, inter alios as the case may be, an Investment Manager, the Company in respect of a particular Fund and that Fund as more fully described in the Appendix with respect to such Fund, as may be amended and/or restated from time to time;

“Management Fee”

any investment management fee payable to an Investment Manager in respect of any Class or Series thereof (and corresponding underlying Fund) as set out in the “FEES AND EXPENSES” section of this Information Memorandum and the applicable section of the Appendix for a particular Class or Series thereof (and corresponding underlying Fund), as the case may be;

“Mutual Funds Act”

The Mutual Funds Act of the Cayman Islands (as amended) and any amendment or other statutory modification thereof;

“Net Asset Value”

as the context requires, the net asset value of one or more of the Funds and/or the net asset value of any given Class and/or Series thereof (as the case may be) calculated as referred to herein (and broadly computed as the assets of the Fund, Class or Series, as the case may be, less the liabilities thereof);

“Net Asset Value per Share”

the Net Asset Value of a Class or Series divided by the number of Shares issued in that Class or Series, in each case rounded up or down to such number of decimal places as the Directors may determine in their sole discretion;

“New Issues”

as defined pursuant to FINRA Rule 5130 to include any initial public offering of an equity security as defined in Section 3(a)(11) of the U.S. Securities Exchange Act of 1934 made pursuant to a registration statement or offering circular;

“Performance Fee”

any performance related fee payable to an Investment Manager in respect of any Class or Series thereof (and corresponding underlying Fund) as set out in the “FEES

	AND EXPENSES” section of this Information Memorandum and the applicable section of the Appendix for a particular Class or Series thereof (and corresponding underlying Fund), as the case may be;
“Portfolio”	the portfolio of assets of each Fund managed in accordance with the investment objective and policy applicable to a given Fund or Funds as set out in the applicable section(s) of the Appendix;
“Restricted Person”	as defined under FINRA Rule 5130. Restricted Persons are, generally, FINRA members and other broker-dealers, their officers, directors, employees and affiliates, and persons having portfolio management responsibility for collective investment vehicles or financial or other institutions, as well as certain immediate family members of such persons. A more precise definition of Restricted Person is contained in the Application Form;
“SEC”	the U.S. Securities and Exchange Commission;
“Series”	a series of a Class designated or issued on a Dealing Day and identifiable by its date of designation or issue;
“Shares”	the redeemable participating shares of a nominal or par value of US\$0.01 each in the capital of the Company (or any fraction thereof) which may be designated and issued by the Directors in their sole discretion in one or more Classes or Series and in addition, where the context so requires, the corresponding shares in the capital of a particular Fund, issued by that Fund to the Company to which Shares of a particular Class or Series issued by the Company are attributable;
“Shareholders”	holders of Shares;
“United Kingdom”; “U.K.”	the United Kingdom of Great Britain and Northern Ireland;
“United States”; “U.S.”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
“U.S. Person”	as defined under the “ELIGIBLE INVESTORS” section of this Information Memorandum;
“U.S. Taxpayer”	as defined under the “ELIGIBLE INVESTORS” section of this Information Memorandum;
“Valuation Day”	the day as provided under the “CALCULATION OF NET ASSET VALUE AND SUBSCRIPTION AND REDEMPTION PRICES: Calculation of Net Asset Value” section of this Information Memorandum below and as may otherwise be provided for in respect of a given Fund, Class or Series thereof as set out in the applicable section of the Appendix, with reference to which the assets and liabilities

of each Fund and each Class or Series thereof, respectively, will be valued for the purposes of calculating the Net Asset Value of each Fund and each Class or Series thereof, respectively; including each Dealing Day (and/or such other, alternative or further day or days as the Directors may from time to time determine in their sole discretion in relation to each Fund and each Class or Series thereof);

“Valuation Point”

close of business in the relevant market on each Valuation Day of a particular Fund or such other or additional time as the Directors may from time to time determine in their sole discretion;

“1933 Act”

the U.S. Securities Act of 1933, as amended; and

“1940 Act”

the U.S. Investment Company Act of 1940, as amended.

All references herein to “US dollars” or “\$” are to United States dollars.

## SUMMARY

The following is a summary of certain key information concerning the Company and the Funds and the offering of multiple Classes (and Series thereof as applicable). This Summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum and in addition, the Articles.

### **The Company**

Coronation International Investment Limited is an open-ended multi-class investment company incorporated as an exempted company with limited liability in the Cayman Islands on 31 January 2014 under the provisions of the Act (registered no. WK-284759).

The Company is a “mutual fund” for the purposes of the Mutual Funds Act.

The Company seeks to achieve its various investment objectives through investing all or substantially all of its assets through one or more Funds. Investment management of the Company’s underlying assets takes place at the level of each Fund and the contents of this Information Memorandum (including with respect to investments through Funds) shall be construed accordingly.

The Company primarily provides a suite of investment opportunities and underlying investment strategies, each of which will be pursued and operated through a separate Fund, collectively designed to meet a variety of needs of the Company's Shareholders and prospective investors.

### **Fund and Class Structure**

Investment in the Company may be made through one or more Classes, each of which is issued in respect of and otherwise attributable to, a particular Fund. For the avoidance of doubt, more than one Class may be issued in respect of, and otherwise attributable to, a particular Fund.

The net proceeds from the sale of each Class will be segregated into separate funds in the books and records of the Company and invested in the applicable, corresponding underlying Fund, which will be maintained separately in support of such Class. In this way, the assets of one Class (and corresponding interest in the Fund to which such Class is attributed) may be applied only to meet the liabilities of that Class and not those of any other Class, whether attributable to the same Fund or attributable to any other Fund (commonly referred to as “ring-fencing” the assets and liabilities of the Company attributable to each Class and the corresponding interest in the Fund to which such Class is attributed). It should be noted, however, that the possibility of “cross-liability” among different Classes at the Company level is not entirely eliminated by this Class by Class, Fund by Fund structure. At the date of this Information Memorandum, the Directors are not aware of any existing or contingent liability between any Fund or between any Class, whether attributable to the same Fund or attributable to any other Fund.

The Directors have created or will in the future create multiple Classes and corresponding Funds to which such Classes are or will be attributed, in order to cater to a variety of investment strategies.

As indicated, further, additional Classes may be created in order to cater to other or the same investment strategies in the sole discretion of the Directors. It therefore follows that in the sole discretion of the Directors further, additional and separate Funds may be established and maintained by the Company for each new Class, or more than one Class. Investors will invest in a particular Fund and be exposed to the underlying investment objective, strategy and policy of that underlying Fund indirectly, by subscribing for Shares of the Class or Classes associated with or otherwise attributable to that underlying Fund; and such investors will not invest directly in the applicable Fund itself.

**Investment Objectives and Policies**

Certain Funds may invest in direct equity securities, debt securities, currencies and financial derivative instruments. Certain Funds may allocate assets to established collective investment schemes (or funds) or to independent portfolio managers operating discretionary direct investment accounts. A description of each Fund's investment objective and policy is set out in the Appendix.

The investment profile of each Fund may be varied from time to time, in line with prevailing market conditions and, where appropriate, existing investment positions may be hedged against adverse political, market or other relevant circumstances. The investments of each Fund may be in listed or unlisted instruments, and securities may or may not be of investment grade.

It should be noted that, where such action is considered to enhance the ability of a particular Fund to achieve its investment objective, that Fund might invest in one or more other Funds.

There can be no assurance that a Fund will achieve its investment objectives.

**Accumulation/Dividend Policy**

Although the Company has the power to pay dividends, it is not intended that dividends will be declared and paid on Shares. Rather, all net income and net realised investment gains will be reinvested and reflected in the Net Asset Value of Shares unless the Appendix indicates a different dividend policy for any Class and corresponding Fund. Accordingly, an investment in the Company may not be suitable for investors seeking regular dividends or distributions of income generated by the Company's investments.

**Management**

The Directors of the Company and each Fund are ultimately responsible for the management of the Company and each Fund, respectively.

The Company has appointed or shall appoint, subject to the Directors' sole discretion, responsibility and supervision, an Investment Manager in respect of or to each Fund, in order to manage the assets of that Fund for an on behalf of that Fund and the Company.

The details of each Investment Manager appointed in respect of a particular Fund, will be set out in the applicable section of the

Appendix which otherwise sets out the details and terms of that Fund and the corresponding Class or Classes attributable thereto.

**Administrator**

J.P. Morgan Administration Services (Ireland) Limited has been appointed as the administrator to the Company and is or will be appointed as the administrator of each Fund, unless otherwise specified in the Appendix.

**Custodian**

JPMorgan Chase Bank, N.A., London Branch has been or will be appointed to act as custodian to each Fund.

**Management Fee;  
Performance Fee**

A Fund may be required to pay to its Investment Manager a fee, the details of which, including the amount, method of calculation and frequency of the payment of which, shall be set out in the applicable section of the Appendix which relates to that Fund; provided that any investment made by one Fund in one or more other Funds will not be subject to any fee otherwise payable in respect of such other Fund in accordance with the terms set out in the applicable section of the Appendix.

Any agreed fee amounts or percentages, as applicable, may be reduced by agreement between any particular Fund and its Investment Manager in appropriate circumstances and in the absolute discretion of that Fund and the Investment Manager.

Investment Managers shall also be entitled to be reimbursed expenses properly incurred by them on behalf of the Funds to which they are appointed to act, in the performance of their respective duties and obligations under the corresponding, applicable Investment Management Agreement.

Investment Managers shall discharge the fees of any sub-investment manager appointed by them (in respect of any particular Fund) out of their respective investment management fees, unless agreed otherwise between a particular Investment Manager and the sub-investment manager appointed by it, in their sole discretion.

**Anti-dilution levy**

In respect of any Fund, the Directors may charge or impose an anti-dilution levy, representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold) and dealing costs relating to the acquisition or disposal of assets, in the event of receipt for processing of net subscription and/or net redemption requests to be effected as of a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund into another Fund). Any such anti-dilution levy shall be over and above the redemption charges referred to below and where applicable, in the Appendix.

Further details concerning any such anti-dilution levy can be found under the “FEES AND EXPENSES” section of this Information Memorandum and in the Appendix in relation to any particular Fund which charges any such anti-dilution levy.

<b>Redemption Charges</b>	Over and above any applicable anti-dilution levy as referred to above and particularized, where applicable, in the Appendix in respect of any particular Class and corresponding Fund, a redemption charge may be further deducted from the redemption proceeds from corresponding redeemed Shares in the sole discretion of the Investment Manager appointed by or to that particular Fund (as detailed in the applicable section of the Appendix wherever so relevant), it being understood that such Investment Manager at its sole discretion may waive such charge or differentiate between redeeming Shareholders as to the amount of such charge within the permitted limit. Such redemption charge (if applicable) shall be paid to the relevant Investment Manager of the applicable Fund for its absolute use and benefit and shall not form part of the assets of the Company or that Fund unless stated to the contrary in the Appendix.
<b>Other Charges and Expenses</b>	Other Company and Fund operating costs and expenses including the fees of the Directors, the Administrator and the Custodian are set out under the “FEES AND EXPENSES” section of this Information Memorandum.
<b>Eligible Investors</b>	<p>Investors may participate in the Company through subscriptions for Shares insofar as made available for offer pursuant to the terms of the Appendix (and otherwise this Information Memorandum) from time to time.</p> <p>Shares in the Company will generally be available to:-</p> <ul style="list-style-type: none"> <li>(i) non-U.S. Persons completing, to the satisfaction of the Company, the Application Form for Shares for Non-U.S. Persons; and</li> <li>(ii) U.S. Persons completing, to the satisfaction of the Company, the Application Form for Shares for U.S. Persons on a private placement basis pursuant to Regulation D under the 1933 Act.</li> </ul> <p>Investors are referred to the “ELIGIBLE INVESTORS” section of this Information Memorandum for information relating to their prospective eligibility to invest in the Company and its various Classes.</p>
<b>Subscription and Redemption Dealing Days</b>	The subscription and redemption Dealing Days in respect of a particular Class and corresponding Fund are more fully set out and detailed in the applicable section of the Appendix.
<b>Subscriptions</b>	Eligible investors may apply to subscribe for Shares of a particular Class in accordance with the procedures and requirements therefor as set out in the corresponding and applicable section of the Appendix.
<b>Minimum Investment</b>	The minimum initial and minimum additional investments, if any, for each Class, payable in full (net of any initial charge and bank charges) shall be as set out in each corresponding section of the Appendix.

The minimum initial investment amounts and minimum additional investment amounts for each Class may be increased or waived, in each case in the sole discretion of the Directors, either generally or in specific cases. Notwithstanding the foregoing, the minimum initial investment for any Class, notwithstanding any other provision of this Information Memorandum to the contrary, may not be less than US\$100,000 (or its currency equivalent).

## **Redemptions**

Shareholders holding Shares of a particular Class may request the redemption of all or some of their Shares on any applicable Dealing Day in accordance with the procedures and requirements therefor as set out in the corresponding and applicable section of the Appendix.

The terms relating to the payment of redemption proceeds for any particular Class shall also be as set out in the applicable section of the Appendix.

The Directors may also limit the value of redemptions of Shares and redemptions of Shares on any Dealing Day to 10 per cent. of the total number of all Shares then in issue (or the total number of all Shares of the affected Class or Series then in issue or the total value of all Shares of all Classes and Series attributable to a particular Fund then in issue) (or such higher percentage as the Directors may, in their absolute discretion, determine) in circumstances where the Directors believe that owing to their perception of the liquidity of the underlying investments of the Company taken as a whole or those of a particular Fund or Funds, such an action would be in the overall interests of investors (taken as a whole or of a particular affected Class or Classes, as the case may be). Where this limitation applies, redemptions will be on a *pro rata* basis and any redemptions which for this reason do not occur on any particular Dealing Day shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all the affected Shares to which the original request related have been redeemed. Requests for redemption which have been carried forward from an earlier Dealing Day shall rank equally with requests for redemption for a later Dealing Day or, at the Directors' discretion, may be treated with priority. The Directors shall notify investors in the event that any redemption requests are deferred.

The Directors also have powers of compulsory redemption in the circumstances set out under the "COMPULSORY REDEMPTION AND TRANSFER" and under the "CONSTITUTION OF THE COMPANY: Articles of Association: *Compulsory Redemption of Shares*" sections of this Information Memorandum.

## **Tax Status of the Fund**

A description of the tax status of the Company is set out under the "COMPANY AND SHAREHOLDER TAX CONSIDERATIONS" section of this Information Memorandum.

## **Listing**

No application has been made for the listing of the Shares on any stock exchange, although the Directors reserve the right to seek such a listing in the future if this is considered to be in the interests of the Company and/or the relevant Fund.



<b>Fiscal Year and Annual Reports</b>	The Company's fiscal year ends on 30 September of each year. An annual report and annual audited financial statements will be sent to Shareholders as soon as practicable and in any event within six months of the end of the fiscal year.
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## **RISK FACTORS**

**There are significant risks associated with an investment in the Company. The investment may not be suitable for all investors. It is intended for sophisticated investors who can accept the risks associated with such investment including a substantial or complete loss of their investment. There can be no assurance that the Company (including acting or investing through any one or more Funds) will achieve its investment objectives. Each prospective investor should carefully review this Information Memorandum and carefully consider the risks before deciding to invest. The attention of investors is also drawn to the sections "Risk Factors" and "Conflicts of Interest" in this Information Memorandum.**

## **THE COMPANY AND THE FUNDS**

Coronation International Investment Limited is an open-ended multi-class investment company incorporated as an exempted company with limited liability in the Cayman Islands on 31 January 2014 under the provisions of the Act (registered no. WK-284759).

The Company is a “mutual fund” for the purposes of the Mutual Funds Act.

The Company seeks to achieve its various investment objectives through investing all or substantially all of its assets through one or more Funds. Investment management of the Company’s underlying assets takes place at the level of each Fund and the contents of this Information Memorandum (including with respect to investments through Funds) shall be construed accordingly.

The Company primarily provides a suite of investment opportunities and underlying investment strategies, each of which will be pursued and operated through a separate Fund, collectively designed to meet a variety of needs of the Company's Shareholders and prospective investors.

In addition to the above, the Company may also undertake investments in direct equity securities, debt securities and financial derivative instruments.

Neither the Company, nor any Fund, has established or is expected to establish a place of business outside the Cayman Islands.

The objects for which the Company and each of the Funds are established, as set out in the Articles and the equivalent constitutional documents of each Fund, are unrestricted and the Company and each Fund shall have full power and authority to carry out any object not prohibited by law as provided for by the Act (or any analogous legislation).

References throughout this Information Memorandum to the investment objective, policy, restrictions and risk factors of the Company will also refer to the investment objective, policy, restrictions and risk factors of each Fund.

The Directors, who have overall responsibility for the establishment and supervision of the Company’s investment objectives and policies, are (or it is anticipated will be) also the directors of each Fund. Details of the Directors of the Company and each Fund are set out under the “MANAGEMENT: Directors” section of this Information Memorandum.

## **CLASS STRUCTURE**

The authorised share capital of the Company is US\$1,000,000 comprising 99,990,000 redeemable participating Shares of a nominal or par value of US\$0.01 each and 100 Founder Shares of US\$1.00 each.

Investment in the Company may be made through one or more Classes, each of which is issued in respect of and otherwise attributable to, a particular Fund. The Articles empower the Directors to create and issue the Shares in such Classes or Series as they shall determine, with each Class or Series being denominated in a Base Currency specified by the Directors in their sole discretion.

The Directors have the power to issue and redeem the Shares at prices based on their underlying Net Asset Value (calculated as more fully described herein) and otherwise as described herein.

The net proceeds from the sale of each Class will be segregated into separate funds in the books and records of the Company and invested in the applicable, corresponding underlying Fund, which will be maintained separately in support of such Class. In this way, the assets of one Class (and corresponding interest in the Fund to which such Class is attributed) may be applied only to meet the liabilities of that

Class and not those of any other Class, whether attributable to the same Fund or attributable to any other Fund (commonly referred to as “ring-fencing” the assets and liabilities of the Company attributable to each Class and the corresponding interest in the Fund to which such Class is attributed). It should be noted, however, that the possibility of “cross-liability” among different Classes at the Company level is not entirely eliminated by this Class by Class, Fund by Fund structure. At the date of this Information Memorandum, the Directors are not aware of any existing or contingent liability between any Fund or between any Class, whether attributable to the same Fund or attributable to any other Fund.

The Directors have created or will in the future create multiple Classes and corresponding Funds to which such Classes are or will be attributed, in order to cater to a variety of investment strategies. As indicated, further, additional Classes may be created in order to cater to other or the same investment strategies in the sole discretion of the Directors. It therefore follows that in the sole discretion of the Directors further, additional and separate Funds may be established and maintained by the Company for each new Class, or more than one Class. Investors will invest in a particular Fund and be exposed to the underlying investment objective, strategy and policy of that underlying Fund indirectly, by subscribing for Shares of the Class or Classes associated with or otherwise attributable to that underlying Fund; and such investors will not invest directly in the applicable Fund itself.

The terms and conditions of the offer of the Shares of each Class and those of the Fund to which such Class shall be attributed shall be as provided for in this Information Memorandum and the corresponding, applicable section of the Appendix. As such the terms of this Information Memorandum with respect to a given Class and corresponding Fund must at all times be considered and construed with reference to, and subject always to, the fuller Class and Fund specific terms of the aforesaid applicable section(s) of the Appendix. Details of the Classes currently in issue, and of the associated Funds, may also be obtained from the Administrator.

The Directors may in their sole discretion also permit investment in the Company or a Fund through one or more feeder investment funds or through direct subscriptions for shares in the capital of any Fund where this is considered appropriate in the sole discretion of the Directors.

Generally, in respect of certain performance fee paying Classes as may be detailed in the Appendix, Shares may be issued in Series of each Class in order to facilitate the equitable application of any performance fee which may be charged to the relevant Class. In such event, an initial Series of Shares for each relevant performance fee-paying Class as set out in the relevant section of the Appendix will be issued on the launch date for such Class.

The Directors have absolute discretion to decline to redeem Shares and have the power to suspend redemptions at their discretion in certain circumstances as further described in this Information Memorandum.

Although not envisaged at the date of this Information Memorandum, the Directors nonetheless reserve the right to seek a listing in the future for the Shares or the shares in the capital of any Fund on any stock exchange when this is considered to be in the best interests of investors of the relevant Class or Classes. In such event the Company and/or the relevant Fund(s) may become subject to investment restrictions and other constraints to which it/they would not otherwise be subject which may include, without limitation, becoming required to restrict its/their exposure to any single counterparty and the proportion of its/their assets invested in securities issued by any one issuer and being prohibited from entering into any transaction which may result in the Company and/or the relevant Fund taking legal or management control of any underlying investment.

## **BASE CURRENCY OF EACH CLASS AND FUND**

The Base Currency of each Class and corresponding Fund shall be set out in the applicable section of the Appendix.

A Fund may hold assets denominated in currencies other than the Base Currency of that Fund and may enter into foreign exchange transactions selectively with the aim of enhancing or maintaining the value of the applicable portion of the Portfolio in absolute terms.

In addition, generally wherever appropriate, the Company and/or each Fund may engage in currency hedging operations in relation to a particular Class with a view to mitigating, so far as practicable, the effect of currency movements between the Base Currency of that Class and the currency in which any particular portion of the Portfolio attributable to that Class is denominated, insofar as that currency differs to the aforesaid Base Currency. The benefits, losses and expenses relating to such hedging transactions shall be for the account of the relevant Class. Although the Company may enter into hedging transactions, it is not obliged to do so and will only do so as determined by the Investment Manager of the applicable Fund in its sole discretion.

Where applicable to a particular Class (or Classes) and corresponding Fund, further details regarding such hedging strategies and policies will be set out in the applicable section of the Appendix.

No assurance can be given that such currency hedging strategies and policies, if conducted, will be successful.

Any reference to the “currency equivalent” in this Information Memorandum shall mean the currency equivalent as determined by the Directors in their sole discretion from time to time.

## INVESTMENT OBJECTIVE AND INVESTMENT POLICY

### Investment Objectives and Policies

Certain Funds may invest in direct equity securities, debt securities, currencies and financial derivative instruments. Certain Funds may allocate assets to established collective investment schemes (or funds) or to independent portfolio managers operating discretionary direct investment accounts. A description of each Fund's investment objective, policy and any restrictions which may be applicable to a given Fund's operations or investments is set out in the Appendix.

The investment profile of the Company and each Fund may be varied from time to time, in line with prevailing market conditions and, where appropriate, existing investment positions may be hedged against adverse political, market or other relevant circumstances. The investments of the Company and each Fund may be in listed or unlisted instruments, and securities may or may not be of investment grade.

It should be noted that, where such action is considered to enhance the ability of a particular Fund to achieve its investment objective, that Fund might invest in one or more other Funds.

Any change or amendment to a Fund's investment objective, policy or restrictions may be made following prior written notice to Shareholders of the applicable corresponding Class or Classes.

**There can be no assurance that the Company will achieve its investment objectives, including on a Fund by Fund basis.**

### Investment in New Issues

Although not envisaged at the date of this Information Memorandum, the Company may, but is not required to, invest in New Issues. Investment in New Issues may be limited by rules imposed by FINRA, which seek to provide that investment in New Issues by an entity such as the Company or any Fund through which the Company invests and operates is only permissible where beneficial ownership by Restricted Persons does not exceed ten per cent. of the Company's or applicable Fund's assets. In addition, current FINRA Rules also provide that allocations of profits and losses from New Issues to the accounts of Covered Persons are only permissible where beneficial ownership by Covered Persons does not exceed in the aggregate 25 per cent. of the Company's or a Fund's assets.

Each investor in the Company must provide information regarding whether or not it is a Restricted Person at the time of its investment, and will be required to update such information periodically thereafter. Certain investors, such as other investment funds, may be required to provide additional information regarding their ownership by Restricted Persons in order to enable the Company to make a determination whether such investor should be regarded as a Restricted Person. In any case where the Company has requested but not received information sufficient enough for it to reasonably determine that an investor is not a Restricted Person, the Company may treat such investor as a Restricted Person.

## ACCUMULATION/DIVIDEND POLICY

Although the Company has the power to pay dividends, it is not intended that dividends will be declared and paid on Shares. Rather, all net income and net realised investment gains will be reinvested and reflected in the Net Asset Value of Shares unless the Appendix indicates a different distribution or dividend policy for any Class and corresponding Fund (in which case the applicable section of the Appendix which relates to a particular Class and corresponding Fund may also contain certain specific terms and conditions applicable to the particular Class and Fund insofar as relates to distributions and/or dividends).

Accordingly, an investment in the Company may not be suitable for investors seeking regular dividends or distributions of income generated by the Company's investments.

In the event that dividends are declared and paid, Shareholders may elect that they be applied to the purchase of additional Shares rather than being paid in cash. Any distribution and/or dividend unclaimed for a period of twelve years from the date of declaration of such distribution and/or dividend shall be forfeited and shall revert to the Company.

The amount, if any, to be distributed as dividends shall be determined at the sole discretion of the Directors. Dividends will be calculated and paid in accordance with the relevant Fund's Memorandum and Articles of Association (or equivalent constitutional documents, as the case may be) and in turn, the Articles.

The Directors will notify the Shareholders of any change in the above policies.

## **MANAGEMENT**

### **Directors**

The Directors of the Company and each Fund are responsible for the management of the Company and each Fund respectively. The Directors may appoint other parties and have appointed (and will appoint in respect of future Funds established by the Company), subject to their responsibility and supervision, one or more Investment Managers in order to manage the assets of the applicable Fund to which they are appointed.

The Directors of the Company and each Fund, respectively, are:

#### **Bryan Melville**

Bryan Melville is the Chief Executive Officer of Coronation International Limited. Mr. Melville joined Coronation Asset Management (Proprietary) Limited in South Africa in July 1997. In January 1999 he was appointed as Operations Manager of Coronation Global Limited (now Coronation Global Fund Managers (Ireland) Limited). Mr. Melville was appointed to the post of Chief Operations and Financial Officer in Coronation International Limited in January 2001. He then moved to Coronation Global Fund Managers (Ireland) Limited in January 2004 where he held the position of Managing Director until February 2006. At that time he moved to Coronation International Limited to act as a research analyst for their fund of fund products and was thereafter appointed to his current position. Prior to working at Coronation, he was an Assistant Audit Manager at KPMG Cape Town.

Mr Melville serves the Company and each Fund in an executive capacity.

#### **Claris Ruwende**

Claris Ruwende is an Independent Director with Waystone Governance Ltd. Based in the Cayman Islands office, she provides independent director services to hedge, private equity, private credit and real estate funds with a wide variety of structures and strategies.

A Chartered Accountant and CFA Charterholder, Ms. Ruwende brings with her extensive experience in offshore financial services and a strong working knowledge of the regulatory environment impacting hedge funds and securities investment business in the Cayman Islands and other jurisdictions.

Previously, Ms. Ruwende held the position of Chief Analyst at the Cayman Islands Monetary Authority, where she led the securities supervision division team in carrying out a full range of supervisory and regulatory functions to ensure the compliance of licensees and registrants. Ms. Ruwende spent 11 years working at MUFG Alternative Funds Services (Cayman) Limited, initially as a Deputy Group Head in

fund administration; managing client relationships and leading a team responsible for a diverse portfolio of mutual funds. She later served as a Change/Project Manager, responsible for defining and streamlining business processes and the execution of various projects.

Earlier in her career, Ms. Ruwende worked as an Audit Senior Accountant at KPMG, Cayman Islands and she started her career with Ernst & Young in Harare, Zimbabwe.

Ms. Ruwende is a Registered Director with the Cayman Islands Monetary Authority and is also a member of the CFA Institute, the CFA Society of the Cayman Islands, the Cayman Islands Institute of Professional Accountants, the Institute of Chartered Accountants of Zimbabwe and 100 Women in Finance.

### **Ivana Faltysova**

Ivana Faltysova is a Managing Director in the Cayman Islands office of Waystone. Ms. Faltysova has extensive experience in the financial sector and fund governance industry with a practice that includes a broad range of sophisticated private investment vehicles with varying structures and strategies.

Ms. Faltysova has legal background and prior experience in investment management operations as well as professional fiduciary experience of more than twelve years.

Prior to joining Waystone in 2011, Ms. Faltysova worked as in-house counsel at Horizon21, a Swiss-based investment manager. During her tenure she looked after legal matters of hedge funds, fund of funds and private equity funds with total AUM of US\$10 billion. She is experienced in fund set up and structuring, complex transactional documentation, investment legal due diligence, side letters negotiations as well as regulatory matters and overall fund governance policies. Ivana relocated to Cayman Islands in 2009 to head the Cayman Islands operations and served as a director on boards of over 30 investment vehicles managed by the same company.

In addition, Ms. Faltysova held a position of Trust Officer at Royal Trust Corporation of Canada, during her time in Canada from 2012 to 2013, where she was responsible for discretionary management and administration of a book of estates and trusts.

Ms. Faltysova is a Registered Director with the Cayman Islands Monetary Authority, serves on the Peer Engagement Committee of 100 Women in Finance and is a member of the Cayman Islands Director Association. Ms. Faltysova holds Master of Laws degree from Comenius University, Slovakia and qualified as an Accredited Director of the Chartered Secretaries of Canada.

### **Investment Management**

As noted above, the Company has appointed or shall appoint, subject to the Directors' sole discretion, responsibility and supervision, an Investment Manager in respect of or to each Fund, in order to manage the assets of that Fund for an on behalf of that Fund and the Company; and subject to and in accordance with the corresponding Investment Management Agreement entered into between, inter alios, the Company and the applicable Investment Manager of that Fund.

The details of each Investment Manager appointed in respect of a particular Fund, the biographical information of the principals thereof and certain salient terms and conditions of the corresponding Investment Management Agreement, will be set out in the applicable section of the Appendix which otherwise sets out the details and terms of that Fund and the corresponding Class attributable thereto.

### **Use of Dealing Commission**

An Investment Manager may execute transactions for a Fund under arrangements whereby the transactions are executed through brokers or other persons where the Investment Manager passes on the

broker or other persons' charges to the Fund and in return for such charges the Investment Manager receives goods or services in addition to execution of orders. Where the Investment Manager executes orders on behalf of a Fund through such a broker or other person, passes on that persons' charges to the Fund and receives in return goods or goods or services additional to that execution service, it will satisfy itself on reasonable grounds that such additional goods and services (i) are related to the execution of trades on behalf of its customers or comprise the provision of research, (ii) will reasonably assist the Investment Manager in the provision of its services to the applicable Fund and (iii) do not, and are not likely to, impair the Investment Manager's compliance with its duty to act in the best interests of the applicable Fund. Such goods and services might include, by way of example, research in the form of periodic and one-off newsletters, reports and market analyses, and execution facilities such as access to particular markets or trading forums, execution software, market-making, block trading and stock-lending facilities, trade confirmation and settlement services, and execution-related information and advice.

The reasons for selecting individual brokers will vary, but will include factors such as the quality of research, financial security, quality and range of execution services, charges, and reliability and responsiveness to client demands. In some cases the value of the services provided may depend upon a minimum threshold of broker commissions or a percentage of such commissions. The receipt of these benefits assists an Investment Manager in providing a better service to its clients but also assists it in containing its costs and ultimately its charges to clients. An Investment Manager is able to enter into such arrangements and obtain such benefits, inter alia, due to its ability to deal collectively and aggregate transactions on behalf of clients and obtain benefits which would not be available to an individual investor.

Each Investment Manager will comply with the SEC rules on use of dealing commissions.

## **ADMINISTRATION**

J.P. Morgan Administration Services (Ireland) Limited will serve as Administrator to the Company and each Fund.

The Administrator will be responsible for maintaining the accounting records of the Company and the Funds and calculating the Net Asset Values of each Fund (as well as the Net Asset Value of each Class of Share). The Administrator will also assist the Auditors, where requested, in relation to the audit of the financial statements of the Company and the Funds. The Administrator will keep the accounts of the Company and the Funds in accordance with IFRS. The Administrator will also be responsible for, but not limited to, processing subscription, transfer and redemption instructions received by the Company and each Fund; preparing and distributing annual reports to Shareholders; and responding to enquiries received by the Company and the Funds from Shareholders and others. The Administrator will also maintain the Register of Members of the Company and each Fund (provided that the Directors may appoint the Investment Manager to maintain the Register of Members of any given Fund).

Pursuant to the Administration Agreement, the Administrator may delegate any of its duties and obligations under the agreement to a reputable agent, provided that the Administrator will provide the Company and the Funds with written notice of such delegation and consult with the Company and the Funds before it implements the delegation of a material portion of the services.

The Administrator will not be liable to the Company or any of the Funds for any loss or damage suffered by the Company or the Funds with respect to matters as to which the Administrator has satisfied its obligation of reasonable care unless the same results from an act of negligence, fraud or wilful default on the part of the Administrator. The Administrator will not be liable under the Administration Agreement for any indirect, incidental, consequential or special damages (including, without limitation, lost profits or business) of any form incurred by any person or entity.



Each of the Company and the Funds, as applicable, indemnifies the Administrator and its affiliates and nominees, and their respective directors, officers, employees and agents (the “Administrator Indemnitees”) against, and hold them harmless from, any liabilities, losses, claims, costs, damages, penalties, fines, obligations, or expenses of any kind whatsoever (including, without limitation, reasonable attorneys’, accountants’, consultants’ or experts’ fees and disbursements) (“Administrator Liabilities”) that may be imposed on, incurred by or asserted against any of the Administrator Indemnitees in connection with or arising out of the Administrator’s performance under the Administration Agreement, provided that the Administrator Indemnitees have not acted with negligence or engaged in fraud or wilful default in connection with the Administrator Liabilities in question.

The Administration Agreement shall be in effect for an initial term of three years and will automatically renew for additional one year periods unless terminated by either party by giving not less than 180 days written notice to the other party prior to the end of the applicable term. The Administration Agreement may be terminated by the Company and/or a particular Fund (as to its engagement of the Administrator) prior to the end of the initial term upon not less than 12 months’ prior written notice to the Administrator, subject to the payment of a termination fee.

The Administration Agreement may be terminated by any party immediately upon written notice to the other party if: (i) the other party is declared insolvent, enters into a composition with creditors, obtains a suspension of payment, is put under court controlled management or is the subject of a similar measure; (ii) the Administrator ceases to be permitted under applicable law to provide the services under the Administration Agreement; or (iii) the other party commits a material breach of the Administration Agreement and fails to remedy such breach (if capable of remedy) within 30 days of being given written notice of the material breach, unless the parties agree to extend the period to remedy the breach.

## **CUSTODIAN**

The Funds may appoint one or more custodians to provide brokerage, principal brokerage, banking, finance, prime brokerage and/or custody services to the Funds including, without limitation, margin financing, clearing, settlement, safe custody, stock borrowing facilities and foreign exchange facilities.

At the date hereof, the Funds have appointed JPMorgan Chase Bank, N.A., London Branch to provide custodian, settlement and associated services to the Funds. The Company and the Funds may also use other brokers, finance counterparties, and counterparties.

The Custodian is authorised by the UK Prudential Regulation Authority and regulated by the UK Prudential Regulation Authority and the UK Financial Conduct Authority in the conduct of its business. The Custodian had in excess of USD 21.7 trillion of assets under custody as of 30 April, 2021. The ultimate parent company of the Custodian is J.P. Morgan Chase & Co. incorporated in Delaware, United States. The services provided by the Custodian under the Custody Agreement will include safekeeping, settlement, income collection, corporate actions collections, the provision of a proxy voting service and foreign exchange services.

The Custodian will establish one or more securities accounts and cash accounts for the Funds. Except as otherwise agreed by the Custodian and the applicable Fund, the Custodian will identify in its books that securities credited to a Fund’s account belong to that Fund and, to the extent permitted by applicable law or market practice, the Custodian will require each sub-custodian which it appoints to identify in its own books that securities held at such sub-custodian by the Custodian on behalf of its customers belong to customers of the Custodian such that it is readily apparent that the securities do not belong to the Custodian or the sub-custodian.

Each Fund has granted or shall grant the Custodian a lien entitling it, without notice to the applicable Fund, to withhold delivery of securities, sell or otherwise realise securities and apply the proceeds and any other money credited to the applicable Fund’s account in satisfaction of that Fund’s liabilities to the Custodian. In addition, the Custodian may set-off against any liabilities of a Fund to the Custodian

or any of its affiliates any account in any currency (i) standing to the credit of any of the applicable Fund's accounts with any branch or office of the Custodian or (ii) owed by that Fund by any branch or office of the Custodian or any affiliate of the Custodian. The Custodian may act through and hold each Fund's securities with sub-custodians. Under the terms of the Custody Agreement, the Custodian has undertaken to use reasonable skill, care and diligence in the selection, monitoring and continued appointment of such sub-custodians.

The Custodian will be liable to each Fund for each Fund's direct losses arising from its negligence, fraud or wilful misconduct. The Custodian will be responsible for the failure by a sub-custodian to use reasonable care in the provision of custodial services by it in accordance with the standards prevailing in the relevant market or from the fraud or wilful misconduct of such sub-custodian in the provision of custodial services by it or the insolvency of certain sub-custodians which are members of the JP Morgan group.

Each Fund has agreed or will agree to indemnify the Custodian, its affiliates, its sub-custodians and their respective nominees, directors, officers, employees and agents against any liabilities arising out of (i) the Custodian's performance under the Custody Agreement, provided that the indemnified parties have not acted with negligence or engaged in fraud or wilful misconduct in connection with the liabilities in question or (ii) any indemnified party's status as a holder of record of the applicable Fund's securities.

The Funds may terminate the Custody Agreement on at least 60 days' prior written notice to the Custodian. The Custodian may terminate the Custody Agreement on at least 180 days' written notice to the Funds (or upon 60 days' written notice with respect to a Fund in the event that the Custodian reasonably determines that such Fund has ceased to satisfy the Custodian's customary credit requirements).

Any party may terminate the Custody Agreement immediately on written notice to the others in the event of (i) a material breach of the Custody Agreement which is not cured within 30 days of receipt by the defaulting party of written notice thereof or (ii) upon the occurrence of a bankruptcy or similar event with respect to another party.

The Custodian is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Funds and is responsible and liable only for the custodial services that it provides to the Funds pursuant to the Custody Agreement.

## **FEES AND EXPENSES**

### **Operational Expenses**

Unless agreed otherwise between the respective boards of the Company and each Fund in their sole discretion, the Company and each Fund will pay the costs and expenses incurred in its and the Company's and each Fund's operation, respectively, including, without limitation, taxes, expenses for administration, legal, auditing and consulting services, promotional activities, registration fees and other expenses due to supervisory authorities, insurance, interest, the fees of the Directors and the cost of the publication of the Net Asset Value.

By virtue of the Company's investment in the Funds, Shareholders holding Shares of a particular Class will bear the fees, and other costs and expenses in relation to such Class and by reason thereof, indirectly, those of the Fund to which such Class relates and is attributable. The Company shall be entitled to expense its costs and expenses to the Funds, or to a particular Fund, as determined appropriate by the Directors in their discretion.

An Investment Manager or any affiliate of the Investment Manager may, by way of a loan to the Company or a Fund or otherwise, agree to pay certain of the organisational and operational expenses of

the Company and/or such Fund, as the case may be, which may be repayable on such basis as the Company and/or the relevant Fund and the applicable Investment Manager may from time to time agree.

## **Investment Management Fees and Performance Fee**

### ***Management Fees***

A Fund may be required to pay to its Investment Manager a management (or similar) fee, the details of which, including the amount, method of calculation and frequency of the payment of which, shall be set out in the applicable section of the Appendix which relates to that Fund; provided that the value of any investment made by one Fund in one or more other Funds (the “Target Fund”) will be excluded from the Net Asset Value of the Target Fund when calculating any such aforementioned fee otherwise payable in accordance with the terms set out in the applicable section of the Appendix.

Any agreed management or similar fee amounts or percentages, as applicable, may be reduced by agreement between any particular Fund and its Investment Manager in appropriate circumstances and in the absolute discretion of that Fund and the Investment Manager.

Investment Managers shall also be entitled to be reimbursed expenses properly incurred by them on behalf of the Funds to which they are appointed to act, in the performance of their respective duties and obligations under the corresponding, applicable Investment Management Agreement.

Investment Managers shall discharge the fees of any sub-investment manager appointed by them (in respect of any particular Fund) out of their respective investment management fees, unless agreed otherwise between a particular Investment Manager and the sub-investment manager appointed by it, in their sole discretion.

### ***Performance Fees***

A Fund may be required to pay to its Investment Manager a performance (or similar) fee, the details of which, including the amount, method of calculation and frequency of the payment of which, shall be set out in the applicable section of the Appendix which relates to that Fund; provided that the value of any investment made by one Fund in one or more other Target Funds will be excluded from the Net Asset Value of the Target Fund when calculating any such aforementioned fee otherwise payable in accordance with the terms set out in the applicable section of the Appendix.

Any agreed performance or similar fee amounts or percentages, as applicable, may be reduced by agreement between any particular Fund and its Investment Manager in appropriate circumstances and in the absolute discretion of that Fund and the Investment Manager.

## **Administration Fees and Expenses**

The Administrator is entitled to receive an arms’ length fee for the provision of its services to the Company and the Funds. To avoid double charging, the Administrator will not take a fee at the level of the Company. The Administrator is also entitled to receipt of reasonable out-of-pocket expenses incurred on behalf of the Company and/or the Funds including, without limitation, communications, postage and printing.

## **Custodian Fees and Expenses**

The Custodian performs custodial services on arm's length commercial terms for each Fund for which fees are charged at normal commercial rates and expenses are to be reimbursed. Any sub-custodian fees

and, in some cases, risks will be met by each Fund. All sub-custodian fees will be charged at normal commercial rates.

### **Corporate Service Provider Fees and Expenses**

The Corporate Service Provider is entitled to receive an arms' length fee for the provision of its services to the Company and the Funds. The Corporate Service Provider is also entitled to receipt of reasonable out-of-pocket expenses incurred on behalf of the Company and the Funds including, without limitation, communications, postage and printing.

### **Auditor's Fees**

The Auditors will be entitled to receive certain audit related fees at the level of the Company and where relevant the Funds, which such fees shall be reviewed and approved by the Directors in their sole discretion each year.

### **Anti-dilution Levy**

In respect of any particular Fund, the Directors may charge or impose an anti-dilution levy, in such manner as determined by the Directors in their sole discretion, representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold) and dealing costs relating to the acquisition or disposal of assets, in the event of receipt for processing of net subscription and/or net redemption requests to be effected as of a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund into another Fund) .

The levy will be deducted from the subscription amount received as a separate charge in the case of net subscription requests and deducted from the redemption proceeds to be paid in the case of net redemption requests (including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund into another Fund).

The anti-dilution levy will be paid into the assets of the relevant Fund and become part of the property of that Fund and such levy is designed to protect both the value of the applicable Fund's underlying assets, and the current Shareholders' interests in the Class or Classes which correspond(s) with and is/are attributable to that applicable Fund. The Directors shall be entitled to waive the anti-dilution levy in circumstances where the Directors consider it appropriate to do so in their sole discretion.

Any such anti-dilution levy shall be over and above the redemption charges referred to below and where applicable, in the Appendix.

Should an anti-dilution levy be applicable to a Fund, the fact and details of such levy shall be set out in the applicable section of the Appendix pertaining to that Fund.

### **General**

To the extent permitted by applicable law, an Investment Manager may, in its sole discretion, (i) pay commission to financial intermediaries who refer prospective investors or (ii) waive, or pay, rebates or commissions in respect of its fees for or to certain prospective investors based on factors deemed appropriate to that Investment Manager, including, but not limited to, the amount of the proposed investment by a prospective investor, provided that in doing so the applicable Investment Manager will act in accordance with all applicable laws and best practice.

## **ELIGIBLE INVESTORS**

Shares in the Company will be available to:-

- (i) non-U.S. Persons completing, to the satisfaction of the Company, the non-U.S. Person Application Form; and
- (ii) U.S. Persons completing, to the satisfaction of the Company, the U.S. Person Application Form on a private placement basis pursuant to Regulation D under the 1933 Act. U.S. persons are referred to the additional disclosures under the “U.S. FEDERAL TAX CONSIDERATIONS” section of this Information Memorandum below.

The Appendix may indicate further restrictions for eligibility to invest in a particular Class.

By investing, each investor represents and warrants that, among other things, he is able to invest without violating applicable laws, including the rules and regulations aimed at preventing money laundering and terrorism financing. The Company will not knowingly offer or sell Shares to any investors to whom such offer or sale would be unlawful. Investment is confined to sophisticated investors who can provide the representations and warranties contained in the Application Form.

Unless otherwise determined in the sole discretion of the Directors, each investor is required to declare in the relevant Application Form that either: (i) his ordinary business or professional activity includes buying and selling of investments, whether as principal or agent; or (ii) in the case of a natural person, his individual net worth (or joint net worth with spouse) exceeds US\$1 million; or (iii) that it is an institution with a minimum amount of assets under discretionary management of US\$5 million. In addition, each investor must warrant that he (a) has the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Company and to make an informed decision with respect thereto; (b) is aware of the risks involved in investing in the Company and the method by which the assets of the Company are held and invested; and (c) can bear the risk of the loss of his entire investment.

Applicants who are not U.S. Persons (as defined below) will be required to certify that they are not investing for the benefit of, directly or indirectly, any U.S. Person and that they will not, subject to the conditions set out under “SUBSCRIPTIONS AND REDEMPTIONS: Transfers”, sell or offer to sell or transfer Shares in the Company in the United States or to or for the benefit of, directly or indirectly, a U.S. Person.

### **U.S. Persons and U.S. Taxpayers**

The Shares are not registered, nor will they be registered, under the 1933 Act, and the Company is not registered, nor will be registered, under the 1940 Act. Shares are being offered to U.S. Persons in reliance on the exemption from characterisation of the Company as an investment company subject to the 1940 Act found in Section 3(c)(7) of the 1940 Act.

The Company reserves the right to accept, reject or condition applications from U.S. Persons if the Company does not receive evidence satisfactory to it that the sale of Shares to such an investor is exempt from registration under the securities laws of the United States, including, but not limited to, the 1933 Act, that such sale will not require the Company to register under the 1940 Act and, in all events, that there will be no adverse tax or other regulatory consequences to the Company, the Funds or their respective Shareholders as a result of such sale.

Some subscribers may be taxable in the United States but will not come within the definition of U.S. Person for the purposes of determining which Application Form should be used. Such persons need not complete the U.S. Person Application Form supplied by the Administrator but should carefully review the additional disclosures under “U.S. FEDERAL TAX CONSIDERATIONS”.

### ***“U.S. Person”***

A “U.S. Person” for purposes of this Information Memorandum is a person who is in either of the following two categories: (a) a person included in the definition of “U.S. person” under Rule 902 of Regulation S under the 1933 Act or (b) a person excluded from the definition of a “Non-United States person” as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of “U.S. person” in Rule 902 and qualifies as a “Non-United States person” under CFTC Rule 4.7.

“U.S. person” under Rule 902 includes the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. person;
- (d) any trust of which any trustee is a U.S. person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:
  - (i) organised or incorporated under the laws of any non-U.S. jurisdiction; and
  - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, “U.S. person” under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a U.S. person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered “Non-United States persons”:

- (a) a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;
- (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (c) an estate or trust, the income of which is not subject to United States income tax regardless of source;
- (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that Shares of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than ten per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States persons; and
- (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

### ***“U.S. Taxpayer”***

“U.S. Taxpayer” includes: (i) a U.S. citizen or resident alien of the United States (as defined for U.S. federal income tax purposes); (ii) any entity treated as a partnership or corporation for U.S. federal tax purposes that is created or organised in, or under the laws of, the United States or any state thereof (including the District of Columbia); (iii) any other partnership that is treated as a U.S. Taxpayer under U.S. Treasury Department regulations; (iv) any estate, the income of which is subject to U.S. income taxation regardless of source; and (v) any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as U.S. Taxpayers.

An investor who is not a U.S. Person may nevertheless be considered a “U.S. Taxpayer” under U.S. federal income tax laws. For example, an individual who is a U.S. citizen residing outside of the United States is not a “U.S. Person” but is a “U.S. Taxpayer”. Such a person should complete the Application Form for Shares for Non-U.S. Persons. In addition, the tax consequences described below in “U.S. FEDERAL TAX CONSIDERATIONS” will apply to that person.

## **Special Considerations for Benefit Plan Investors**

### ***In General***

Subject to the limitations applicable to investors generally, Shares may be purchased using assets of various benefit plans, including employee benefit plans (“ERISA Plans”) subject to Title I of ERISA, or retirement plans subject to Code Section 4975, such as plans intended to qualify under Code Section 401(a) (including plans covering only self-employed individuals) and individual retirement accounts (together with ERISA Plans, “Plans”). However, none of the Company, the Funds, the Investment Managers, the Directors or the Administrator, nor any of their principals, agents, employees, affiliates or consultants, makes any representation with respect to whether the Shares are a suitable investment for any such Plan.

In considering whether to invest assets of a Plan in Shares, the persons acting on behalf of or with any assets of the Plan should consider in the Plan's particular circumstances whether the investment will be consistent with their responsibilities and any special constraints imposed by the terms of such Plan and applicable U.S. federal, state or other law, including ERISA and the Code. Some of the responsibilities

and constraints imposed by ERISA and the Code are summarised below. The following is merely a summary of those particular laws, however, and should not be construed as legal advice or as complete in all relevant respects. All investors are urged to consult their legal advisors before investing assets of an employee benefit plan in Shares and to make their own independent decisions.

Employee benefit plans that are not Plans, including, for example, governmental plans, church plans with respect to which no election has been made under Code Section 410(d), and non-U.S. plans, although they are not subject to Title I of ERISA or Section 4975 of the Code, may be subject to other laws regulating employee benefit plans. The laws or governing instruments applicable to such plans may have provisions that impose restrictions on the investments and management of the assets of such plans that are, in some cases, similar to those under ERISA and the Code. It is uncertain whether exemptions and interpretations under ERISA would be recognised by the applicable authorities in such cases. Provisions relating to the investment and management of such plans' assets also might contain restrictions and limitations such as a prohibition, or percentage limitation, on investments of a particular type, or a bar on investments in particular countries or kinds of businesses. Fiduciaries of such plans, in consultation with their advisers, should consider the impact of their applicable laws, regulations and governing instruments on investments in the Company and the Funds, as well as the considerations discussed herein, to the extent applicable.

### ***Fiduciary Responsibilities under ERISA***

Persons acting as fiduciaries on behalf of or with any assets of an ERISA Plan are subject to specific standards of behaviour in the discharge of their responsibilities. As a result, such persons must, for example, conclude that an investment in Shares by an ERISA Plan would be prudent, in the best interests of plan participants and their beneficiaries and in accordance with the documents and instruments governing the ERISA Plan, and would satisfy the diversification requirements of ERISA. In making those determinations, such persons should take into account, among other factors, (i) that the Company will invest the assets in each Class and underlying Fund in accordance with the applicable investment objectives and strategies without regard to the particular objective of any class of investors, including Plans, (ii) the fee structure of the Company and the Funds, (iii) the tax effects of the investment, (iv) the relative illiquidity of the investment and its effect on the cash flow needs of the Plan, (v) the Plan's funding objectives, (vi) the risks of an investment in the Company and (vii) that, as discussed below, it is not expected that the Company's assets (including those held indirectly through the Funds) will constitute the "plan assets" of any investing Plan, so that none of the Company, the Funds, the Investment Managers, the Directors or the Administrator, nor any of their respective principals, agents, employees, affiliates or consultants will be a "fiduciary" as to any investing Plan.

ERISA imposes certain duties on persons who are ERISA Plan fiduciaries. In addition, both ERISA and the Code prohibit certain transactions involving "plan assets" between the Plan and its fiduciaries or other parties in interest under ERISA or disqualified persons under the Code with respect to the Plan.

### ***Identification of, and Consequences of Holding, Plan Assets under ERISA***

Under the Plan Asset Rule, the prohibited transaction and other applicable provisions of ERISA and the Code, including the rules for determining who is a party in interest or a disqualified person, would generally be applied by treating the investing Plan's assets as including any Shares purchased but not, solely by reason of such purchase, including any of the underlying assets of the Company and the Funds. Under the Plan Asset Rule, however, this may not be the case if immediately after any acquisition or redemption of any equity interest in the Company, 25 per cent. or more of the value of any class of equity Shares is held by "Benefit Plan Investors" (as defined below). For purposes of this 25 per cent. determination, the value of any equity interest held by a person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the Company or any person who provides investment advice for a fee (direct or indirect) with respect to Company's assets, or any affiliate of such a person (such as the Directors and any Investment Manager), shall be disregarded. For this purpose, an "affiliate" of a person includes any person, directly or indirectly, through one or more



intermediaries, controlling, controlled by or under common control with that person, and control with respect to a person, other than an individual, means the power to exercise a controlling influence over the management or policies of such person.

The Company intends to limit the sale and transfer of Shares, and may exercise the Company's right to cause a compulsory redemption, to the extent necessary, to prevent the 25 per cent. threshold described above from being exceeded with respect to any class of equity interests, and consequently to prevent the underlying assets of the Company and the Funds from being treated as "plan assets" of any Plan investing in the Company.

If the assets of the Company nonetheless were deemed to be "plan assets" under ERISA, an Investment Manager could be characterised as a fiduciary of investing ERISA Plans under ERISA and it and its affiliates and certain of its delegates could be characterised as "parties in interest" under ERISA and/or "disqualified persons" under the Code with respect to investing Plans. Further, (a) the prudence and other fiduciary responsibility standards of ERISA applicable to investments made by ERISA Plans and their fiduciaries would extend to investments made with assets of the Company and the Funds; (b) an ERISA Plan's investment in the Shares might expose the ERISA Plan fiduciary to co-fiduciary liability under ERISA for any breach of ERISA fiduciary duties by an Investment Manager; (c) assets of the Company and the Funds held outside the jurisdiction of the U.S. district courts might not be held in compliance with applicable DOL regulations; (d) the Plan's reporting obligations might extend to the assets of the Company and the Funds; and (e) certain transactions in which the Company or a Fund might seek to engage could constitute prohibited transactions under ERISA and/or the Code. A prohibited transaction involving a Plan, unless an exemption for the prohibited transaction were available, generally could subject an interested party to an excise tax and to certain remedial measures imposed by ERISA; a prohibited transaction involving an individual retirement account in certain circumstances could result in its disqualification. DOL regulations do provide, however, that the ERISA requirement that plan assets be held in trust would be satisfied with respect to the assets of an entity that are deemed to be plan assets if the indicia of ownership of such assets (e.g., the Shares) are held in trust on behalf of an investing ERISA Plan by one or more of its trustees.

Each prospective investor that is a Plan or a governmental or non-electing church plan will be required to represent and warrant that the acquisition and holding of Shares does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Code Section 4975, or a non-exempt violation of any similar applicable law. No information that the Company, the Funds, an Investment Manager, the Directors or any entity or other person providing marketing services on their behalf, or any of their respective affiliates (collectively, the "Fund Parties") is providing shall be considered to be or is advice on which an investor may rely for any investment decisions. The investor must make its own decision with whatever third-party advice it may wish to obtain, and the investor is not authorised to rely on any information any Fund Party is providing as advice that is a basis for the investor's decisions.

Each prospective investor that is a Benefit Plan Investor will be required to represent, warrant and agree that (i) none of the Fund Parties has provided any investment recommendation or investment advice on which it, or any fiduciary or other person investing the assets of the Benefit Plan Investor ("Fiduciary"), has relied in connection with its decision to invest in the Company, and the Fund Parties are not otherwise acting as a fiduciary, as such term is defined in Section 3(21) of ERISA or Section 4975(d)(3) of the Code, to the Benefit Plan Investor or to the Fiduciary in connection with the Benefit Plan Investor's acquisition of Shares; and (ii) the Fiduciary is exercising its own independent judgment in evaluating the transaction.

Even though the assets of a Plan that invests in the Company should not include assets of the Company or the Funds, a possible violation of the prohibited transaction rules under ERISA and the Code nonetheless could occur if an investment in the Company were made with assets of a Plan with respect to which an Investment Manager, or any of its affiliates, has discretionary authority or control or renders investment advice. Accordingly, the fiduciaries of a Plan should not permit investment in the Company

with plan assets if an Investment Manager, or any of its affiliates, perform or have any such investment powers with respect to those assets, unless an exemption from the prohibited transaction rules applies with respect to such acquisition.

In addition, the IRS Form 5500 annual return requires Plan administrators to report certain compensation paid to service providers as “reportable indirect compensation” on Schedule C to the Form 5500. To the extent any compensation arrangements described herein constitute reportable indirect compensation, any such descriptions are intended to satisfy the alternative reporting option for “eligible indirect compensation,” as defined in the instructions for Schedule C to Form 5500.

### ***“Benefit Plan Investor”***

“Benefit Plan Investor” is used as defined in U.S. Department of Labor (“DOL”) regulation 29 C.F.R. § 2510.3-101 and Section 3(42) of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”) (collectively, the “Plan Asset Rule”) and includes (i) any employee benefit plan subject to Part 4 of Title I of ERISA; (ii) any plan to which Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (“Code”), applies (which includes a trust described in Code Section 401(a) that is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement account annuity described in Code Section 408 or 408A, a medical savings account described in Code Section 220(d), a health savings account described in Code Section 223(d) and an education savings account described in Code Section 503); and (iii) any entity whose underlying assets include plan assets by reason of a plan’s investment in the entity (generally because 25 per cent. or more of a class of equity interests in the entity is owned by plans). An entity described in (iii) immediately above will be considered to hold plan assets only to the extent of the percentage of the equity interests in the entity held by Benefit Plan Investors. Benefit Plan Investors also include that portion of any insurance company’s general account assets that are considered “plan assets” and (except if the entity is an investment company registered under the 1940 Act) also include assets of any insurance company separate account or bank common or collective trust in which plans invest.

BEFORE MAKING AN INVESTMENT IN THE COMPANY, ANY PLAN FIDUCIARY SHOULD CONSULT ITS LEGAL ADVISOR CONCERNING THE ERISA, TAX AND OTHER LEGAL CONSIDERATIONS OF SUCH AN INVESTMENT.

## **SUBSCRIPTIONS AND REDEMPTIONS**

### **Subscriptions**

Eligible investors may apply to subscribe for Shares of a particular Class in accordance with the procedures and requirements therefor (including as to receipt of Application Forms and cleared subscription funds for Shares) as set out in the corresponding and applicable section of the Appendix.

The subscription Dealing Days in respect of a particular Class and corresponding Fund are more fully set out and detailed in the applicable section of the Appendix.

An anti-dilution levy may be applied to net subscriptions for Shares of a particular Class insofar as provided for in the applicable section of the Appendix and as more fully described therein and otherwise herein under the “FEES AND EXPENSES” section of this Information Memorandum.

The Directors may change the subscription Dealing Day and/or Valuation Day and/or Valuation Point with respect to the Shares of a particular Class, or increase or decrease the number of subscription Dealing Days and/or Valuation Days and/or Valuation Points with respect to the Shares of a particular Class. Notice of any such change(s) (which may be of general application or for a particular case) will normally be given to investors but such notice is not compulsory.

The Directors have the discretion to refuse to accept applications from subscribers in whole or in part and in such event shall notify subscribers of their decision.

### ***Subscription Price***

The initial issue price for any Class is \$10 per Share or such other amount as set out in the applicable section of the Appendix which pertains to a particular Class or such other price as determined by the Directors. After the initial issuance of the Shares of a particular Class, additional Shares of that Class will be issued at the prevailing Net Asset Value per Share of that Class as at the relevant Valuation Point calculated as set out under “CALCULATION OF NET ASSET VALUE AND SUBSCRIPTION AND REDEMPTION PRICES” below.

### ***Subscription Procedures***

Applications for Shares should be made by written application using the Application Form. Application Forms duly completed should be sent to the Administrator in accordance with the instructions contained in the Application Form. If an application is received by the Administrator by fax, the original must follow by post, unless the Administrator or the Directors or the Investment Manager waive this requirement. The Administrator will send to the investor an acknowledgement of the subscription. Shares are issued to such decimal places as may be approved by the Directors from time to time. Share certificates will not be issued.

The Directors reserve the right to accept subscriptions satisfied by way of *in specie* transfers of assets or otherwise in-kind, subject to the further terms contained herein.

### ***Anti-Money Laundering***

As part of the Company's responsibility for the prevention of money laundering, the Company and the Administrator (including its affiliates, subsidiaries or associates) will require a detailed verification of the applicant's identity and the source of payment. Depending on the circumstances of each application, a detailed verification might not be required where:

- (a) the applicant is a relevant financial business required to comply with the Anti-Money Laundering Regulations (as amended) or is a majority-owned subsidiary of such a business; or

- (b) the applicant is acting in the course of a business in relation to which a regulatory authority exercises regulatory functions and which is in a country assessed by the Company as having a low degree of risk of money laundering and terrorist financing in accordance with the Anti-Money Laundering Regulations (as amended) (each a "Low Risk Country") or is a majority-owned subsidiary of such an applicant; or
- (c) the applicant is a central or local government organisation, statutory body or agency of government in the Cayman Islands or a Low Risk Country; or
- (d) the applicant is a company that is listed on a recognised stock exchange and subject to disclosure requirements which impose requirements to ensure adequate transparency of beneficial ownership, or is a majority-owned subsidiary of such a company; or
- (e) the applicant is a pension fund for a professional association, trade union or is acting on behalf of employees of an entity referred to in sub-paragraphs (a) to (d); or
- (f) the applicant is a nominee which falls within one of sub-paragraphs (a) to (e) above; or
- (g) the applicant is introduced by an introducer which is supervised or monitored by the Monetary Authority or an overseas regulatory authority (being an authority in a country outside the Cayman Islands that exercises a function corresponding to a statutory function of the Monetary Authority in relation to relevant financial business in the Cayman Islands) and has measures in place to comply with customer due diligence and record keeping requirements and falls within one of sub-paragraphs (a) to (e) above

In the situations referred to in sub-paragraphs (f) and (g) above, the Company may rely on a written assurance from the nominee or the introducer (as applicable) which confirms (i) (for introducers only) the identity of the applicant for business and its beneficial owners; (ii) that the requisite identification and verification procedures on the applicant for business or principal (as applicable) and its beneficial owners have been carried out under procedures maintained by the nominee or introducer in accordance with applicable laws; (iii) the nature and intended purpose of the business relationship; (iv) that the nominee or the introducer has identified the source of funds of the applicant for business or principal (as applicable); and (v) that the nominee or the introducer shall make available on request and without delay copies of any identification and verification data or information and relevant documents relating to the principal or applicant for business (as appropriate) and its beneficial owners.

Alternatively, if the subscription payment is remitted from an account (or joint account) held in the applicant's name at a bank in the Cayman Islands or a bank regulated in a Low Risk Country, a detailed verification might not be required at the time of subscription. In this situation the Company may require evidence identifying the branch or office of the bank from which the monies have been transferred, verify that the account is in the name of the applicant and retain a written record of such details. However, a detailed verification will need to be carried out prior to any redemption.

Notwithstanding the above, the Company and the Administrator reserve the right to request such additional information and/or documentation as is necessary to verify the identity of an applicant in accordance with the anti-money laundering law that is applicable to the Administrator and/or the Investment Manager and in doing so, to deviate from the provisions set out above. In the event of delay or failure by the applicant to produce any information or documentation required for verification purposes, the Administrator may refuse to accept the application and the subscription monies relating thereto. Where an application is rejected, subscription money will be returned to the account from which it was received at the risk of the applicant. Any interest earned on such sums will accrue to the Company. The Administrator and the Company will be held harmless by a potential subscriber against any loss arising as a result of a failure to process a subscription or redemption request if such information and/or documentation as has been requested by the Administrator has not been provided by the applicant.

If any person who is resident in the Cayman Islands has a suspicion that a payment to the Company (by way of subscription or otherwise) contains the proceeds of criminal conduct that person is required to report such suspicion pursuant to The Proceeds of Crime Act (as amended).

By subscribing, applicants 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.

### ***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 (and/or the Administrator) is or may become subject and to interpret them broadly in favour of disclosure. Each applicant will be required to agree in the Application Form, 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 Application Form 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 honour any such request may result in redemption by the Company or a forced sale to another investor of such applicant's Shares.

### ***Anti-Money Laundering Officers***

Pursuant to the Anti-Money Laundering Regulations (as amended), the Company must designate natural persons to act as its Anti-Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer (the "AML Officer Roles"). The Directors have ensured that natural persons have been designated to perform the AML Officer Roles in accordance with Cayman Islands law. Shareholders can obtain further information in respect of the AML Officer Roles from the Investment Manager.

### ***Minimum Investment Levels***

The minimum initial and minimum additional investments (if any) for each Class, payable in full (net of any initial charge and bank charges) shall be as set out in each corresponding section of the Appendix.

The minimum initial investment amounts and minimum additional investment amounts for each Class may be increased or waived, in each case in the sole discretion of the Directors, either generally or in specific cases.

Notwithstanding the foregoing, the minimum initial investment for any Class, notwithstanding any other provision of this Information Memorandum to the contrary, may not be less than US\$100,000 (or its currency equivalent).

### ***Closure to Subscriptions***

Performance can be affected by the Company's size and the size of a particular Fund. With this in mind and depending upon market conditions, the Directors may consider the imposition of periods which are

closed to new investors and/or further investment by Shareholders where they consider this will be beneficial to the Company and/or any of the Funds.

## **Redemptions**

Shareholders holding Shares of a particular Class may request the redemption of all or some of their Shares on any applicable redemption Dealing Day in accordance with the procedures and requirements therefor as set out in the corresponding and applicable section of the Appendix.

The terms relating to the payment of redemption proceeds for any particular Class shall also be as set out in the applicable section of the Appendix.

The redemption price per Share of each Class and any related Series thereof is calculated in accordance with the procedures referred to under the “CALCULATION OF NET ASSET VALUE AND SUBSCRIPTION AND REDEMPTION PRICES” section of this Information Memorandum below, as well as any additional or substitute procedures in respect of a particular Class as may be set out in the corresponding section of the Appendix.

An anti-dilution levy may be applied to net redemptions of Shares of a particular Class insofar as provided for in the applicable section of the Appendix and as more fully described therein and otherwise herein under the “FEES AND EXPENSES” section of this Information Memorandum.

Partial redemptions may be refused if, immediately thereafter, the value of such Shareholders’ Shares would be less than any of the minima set out below or in any applicable section of the Appendix.

The Directors may change the redemption Dealing Day and/or Valuation Day and/or Valuation Point with respect to the Shares of a particular Class, or increase or decrease the number of redemption Dealing Days and/or Valuation Days and/or Valuation Points with respect to the Shares of a particular Class. Notice of any such change(s) (which may be of general application or for a particular case) will normally be given to investors but such notice is not compulsory

Minimum redemption amounts and residual holdings with respect to any particular Class shall, where applicable, be set out in the applicable corresponding section of the Appendix.

These minima may be lowered, increased or waived in the sole discretion of the Directors, either generally or in specific cases in relation to any Class, subject always to any minimum residual holding requirement in respect of a particular Class as may be set out in the applicable corresponding section of the Appendix.

The Company will redeem applicable shares issued by a Fund and held by the Company in order to satisfy redemptions of Shares of any Class which is attributable to that Fund. Any redemption of Fund shares held by the Company shall be carried out in accordance with the Articles of Association (or equivalent constitutional documents) of the Fund (as supplemented by any applicable resolutions of the directors of the Company and/or the Fund in respect of redemptions of Fund Shares held by the Company from time to time). The Directors of the Company and the Funds may, subject to the provisions of the Articles of Association (or equivalent constitutional documents) of the Funds, determine and agree procedures in respect of the communication, receipt, acceptance, withdrawal and/or processing of any redemption notices in respect of Fund Shares held by the Company.

Since the redemption price of Shares is tied to the Net Asset Value of the Class thereof and therefore the Net Asset Value of the Fund to which such Class is attributable and the underlying assets of such Fund, it should be noted that the price at which an investor might redeem his Shares may be more or less than the price at which he subscribed for them depending on whether the value of the applicable Class, corresponding Fund and corresponding underlying assets has appreciated or depreciated between

the date of subscription and the date of redemption and subject also to dividends (if any) declared and paid on the relevant Class (See also the “RISK FACTORS” below).

### ***Redemption Procedure***

As indicated above, redemption procedures, notice periods and other redemption related procedural conditions and requirements in respect of a particular Class shall be as set out in the applicable corresponding section of the Appendix.

If a Shareholder withdraws a request for redemption, a charge of up to 3 per cent. of the value of the Shares that would have been redeemed may be charged in the sole discretion of the Directors and if charged, will be satisfied by the Directors having the power to redeem at par such number of that Shareholder’s Shares as have an aggregate net asset value equivalent to the redemption charge. The Directors may waive this charge in respect of a particular redemption request or generally. Redemption requests once made may not be withdrawn without the prior written consent of the Directors.

### ***Redemption Charges***

As indicated above, redemption charges (where applicable) arising upon the redemption of Shares of any particular Class shall be as set out in the applicable corresponding section of the Appendix.

More specifically, over and above any applicable anti-dilution levy as referred to above and particularized, where applicable, in the Appendix in respect of any particular Class and corresponding Fund, a redemption charge may be further deducted from the redemption proceeds from corresponding redeemed Shares in the sole discretion of the Investment Manager appointed by or to that particular Fund (as detailed in the applicable section of the Appendix wherever so relevant), it being understood that such Investment Manager at its sole discretion may waive such charge or differentiate between redeeming Shareholders as to the amount of such charge within the permitted limit. Such redemption charge (if applicable) shall be paid to the relevant Investment Manager of the applicable Fund for its absolute use and benefit and shall not form part of the assets of the Company or that Fund unless stated to the contrary in the Appendix.

The applicable redemption charge (wherever applicable) will be calculated with reference to the redemption proceeds to which a redeeming Shareholder would otherwise be entitled in respect of the relevant redemption and will be deducted from such proceeds and retained for the benefit of the Company, unless specified otherwise in the Appendix. Such redemption charge may be waived and/or reduced in the sole discretion of the Directors. This discretion may be exercised for a particular redemption or generally.

In the event that a redemption request is received on a Business Day falling not less than sixty calendar days (or other period as determined in the sole discretion of the Directors or provided for in the Appendix in respect of a particular Class) prior to the requested Dealing Day and due to a suspension, deferral or other event, the redemption request is given effect to on a subsequent Dealing Day or on subsequent Dealing Days, the percentage redemption charge (if any) applied to the proceeds of redemption shall be the applicable percentage which would have been applied if the redemption had been effected on the relevant requested Dealing Day. The Directors may determine to waive, reduce or vary the application of such charges in such circumstances in their sole discretion in respect of a particular redemption request or generally.

### ***Receipt of Redemption Requests***

Redemption requests may be made by fax or other written request using such redemption form as determined by the Directors in their discretion. Redemption proceeds will be transferred to the pre-designated bank account at the Shareholder’s risk and expense as soon as practicable and in normal circumstances (and subject always to the terms of the Appendix) within 30 Business Days of the

finalisation of calculation and publication of the Net Asset Value and subject to receipt of all relevant information and/or documentation by the Administrator and, in any event, not later than sixty calendar days (subject always to the terms of the Appendix) after the relevant Dealing Day on which the redemption is to be effected. If a Shareholder requires redemption proceeds to be paid by cheque or to an alternative account, the Administrator may, at the discretion of the Directors, require the original confirmation in writing signed by the Shareholder.

The Directors may in exceptional circumstances adjust the redemption proceeds in the interests of fairness among Shareholders. A fuller description of the calculation of Share prices and the terms governing the transaction is to be found below, see “CALCULATION OF NET ASSET VALUE AND SUBSCRIPTION AND REDEMPTION PRICES” below.

### ***Deferral of Redemption Requests***

The Directors may also limit the value of redemptions of Shares on any Dealing Day to not more than 10 per cent. of the total number of all Shares then in issue (or the total number of all Shares of the affected Class or Series then in issue, as the case may be, or the total value of all Shares of all Classes and Series attributable to a particular Fund then in issue) (or such higher percentage as the Directors may, in their absolute discretion, determine) in circumstances where the Directors believe that owing to their perception of the liquidity of the underlying investments of the Company taken as a whole or those of a particular Fund or Funds, such an action would be in the overall interests of investors (taken as a whole or of a particular affected Class or Classes, as the case may be). Where this limitation applies, redemptions will be on a *pro rata* basis and any redemptions which for this reason do not occur on any particular Dealing Day shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all the affected Shares to which the original request related have been redeemed. Requests for redemption which have been carried forward from an earlier Dealing Day shall rank equally with requests for redemption for a later Dealing Day or, at the Directors’ discretion, may be treated with priority. The Directors shall notify investors in the event that any redemption requests are deferred.

### ***In Specie Redemptions***

The Directors may elect in their absolute discretion to effect a redemption payment to any or all redeeming Shareholders, either in whole or in part, *in specie* or in kind rather than in cash in which event the Directors shall use the same valuation procedures used in determining the Net Asset Value of the relevant Class to determine the value to be attributed to the relevant securities to be transferred or assigned to the redeeming Shareholders who shall receive securities or other assets of a value equal to the redemption payment to which they would otherwise be entitled and who shall be responsible for all custody and other costs involved in changing the ownership of the relevant securities from the Company or from the relevant Fund to the redeeming Shareholders and on-going custody costs. Any such distributions *in specie* will not materially prejudice the interests of remaining Shareholders. Where such an election is made, the Directors may further elect for the relevant assets to be held in a segregated account of the Company (which may be represented by a separate Class created and issued by the Company or a Fund with such terms as the Directors may in their sole discretion determine) and for the proceeds of disposal of such assets, less costs, to be distributed to the relevant Shareholder.

### **Transfers**

All transfers of Shares will be effected by written instrument signed by the transferor and containing the name and address of the transferee and the number of Shares being transferred, or in such other manner or form and subject to such evidence as the Directors shall consider appropriate. The transfer will take effect on registration of the transferee as holder of the Shares. The transferee will be required to give the warranties contained in the Application Form and to comply with all measures, as set out in the Application Form, aimed towards the prevention of money laundering. The Directors may decline to register any transfer of Shares where the holding of such Shares may result in regulatory, pecuniary,



legal, taxation or material administrative disadvantage to the Company or the Shareholders as a whole. The Directors may decline to register the transfer where the transfer would result in the transferor or transferee holding Shares with a Net Asset Value of less than any minimum amount as may be prescribed in that section of the Appendix which relates to the Class to which such of Shares belong.

### **Switching**

The Directors may in their sole discretion permit investors to switch their investments between Classes and underlying Funds by way of a redemption of the existing Shares held by the switching Shareholder and a subscription for Shares in the new Class on any Dealing Day and upon such notice period as the Directors may determine in their sole discretion. Where a Shareholder requires only a partial reinvestment of the redemption proceeds in a new Class, the usual procedures set out under “SUBSCRIPTIONS AND REDEMPTIONS: Redemptions” above will apply. Switching as contemplated herein may be a taxable event for a Shareholder since it is effected by way of a redemption of existing Shares and subscription for new Shares. The various tax considerations for the Company and its Shareholders are more fully set out in the “COMPANY AND SHAREHOLDER TAX CONSIDERATIONS” section of this Information Memorandum.

In connection with any switch the Directors may in their absolute discretion waive any applicable subscription and redemption notice periods and any applicable initial charges or redemption charges either generally or in respect of a particular switching investor.

### **COMPULSORY REDEMPTIONS AND TRANSFERS**

If on any Dealing Day the Net Asset Value of any Fund has, at any Valuation Point within the previous period of four consecutive months, been less than US\$5,000,000 the Company may on that Dealing Day (or such other Dealing Day within four months thereafter as the Directors may determine) redeem at the redemption price on such Dealing Day all (but not some) of the Shares not previously redeemed. In such a case the redemption price will, for each Share, be equal to a pro rata share of the net assets of applicable Fund(s) attributable to the relevant Class less all liabilities attributable to the relevant Class including those accrued or contingent upon the winding up and liquidation of the Company. The Directors may also liquidate any Class falling below US\$2,000,000 in value.

The Company also has the right to compulsorily redeem the Shares of any Shareholder where the Net Asset Value of such Shares is less than such minimum amount as may be prescribed in that section of the Appendix which relates to the Class to which such Shares belong.

The Directors reserve and intend to exercise the right at their sole discretion, to compulsorily redeem or require the transfer of any Shares (i) sold (or acquired) in contravention of the provisions outlined under the “ELIGIBLE INVESTORS” section of this Information Memorandum above or (ii) in the event that the continued ownership of any Shares by any person could result in adverse tax, regulatory, pecuniary, or legal consequences or material administrative disadvantages respectively to the Company or the Company’s Shareholders or any Fund or any Fund’s Shareholders or any Investment Manager or in particular, require the Company or any Fund to register under the 1940 Act or register the Company’s Shares or any Fund’s Shares under the 1933 Act. The Company also has the power to exercise certain additional compulsory redemption and compulsory transfer rights, including as generally provide for in the Articles (without limitation). Investors and potential investors are referred to the section of this Information Memorandum headed “CONSTITUTION OF THE COMPANY AND EACH FUND” under the sub headings: “Compulsory Redemption of Shares” and “Compulsory Transfer of Shares”. The Company may also compulsorily redeem Shares where such shareholder fails to provide necessary due diligence or 'know your client' information or information on tax reporting or in order to meet withholding tax for which the relevant Shareholder is responsible as further provided under “U.S. FEDERAL INCOME TAX CONSIDERATIONS: Taxation of Company”.

## **CALCULATION OF NET ASSET VALUE AND SUBSCRIPTION AND REDEMPTION PRICES**

### **Calculation of Net Asset Value**

The Administrator will determine the Net Asset Value of each Class and each corresponding Fund as applicable normally as at the Valuation Point for each Dealing Day by deducting the total liabilities from the total assets of each Class (and corresponding underlying Fund to which such Class is attributable). Total assets include the value of all investments held, the sum of any cash and accrued income.

The Valuation Point in respect of each Fund is currently close of business in the relevant market on the Valuation Day (subject to any contrary expression thereof in respect of any Class and corresponding underlying Fund as may be set out in the applicable corresponding section of the Appendix).

Total liabilities comprise all liabilities including any borrowings, accrued expenses and any contingencies for which reserves are determined to be required. In calculating the value of the assets of each Fund:

- (a) investments listed and regularly traded on a recognised exchange and for which market quotations are readily available shall be valued on the basis of the last traded or last available quoted prices as of the Valuation Point provided that the value of any investment listed on a recognised exchange, but acquired or traded at a premium or at a discount outside or off the relevant recognised exchange or on an over-the-counter market, shall be valued taking into account such premium or discount as at the date of valuation of the investment;
- (b) investments which are not listed or which are listed but in respect of which prices are not available or in respect of which the last traded or last available price does not in the opinion of the applicable Investment Manager represent fair market value as of the Valuation Point shall be valued at their probable realisation value estimated with care and in good faith, by the applicable Investment Manager and, if deemed necessary by the Directors, following consultation by the Investment Manager with a competent person;
- (c) derivative contracts traded on a regulated market including without limitation futures and options contracts and index futures shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the applicable Investment Manager (ii) a competent person firm or corporation selected by the applicable Investment Manager or (iii) any other means provided that the value is approved by the Directors. Derivative contracts which are not traded on a regulated market (including without limitation swap and swaption contracts) may be valued either using the counterparty valuation or an alternative valuation such as a valuation calculated on behalf of the applicable Fund or by an independent pricing vendor. The applicable Fund must value an over the counter derivative on at least a monthly basis except where the dealing frequency of a Portfolio investment is greater than once a month in which case the applicable Fund must value the over the counter derivatives consistent with the dealing frequency of the applicable Portfolio investment. Where the applicable Fund values an over the counter derivative using an alternative valuation, the applicable Fund will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA, the alternative valuation will be provided by a competent person selected by the applicable Investment Manager, or a valuation by any other means provided that the value is approved by the Directors and the alternative valuation will be fully reconciled to the counterparty valuation on a monthly basis. Where the applicable Fund values an over the counter derivative using the counterparty valuation, the valuation must be approved or verified by a party who is approved for the purpose by the Directors and who is independent of the counterparty and the independent verification must be carried out at least

monthly. The reference to an independent party may include the Company or the applicable Fund. It can also include a party related to the counterparty provided the related party constitutes an independent person within the counterparty's group which does not rely on the same pricing models employed by the counterparty. Where the independent party is related to the over the counter counterparty and the risk exposure to the counterparty may be reduced through the provision of collateral, the position must also be subject to verification by an unrelated party to the counterparty on a six monthly basis;

- (d) Units/shares in underlying collective investment schemes not valued pursuant to paragraph (a) above shall be valued by reference to (a) the latest available net asset value of the units/shares as published of the relevant underlying collective investment scheme or (b) if more recent, the latest available estimate of the probable realisation value of the units/shares of the relevant underlying collective investment scheme estimated with care and good faith by the (i) applicable Investment Manager, or (ii) other person selected by the applicable Investment Manager, being a competent person;
- (e) if units/shares of an underlying collective investment scheme are valued by reference to the latest available estimate of the probable realisation value of the units/shares of the underlying collective investment scheme, such valuation shall be final and not subsequently adjusted when the final valuation of such units/shares becomes available;
- (f) assets denominated in a currency other than the Base Currency of a Class (whether of an investment or cash) and any borrowing denominated in a currency other than the Base Currency of a Class shall be converted into the Base Currency of the Class at the rate (whether official or otherwise) which the applicable Investment Manager deems appropriate in the circumstances;
- (g) cash and other liquid assets shall be valued at their nominal value plus accrued interest; and
- (h) forward foreign exchange contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market as detailed at paragraph (c) above or by reference to freely available market quotations.

In determining the Net Asset Value as aforesaid, assets will be valued at the latest available prices as set out in (a) to (h) above, except for the purposes of compulsory redemptions when they may in the sole discretion of the Directors be valued at the latest available "bid" prices for long positions and "asked" prices for short positions and less any fiscal charges, fees and expenses incurred as a result of any such compulsory redemption.

The Directors may, in their sole discretion, permit any other method of valuation to be used if they consider that such method of valuation more fairly reflects value and is in accordance with good accounting practice. To the extent feasible, expenses, fees and liabilities will be accrued in accordance with IFRS. Reserves (whether or not in accordance with IFRS) may be taken or estimated in respect of accrued expenses, liabilities or contingencies. The Directors may in their sole discretion adopt different accounting principles and standards from time to time.

The Directors are entitled to exercise their reasonable judgement in determining the values to be attributed to assets and liabilities and provided they are acting bona fide in the best interests of the Company as a whole, such valuations are not open to challenge by current or previous investors.

### **Calculation of Net Asset Value Per Share**

The Net Asset Value per Share of each Class or Series thereof, is determined by dividing the Net Asset Value of the relevant Class or Series thereof and applicable Fund to which such Class or Series thereof is attributable by the number of Shares of such Class or Series thereof outstanding, as the case may be. The Net Asset Value of each Class will be based on the Net Asset Value of the applicable Fund (or

applicable interest in such Fund) to which such Class is attributable and will reflect the liabilities and expenses (including any Management Fee as well as any Performance Fee payable to an Investment Manager, if any) of that Fund and/or of the Company, insofar as relates to or is attributable to that Fund; and bearing in mind that the Directors shall have the discretion to issue additional fee paying Classes from time to time.

### **Calculation of Subscription Prices**

The initial issue price for any Class as may be subscribed on the relevant Dealing Day is \$10 per Share or such other amount as set out in the applicable section of the Appendix which pertains to a particular Class or such other amount as determined by the Directors in their discretion. After the initial issuance of the Shares of a particular Class, additional Shares of that Class as may be subscribed on the relevant Dealing Day will be issued at the prevailing Net Asset Value per Share of that Class as at the relevant Valuation Point for that Dealing Day calculated as set out in this Information Memorandum.

Insofar as may be applicable in respect of a particular Class as provided for in this Information Memorandum including in particular the Appendix, the calculation of the subscription cash requirement of Shares of such Class will be subject to adjustment for the anti-dilution levy as set out under the “Anti-Dilution Levy” section of this Information Memorandum and as otherwise described herein.

A portion of the subscription monies (being such sum as the Directors may consider represents the appropriate pro rata provisions for duties and charges which would be incurred on the assumption that all the investments held directly or indirectly by the Company (or the applicable Fund(s), as the case may be) were to be acquired at the relevant Valuation Point) may be applied as a credit to the other investors in the Company (or holders of Shares of the applicable Class or Classes) in the interests of equality. Where this occurs, the Company may make a corresponding addition to the subscription cash requirement per Share of the applicable Class or Classes. The Directors may also make such additional adjustments to the subscription price and/or the Net Asset Value per Share on the basis of which such price is calculated as may be permitted under the constitutional documentation of the Company and the applicable Fund(s).

### **Calculation of Redemption Prices**

The price at which Shares of each Class or Series thereof may be redeemed on the relevant Dealing Day therefor is the Net Asset Value per Share of the relevant Class or Series calculated as at the Valuation Point in respect of the relevant Dealing Day (thus attributable to the Net Asset Value of the applicable Fund to which such Class relates and is attributable, calculated as at such Valuation Point).

Insofar as may be applicable in respect of a particular Class as provided for in this Information Memorandum including in particular the Appendix, the calculation of the redemption proceeds from redeemed Shares of such Class will be subject to adjustment for the anti-dilution levy as set out under the “Anti-Dilution Levy” section of this Information Memorandum and as otherwise described herein.

The Company may deduct from the redemption payment due such sum as it may consider represents the appropriate pro rata allowance for duties and charges in relation to the realisation of all, or such part as the Directors deem appropriate, of the investments held directly or indirectly by the applicable Fund(s) at that Valuation Point and apply such sum as a credit to other investors in the interests of equality. The Directors may also make such additional adjustments to the redemption price and/or the Net Asset Value per Share on the basis of which such price is calculated as may be permitted under the constitutional documentation of the Company and the applicable Fund(s).

### **Possible Suspension**

The Directors may suspend the determination of the Net Asset Value of any Class or Series or of any Fund or Funds and/or subscriptions and/or redemptions (whether in whole or in part) in respect of any

Class or Series and/or the payment of redemption proceeds (or any portion thereof) in respect of any Class or Series (and including in each case in respect of the Company as a whole) in such circumstances as they may determine in their absolute discretion including without limitation during any period or part thereof :

- (a) where the right of redemption from a Fund in whole or in part is suspended;
- (b) in which the settlement of redemptions or payment of redemption proceeds would, in the opinion of the Directors, result in a violation of law or violate any instrument or agreement governing any indebtedness incurred by the Company or any Fund;
- (c) when one or more stock exchanges which provide the basis for valuing a substantial portion of the assets of any Fund are closed other than for, or during, holidays or if dealings therein are restricted or suspended;
- (d) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Company or applicable Fund(s), disposal of the underlying assets of the applicable Fund(s) is not reasonably practicable without being seriously detrimental to Shareholders or if, in the opinion of the Directors, a fair price cannot be calculated for those assets of the applicable Fund;
- (e) in the case of a breakdown of the means of communication normally used for valuing a significant portion of the investments of the applicable Fund(s) or if, for any reason, the value of any asset of the applicable Fund(s) may not be determined as rapidly and accurately as required;
- (f) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the applicable Fund(s) are rendered impracticable or if purchases, sales, deposits and redemptions of the assets attributable to the applicable Fund(s) cannot be effected at the normal rates of exchange;
- (g) if a resolution calling for the liquidation, dissolution or merger of the Company and/or any Fund and/or any Class has been proposed; or
- (h) to facilitate an orderly winding up of the affairs of the Company or any Fund or any Class or Series.

The Directors reserve the right to withhold payment (in whole or in part) from persons who have redeemed prior to such suspension until after the suspension is lifted. Such right will be exercised in circumstances where the Directors believe that to make such payment during the period of suspension would prejudice the interests of existing investors. Notice of any suspension will be given to any investor attempting to redeem as soon as practicable. If the request is not withdrawn, the day with reference to which the redemption of such Shares will be effected will (if later than the day on which the redemption would otherwise have been effected if there had been no suspension) be the applicable Dealing Day next following the end of the suspension.

In addition, the Directors have the right to postpone any Dealing Day for up to one Business Day without the requirement to give notice to investors when, in their opinion, a significant proportion (which is likely to be five per cent. or more) of the assets of a particular Fund cannot be valued on an equitable basis and such difficulty is expected by the Directors to be overcome within that period. The Directors will take all reasonable steps to bring any period of suspension to an end as soon as possible.

## RISK FACTORS

### Risk Factors

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the Company carries with it a degree of risk. Different risks may apply to different Funds and/or Classes. Details of specific risks attaching to a particular Fund or Class which are additional to those described in this section will be disclosed in Appendix 1 attached hereto. Prospective investors should review this Information Memorandum and the relevant Appendix carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Prospective Investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of the Company or any Fund should not be relied upon as an indicator of future performance. The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term. The securities and instruments in which the Company invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

Investments on international markets may fluctuate in price under the influence of a variety of issues such as currency rates and interest rates, exchange controls, taxes and other economic and political developments. Other factors such as the availability of information on, and the size and liquidity of, international markets may limit the intended diversification of the Company's resources.

There can be no assurance that the Company's or any Fund's investments will be successful, or that their investment objectives will be achieved and it should be noted that the price of Participating Shares might go down as well as up. In attempting to achieve its objectives, the Company and the Funds will employ a variety of investment strategies and techniques backed by risk control strategies, but there can be no assurance that such strategies will be effective. The assets of one Fund may be applied only to meet the liabilities of that Fund and not those of any other Fund (commonly referred to as "ring-fencing" the assets and liabilities attributable to each Class of Participating Shares). It should be noted, however, that the possibility of "cross-liability" among different Classes of Participating Shares is not entirely eliminated by this structure. At the date of this document, the Directors are not aware of any existing or contingent liability between the Funds and Classes of the Company.

The Company has no obligation to redeem Participating Shares at the Subscription Price originally paid and redeeming investors may not receive the amount originally invested.

The acceptance of the Custodian of its appointment to act as custodian does not constitute any express or implied warranty or representation on the part of the Custodian as to the quality and/or reputation of the service providers to or any other party connected with the Company, the adequacy of information contained in the Information Memorandum or the suitability of the Company for investment purposes.

***Concentration of investments.*** Although a Fund will endeavour to diversify its Portfolio in accordance with its investment policies and restrictions, a Fund may hold a few, relatively large positions in securities in relation to the capital of a Fund. Consequently, a loss in any such position could result in significant losses to a Fund and a proportionately higher reduction in the Net Asset Value of a Fund than if a Fund's capital had been spread among a wider number of positions.

***Potential illiquidity of Exchange Traded and OTC instruments.*** It may not always be possible for a Fund to execute a buy or sell order on exchanges at the desired price or to liquidate an open position either due to market conditions or due to the operation of daily price fluctuation limits. If trading on an

exchange is suspended or restricted, a Fund may not be able to execute trades or close out positions on terms which the Investment Manager believes are desirable. In addition, investment in OTC instruments will be subject to the liquidity of such instruments which may impact their valuation.

***Certain Securities Markets.*** Stock markets in certain countries or sectors may have a relatively low volume of trading. Securities of companies in such markets may also be less liquid and more volatile than securities of comparable companies elsewhere. There may be low levels of government regulation of stock exchanges, brokers and listed companies in certain countries. In addition settlements of trades in some markets is slow and subject to failure.

***Risks of Government Intervention.*** The prices of securities and instruments in which a Fund may trade or invest are subject to certain risks arising from government regulation of or intervention in the markets, through regulation of the local market, restrictions on investments by foreign residents or limits on flows of investment funds. Such regulation or intervention could adversely affect a Fund's performance.

***Market Risk.*** The investments of a Fund are subject to normal market fluctuations and the risks inherent in investment in equity securities and similar instruments and there can be no assurances that appreciation will occur. The price of shares can go down as well as up and investors may not realise their initial investment.

#### ***Investment Strategies.***

The success of the investment strategies depends upon the ability to interpret correctly market data. Any factor which would make it more difficult to execute timely trades, such as a significant lessening of liquidity in a particular market would also be detrimental to profitability. As the strategies may be modified and altered from time to time, it is possible that the strategies used in the future may be different from those presently in use. No assurance can be given that the strategies used or to be used will be successful under all or any market conditions.

***Performance Fees.*** Where performance fees are payable by a Fund, these will be based on realised and unrealised gains and losses for each Shareholder as of the end of each fee calculation period . As a result, performance fees may be paid on unrealised gains which may subsequently never be realised as positions may be closed out at a loss in a later period with a consequent reduction in the Net Asset Value per Share on the later Subscription Day. Further, payment of performance fees may create an incentive to the Investment Manager to select riskier or more speculative trades than would be the case in the absence of such a fee arrangement.

***Fees and Expenses.*** Whether or not a Fund is profitable, it is required to pay fixed fees and expenses including organisation and offering expenses, brokerage commissions, administrative and operating expenses and advisory fees.

***Use of Leverage and Derivative Instruments.*** A Fund's anticipated use of borrowing, leverage and derivative instruments, could result in certain additional risks. Leveraged investments will increase the loss to investors of any depreciation in the value of investments whilst a relatively small price movement in a leveraged instrument may result in a substantial loss. Derivative instruments are highly volatile and expose investors to a high risk of loss.

***Currency Risk.*** Investments acquired by a Fund could be in a wide range of currencies. Although the Investment Manager will seek to manage a Fund's foreign exchange positions, there is no assurance that this can be performed effectively.

***Counterparty Risk.*** Markets in which a Fund may effect transactions may include OTC or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as members of "exchange-based" markets. This exposes a Fund to the risk that a counterparty

will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where a Fund has concentrated its transactions with a single or small group of counterparties. A Fund is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, a Fund has no internal credit function which evaluates the creditworthiness of its counterparties. The ability of a Fund to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by a Fund.

***No Established Rating Criteria.*** No rating criteria may have been established for some of the debt securities in which a Fund may invest. A Fund may invest in low rated (considered to be those that are below “investment grade”) and unrated debt securities. Low rated and unrated debt securities are the equivalent of high yield, high risk bonds, commonly known as “junk bonds” and are generally considered to be speculative with respect to the issuer’s capacity to pay interest and repay principal in accordance with the terms of its obligations under such securities. A Fund will be more dependent upon the judgment of the Investment Manager as to the credit quality of such unrated securities.

***Credit Ratings.*** Credit ratings of debt securities or credit or reference entities represent the rating agencies’ opinions regarding their credit quality and are not a guarantee of future credit performance of such securities. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, the ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an issuer’s current financial conditions may be better or worse than a rating indicates. Consequently, credit ratings of reference entities or obligors in respect of eligible investments will be used by the Investment Manager only as a preliminary indicator of investment quality, and for the purposes of maintaining any stated ratings criteria of a credit security. Obligations of reference entities which are not investment grade will be more dependent on the credit analysis by the Investment Manager than would be the case with those which are investment-grade.

***Credit Risk.*** A Fund also is subject to credit risk, i.e. the risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of the security will suffer because investors believe the issuer is less able to pay. Investment in the obligations of credit securities, portfolios of credit default swaps or instruments, individual credit default swaps and other instruments involves a degree of risk arising from fluctuations in the amount and timing of the receipt of principal and interest by a Fund and the amounts of the claims of creditors and counterparties ranking in priority to the rights of a Fund in respect of such securities, obligations and instruments. In particular, the amount and timing of payments of the principal, interest and other amounts on credit securities and other obligations and instruments will depend upon the detailed terms of the documentation relating to the instrument and on whether or not any issuer thereof or obligor thereunder defaults in its obligations thereunder. A default, downgrade or credit impairment of any of its investments could result in a significant or even total loss of the investment.

***Hedging Transactions and Other Methods of Risk Management.*** A Fund may utilise financial instruments such as derivatives for investment purposes and for risk management purposes, for example in order to: (i) protect against possible changes in the market value of the portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect a Fund’s unrealised gains in the value of the portfolio; (iii) facilitate the sale of any investment; (iv) enhance or preserve returns, spreads or gains on any investment in the portfolio; (v) hedge the interest rate or currency exchange rate on any of a Fund’s liabilities or assets; (vi) protect against any increase in the price of any securities a Fund anticipates purchasing at a later date; or (vii) for any other reason that the Investment Manager deems appropriate. Such hedging transactions may not always achieve the intended effect and can also limit potential gains.



While a Fund may enter into such transactions to seek to reduce currency, exchange rate, commodity related and interest rate risks, unanticipated changes in currency, interest rates and equity markets may result in a poorer overall performance by a Fund. For a variety of reasons, a Fund may not obtain a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the intended hedge or expose a Fund to risk of loss.

The success of a Fund's risk management strategies will depend in part upon the Investment Manager's ability correctly to assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Fund's hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for a Fund than if it had not engaged in such hedging transactions. For a variety of reasons the Investment Manager may not seek to establish a perfect correlation between the hedging instruments utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent a Fund from achieving the intended hedge or expose a Fund to risk of loss. The Investment Manager may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilisation of hedging and risk management transactions requires skills complementary to those needed in the selection of the portfolio.

**Fixed Income Securities.** A Fund may invest in bonds or other fixed income securities, including without limitation, commercial paper and "higher yielding" (including non-investment grade and, therefore, higher risk) debt securities. A Fund will, therefore, be subject to credit, liquidity and interest rate risks. Higher-yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer's assets. The lower rating of debt obligations in the higher-yielding sectors reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitation on additional indebtedness. In addition, evaluation of credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. It is likely that a major economic event, such as a recession or reduction of liquidity in the market could severely disrupt the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such an economic event could adversely affect the ability of issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

**Subordination Risk.** Certain debt investments that may be acquired by a Fund will be subject to certain additional risks. Such investments may be unsecured and structurally or contractually subordinated to substantial amounts of senior indebtedness, all or significant portion of which may be secured. Moreover, such investments may not be protected by financial covenants or limitations upon additional indebtedness.

**Interest Rate Risk.** A Fund is subject to several risks associated with changes in interest rates on its financings and investments which may affect profitability.

**Increased Interest Payments.** The interest payments on a Fund's financings may increase relative to the interest earned on a Fund's investments. In a period of rising interest rates, interest payments by a Fund could increase while the interest earned on certain Investments would not change.

**Interest Rate Adjustments.** A Fund may rely on short-term financings to acquire Investments with long-term maturities. Similarly, a Fund may acquire investments with short term maturities which are

secured by long dated assets. Certain of a Fund's investments may be adjustable rate instruments in which interest rates vary over time, based upon changes in an objective index which generally reflect short-term interest rates. The interest rates on a Fund's financings similarly vary with changes in an objective index but may adjust more frequently than the interest rates of a Fund's investments.

**AIFM Directive.** The European Council and the European Parliament have approved the Alternative Investment Fund Managers Directive 2011/61/EU (the "AIFM Directive") published by the European Commission on alternative investment fund managers ("AIFMs"). The AIFM Directive has been supplemented with further rules and regulations and is required to be transposed into the laws of the European Union (the "EU") Member States. The overarching purpose of the AIFM Directive is to (a) regulate AIFMs based in the EU and (b) prohibit AIFMs from either (i) managing any alternative investment fund ("AIF") in the EU or (ii) marketing shares in AIFs to investors in the EU unless authorised and, in the case of an AIF domiciled outside of the EU (such as the Company), unless the domicile of the AIF meets certain conditions. To obtain authorisation and to manage an AIF in the EU, an AIFM (such as the Investment Manager) would need to comply with various obligations in relation to the AIF which may create significant additional compliance costs that may be passed to investors in the relevant AIF.

The Investment Manager, marketing a non-EU AIF (the Company) to persons within the EU, will be required to, *inter alia*: (i) confirm that applicable regulatory authorities and the Cayman Islands Monetary Authority have each entered into a cooperation agreement with the regulator of each EU country into which the Company is to be marketed; (ii) confirm that the Cayman Islands is not listed as a non-cooperative country for the purposes of the Financial Action Task Force; and (iii) provide certain additional regulatory and/or financial information to investors in the EU and regulators of such EU Member States.

The Company, as a non-EU AIF managed by a non-EU AIFM (the Investment Manager), may only be marketed to investors in the EU in accordance with applicable national private placement rules. Not all EU Member States have completed the process of transposing the AIFM Directive into national law, and some member States have imposed obligations over and above those required by the AIFMD Directive. In addition, each EU Member State retains the discretion over its national private placement rules and retains the authority to enact new rules that may require an AIF to become registered with a local regulator before securities can be offered in that EU Member State and/or restrict or limit the ability for interests in any non-EU AIF (such as the Company) from being marketed in such EU Member State. "Reverse solicitation", where an EU investor approaches a non-EU AIFM regarding shares in a non-EU AIF, is outside the scope of the AIFM Directive.

It is not currently intended that the Company or any Investment Manager will fall within the scope of the AIFM Directive, however this cannot be guaranteed and the Company may, in the future, be marketed to shareholders or prospective investors which are domiciled or have a registered office in any member state of EU, in which case the Company and the applicable Investment Manager would likely be subject to requirements under the AIFM Directive.

Compliance measures pursuant to the AIFM Directive may be significant or may require amendments to the structure of the Company (eg redomiciling to another jurisdiction). Regulatory changes impairing the ability of the applicable Investment Manager to manage investments of the Company, or limiting the Company's ability to market shares in the future due to the implementation of the AIFM Directive, may have a material adverse effect on the Company's ability to carry out its investment approach and in turn to achieve its investment objective..

**Tax Considerations.** Applicable taxation laws, treaties, rules or regulations or the interpretation thereof may always change, possibly with retrospective effect. Changes in the tax treatment of investments and special purpose vehicles and unanticipated withholding taxes or other taxes may affect anticipated cash flows. The Company may use a variety of investment structures to obtain exposure to the underlying assets on a case by case basis. Whilst the Company will seek to enhance the tax efficiency of such

investment structures in their jurisdictions of incorporation, the tax laws, however, may change or be subject to differing interpretations. Accordingly, the tax consequences of a particular investment or structure may change after the investment has been made or the structure has been established with the result the Company could become subject to taxation (including by way of withholding tax) in respect of its investments and the income, profit and gains derived therefrom in a manner or to an extent that is not currently anticipated. Any such change may have an adverse effect on the net asset value of the Company and the Funds and interests in it/them.

Although the Directors and the Investment Managers each intend that, so far as it is within their respective control, the affairs of the Company, the Funds and the Investment Managers are conducted so that the Company and the Funds do not become subject to U.K. corporation tax or income tax or to South African income tax on its profits, there can be no guarantee that all of the requirements to ensure this will at all times be satisfied.

**Foreign Account Tax Compliance.** Pursuant to the U.S. Foreign Account Tax Compliance Act ("FATCA"), the Company and each Fund will be required to comply (or be deemed compliant) with extensive reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject such entities to U.S. withholding taxes on certain U.S. source income. Pursuant to an intergovernmental agreement between the United States and the Cayman Islands, as described more fully below, the Company and each Fund resident in the Cayman Islands may be deemed compliant, and therefore not subject to the withholding tax, if they identify and report U.S. taxpayer information directly to the Cayman Islands government. Shareholders may be requested to provide additional information to the Company to enable the Company and each Fund to satisfy these obligations. Failure to provide requested information may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder's interest in its Shares. Detailed guidance as to the mechanics and scope of this reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Company and/or the Funds.

**AEOL.** On 29 November 2013, the Cayman Islands government entered into a model 1 inter-governmental agreement with the United States (the "US IGA") in connection with the implementation of FATCA. The US IGA is intended to result in the automatic exchange of tax information under FATCA. The two governments have also signed a Tax Information Exchange Agreement which outlines the legal channels through which tax information will automatically be exchanged.

On 4 July 2014, the Cayman Islands government issued The Tax Information Authority (International Tax Compliance) (United States of America) Regulations (as amended) (the "US FATCA Regulations") to accompany The Tax Information Authority Act (as amended) (the "TIA Act"). The US FATCA Regulations implement the provisions of the US IGA. The US FATCA Regulations provide for the identification of and reporting on certain direct and indirect United States investors who are US citizens, and impact the Company and its Shareholders.

Shareholders in the Company may be required to provide additional identifying information to the Company in order for the Company to correctly classify the Shareholder for the purposes of FATCA, and should note that in the event a Shareholders does not supply such information on request, such Shareholder may be classified as a 'U.S. Reportable Account' and information pertaining to such Shareholder (and its holding in the Company) may be passed to the Cayman Islands Tax Information Authority (the "TIA"), who may then provide it to the United States Internal Revenue Service (the "IRS"). Each Shareholder should also note that any information provided to the Company which identifies its direct or indirect ownership of an interest in the Company may be reported to the TIA and/or the IRS.

On 29 October 2014, the Cayman Islands along with 50 other jurisdictions signed a Multilateral Competent Authority Agreement to demonstrate its commitment to implement the Common Reporting

Standard ("CRS") issued by the Organisation for Economic Cooperation and Development. Local regulations, which require due diligence to be undertaken on new and pre-existing accounts, were enacted on 16 October 2015 and 19 December 2016 with reporting on such accounts commencing during 2017. More than 100 countries have since agreed to implement the CRS, which imposes similar reporting and other obligations as the US IGA with respect to investors who are tax resident in other signatory jurisdictions. The Company will be required to report to the TIA on an annual basis, with account information being disseminated by the TIA to tax authorities around the globe. The Cayman Islands government may also enter into additional agreements with other countries in the future, and additional countries may adopt CRS, which will likely further increase the reporting and/or withholding obligations of the Company.

Each Shareholder acknowledges that the Company may take such action as it considers necessary in accordance with applicable law in relation to such Shareholder's holding to ensure that any withholding tax payable by the Company, and any related costs, interest, penalties and other losses and liabilities suffered by the Company, the Administrator or any other Shareholder, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such Shareholder's failure to provide the requested information to the Company, is economically borne by such Shareholder.

**Terrorist Action.** There is a risk of terrorist attacks causing significant loss of life and property and damage and disruptions in global markets. Economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity which may in turn adversely affect the Company and the Funds and investors.

**Dodd-Frank Wall Street Reform and Consumer Protection Act.** With the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") in the United States, there will be extensive rulemaking and regulatory changes that have affected and will continue to affect private fund managers, the funds that they manage and the financial industry as a whole. Under Dodd-Frank, the SEC has mandated new reporting requirements and is expected to mandate new recordkeeping requirements for investment advisers, which are expected to add costs to the legal, operations and compliance obligations of the Investment Managers and the Company and increase the amount of time that the Investment Managers spend on non-investment related activities. Until the SEC implements all of the new requirements of Dodd-Frank, it is unknown how burdensome such requirements will be. Dodd-Frank will affect a broad range of market participants with whom the Company interacts or may interact, including commercial banks, investment banks, other non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies and broker-dealers. Regulatory changes that will affect other market participants are likely to change the way in which the Investment Managers conduct business with their counterparties. It may take several years to understand the impact of Dodd-Frank on the financial industry as a whole, and therefore, such continued uncertainty may make markets more volatile, and it may be more difficult for the Investment Managers to realise the investment objectives of the Company.

**Contagion Risk Factor.** The Company has the power to issue Shares in Classes or Series. The Articles provide for the manner in which the liabilities are to be attributed across the various Classes or Series (liabilities are to be attributed to the specific Class or Series in respect of which the liability was incurred). However, the Company is a single legal entity and there is no limited recourse protection for any Class or Series. Accordingly, all of the assets of the Company will be available to meet all of its liabilities regardless of the Class or Series to which such assets or liabilities are attributable. In practice, cross-Class or cross-Series liability is only expected to arise where liabilities referable to one Class or Series are in excess of the assets referable to such Class or Series and it is unable to meet all liabilities attributed to it. In such a case, the assets of the Company attributable to other Classes or Series may be applied to cover such liability excess and the value of the contributing Classes or Series will be reduced as a result.

**Handling of Mail.** Mail addressed to the Company and received at its registered office will be forwarded unopened to the Company's business address. None of the Company, its directors, officers, advisors or service providers (including the organisation which provides registered office services in the Cayman Islands) will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address. In particular the Directors will only receive, open or deal directly with mail which is addressed to them personally (as opposed to mail which is addressed just to the Company).

**The foregoing list of risk factors is not complete. Prospective investors should consult with their own advisors before deciding to subscribe.**

## **CONFLICTS OF INTEREST**

The following inherent or potential conflicts of interest should be considered by prospective investors before investing in the Company:

**Other Clients** - An Investment Manager may act as manager, broker, investment manager or investment adviser to other clients (including without limitation, funds, client accounts and proprietary accounts) now or in the future. The investment objectives of such clients may be identical, similar or different to those of the applicable Fund which has engaged that Investment Manager. They may additionally serve as partners or shareholders in other investment funds and companies. Certain investments may be appropriate for the Company and an applicable Fund and also for other clients advised or managed by the Investment Manager of that Fund. Investment decisions for the Company and the applicable Fund and for such other clients are made with a view to achieving their respective investment objectives and after consideration of such factors as their current holdings, the current investment views of the different portfolio managers of the applicable Investment Manager, availability of cash for investment, and the size of their positions generally. Frequently, a particular investment may be bought or sold for only the applicable Fund or only one client or in different amounts and at different times for more than one but less than all clients, including the Company and the applicable Fund. Likewise, a particular investment may be bought for a particular Fund or one or more clients when one or more other clients are selling the same security. In addition, purchases or sales of the same investment may be made for two or more clients, including the Company and/or particular Fund, on the same date and mirror portfolios may be operated for other clients. In such event, such transactions will be allocated among the applicable Fund and clients in a manner believed by the relevant Investment Manager to be equitable to each. Purchase and sale orders for a particular Fund may be combined with those of other clients of the Investment Manager of that Fund. In effecting transactions, it may not always be possible, or consistent with the possibly differing investment objectives of the various clients and of the Company and the particular Fund, to take or liquidate the same investment positions at the same time or at the same prices.

**Other Activities** - An Investment Manager and/or other service providers will engage in other business activities and manage the accounts of clients other than the Company and the applicable Fund which has engaged that Investment Manager and/or other service providers. Such Investment Manager and/or other service providers are not required to refrain from any other activity, to account for any profits from any such activity, whether as partners of additional investment companies or otherwise or to devote all or any particular part of the time and effort of any of its or their partners, officers, directors or employees to the Company or any particular Fund and their respective affairs. Investment strategy for such other clients may vary from that for the Company and particular Fund. The Directors may act as directors of, or otherwise be interested in, other funds in which the Company and a particular Fund may invest now or in the future. To the extent that there are other conflicts of interest on the part of the Directors, each Investment Manager and/or other service providers between the Company, any Fund and any other account, company, fund or venture with which they/it is now or later may become affiliated, they/it will endeavour to treat all of such entities equitably.

## COMPANY AND SHAREHOLDER TAX CONSIDERATIONS

### The Company and its Shareholders

#### *General*

The statements on taxation below are intended to be a general summary of certain Cayman Islands, South Africa, United Kingdom and U.S. tax consequences that may result to the Company, the Funds and Shareholders. The statements relate to Shareholders holding Shares as an investment (as opposed to an acquisition by a dealer) and are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this Information Memorandum. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely.

**Prospective Shareholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and realisation of, Shares in the places of their citizenship, residence and domicile. The tax consequences for each Shareholder of acquiring, holding, redeeming or disposing of Shares will depend upon the Shareholder's individual circumstances and the relevant laws of any jurisdiction to which the Shareholder is subject (which may be subject to change in the future). Prospective investors should seek their own professional advice as to this, as well as to any relevant exchange control or other laws and regulations.**

The Company, via each Fund, may be subject to local withholding taxes in respect of income or gains derived from its direct or indirect investments in underlying investee countries. Taxation law and practice and the levels and bases of and reliefs from taxation relating to the Company, the Funds and to Shareholders may change from time to time.

#### *Cayman Islands*

As an exempted company, each of the Company and the Funds have received from the Government of the Cayman Islands an undertaking in accordance with Section 6 of the Tax Concessions Act (as amended) of the Cayman Islands that, for a period of 20 years from 18 February 2014, no laws of the Cayman Islands imposing any tax on profits, income, gains or appreciations shall apply to the Company and the Funds or their operations and that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the Shares, debentures or other obligations of the Company and the Funds.

Under current Cayman Islands law no tax would be charged in the Cayman Islands on profits or gains of the Company and the Funds and dividends of the Company would be payable to the Shareholders resident in or outside the Cayman Islands without deduction of tax. No stamp duty is levied in the Cayman Islands on the transfer or redemption of Shares. An annual registration fee will be payable by the Company and each of the Funds in the Cayman Islands. At current rates the fee will be \$853 per annum. In addition, the Company pays a mutual fund registration fee of \$4,269 per annum.

#### *South Africa*

The Directors intend that the affairs of the Company and each of the Funds should be managed and conducted so that they do not have their place of effective management in South Africa and hence do not become resident in South Africa for South African taxation purposes. Accordingly, and provided that the Company and the Funds do not carry on a trade in South Africa through a permanent establishment situated therein for South African taxation purposes, or through a branch or agency situated in the South Africa which would bring the Company and the Funds within the charge to income tax, the Company and the Funds will not be subject to South African income tax on income and capital gains arising to them. The Directors intend that the affairs of the Company and the Funds are conducted

so that they does not become resident in South Africa and so that no such permanent establishment, branch or agency will arise insofar as this is within their control, but it cannot be guaranteed that the conditions necessary to prevent any such permanent establishment, branch or agency coming into being will at all times be satisfied.

Interest and other income received by the Company and the Funds which has a South African source may be subject to withholding taxes in South Africa.

### ***United Kingdom***

The Directors intend that the affairs of the Company and the Funds should be managed and conducted so that they do not become resident in the U.K. for U.K. taxation purposes. Accordingly, and provided that the Company and the Funds do not carry on a trade in the U.K. through a permanent establishment situated therein for U.K. taxation purposes, or through a branch or agency situated in the U.K. which would bring the Company and the Funds within the charge to income tax, the Company and the Funds will not be subject to U.K. income or corporation tax on income and capital gains arising to it. The Directors intend that the affairs of the Company and the Funds are conducted so that no such permanent establishment, branch or agency will arise insofar as this is within their control, but it cannot be guaranteed that the conditions necessary to prevent any such permanent establishment, branch or agency coming into being will at all times be satisfied.

Interest and other income received by the Company and the Funds which has a U.K. source may be subject to withholding taxes in the U.K.

## **The Company and its Shareholders - U.S. Federal Income Tax Considerations**

### ***General***

As with any investment, the tax consequences of an investment in Shares may be material to an analysis of an investment in the Company. U.S. Taxpayers investing in the Company should be aware of the tax consequences of such an investment before purchasing Shares. This Information Memorandum discusses certain U.S. federal income tax consequences only generally and does not purport to deal with all of the U.S. federal income tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. This discussion assumes that no U.S. Taxpayer owns or will own directly or indirectly, or will be considered as owning by reason of certain tax law rules of constructive ownership, 10 per cent. or more of the total combined voting power or value of all Shares. The Company does not, however, guarantee that will always be the case. Furthermore, the discussion assumes that the Company will not hold any interests (other than as a creditor) in any “United States real property holding corporations” as defined in the Code. Each prospective investor is urged to consult his or her tax advisor regarding the specific consequences of an investment in the Company under applicable U.S. federal, state, local and foreign income tax laws as well as with respect to any specific gift, estate and inheritance tax issues.

### ***Taxation of the Company***

The Company and the Funds generally intend to conduct their affairs so that they will not be deemed to be engaged in trade or business in the United States and, therefore, none of their income will be treated as “effectively connected” with a U.S. trade or business. If not effectively connected with a U.S. trade or business, certain categories of income (including dividends (and certain substitute dividends and other dividend equivalent payments) and certain types of interest income) derived by the Company or a Fund from U.S. sources will be subject to a U.S. tax of 30 per cent., which tax is generally withheld from such income. Certain other categories of income, generally including most forms of U.S. source interest income (e.g. interest and original issue discount on portfolio debt obligations (which may include United States Government securities, original issue discount obligations having an original maturity of 183 days or less, and certificates of deposit), and capital gains (including those derived from

options transactions), will not be subject to this 30 per cent. withholding tax. If, on the other hand, the Company or a Fund derives income which is effectively connected with a U.S. trade or business, such income will be subject to U.S. federal income tax at the graduated rates applicable to U.S. domestic corporations, and the Company or Fund, as applicable, would also be subject to a branch profits tax on earnings removed, or deemed removed, from the United States.

The treatment of credit default swaps and certain other swap agreements as “notional principal contracts” for U.S. federal income tax purposes is uncertain. Were the U.S. Internal Revenue Service to take the position that a credit default swap or other swap is not treated as a “notional principal contract” for U.S. federal income tax purposes, U.S. source payments received by the Company from such investments might be subject to U.S. excise or income taxes.

Pursuant to the U.S. Foreign Account Tax Compliance Act (“FATCA”) the Company and the Funds will be subject to U.S. federal withholding taxes (at a 30 per cent. rate) on payments of certain amounts made to such entities (“withholdable payments”), unless they comply (or are deemed compliant) with extensive reporting and withholding requirements. Withholdable payments generally include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from U.S. sources. Income which is effectively connected with the conduct of a U.S. trade or business is not, however, included in this definition.

To avoid the withholding tax, unless deemed compliant, the Company and each Fund will be required to enter into an agreement with the United States to identify and disclose identifying and financial information about each U.S. Taxpayer (or foreign entity with substantial U.S. ownership) which invests in such entity, and to withhold tax (at a 30 per cent. rate) on withholdable payments and related payments made to any investor which fails to furnish information requested by such entity to satisfy its obligations under the agreement. Pursuant to an intergovernmental agreement between the United States and the Cayman Islands, the Company and each Fund resident in the Cayman Islands may be deemed compliant, and therefore not subject to the withholding tax, if they identify and report U.S. taxpayer information directly to the Cayman Islands government. Certain categories of U.S. investors, generally including, but not limited to, tax-exempt investors, publicly traded corporations, banks, regulated investment companies, real estate investment trusts, common trust funds, brokers, dealers and middlemen, and state and federal governmental entities, are exempt from such reporting. Detailed guidance as to the mechanics and scope of this reporting and withholding regime is continuing to evolve. There can be no assurance as to the timing or impact of any such guidance on future Company operations.

All Shareholders will be required to furnish appropriate documentation certifying as to their U.S. or non-U.S. tax status, together with such additional tax information as the Company or its agents may from time to time request. Failure to provide requested information or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting, and/or mandatory redemption of the Shareholder’s Shares.

### ***Taxation of Shareholders***

The U.S. tax consequences to Shareholders of distributions from the Company and of dispositions of Shares generally depends on the Shareholder’s particular circumstances, including whether the Shareholder conducts a trade or business within the United States or is otherwise taxable as a U.S. Taxpayer.

U.S. Taxpayers will be required to furnish the Company with a properly executed IRS Form W-9; all other Shareholders will be required to furnish an appropriate, properly executed IRS Form W-8. Amounts paid to a U.S. Taxpayer as dividends from the Company, or as gross proceeds from a redemption of Shares, generally will be reported to the U.S. Taxpayer and the IRS on an IRS Form 1099 (except as otherwise noted below). Failure to provide an appropriate and properly executed IRS Form



W-8 (in the case of Shareholders who are not U.S. Taxpayers) or IRS Form W-9 (for Shareholders who are U.S. Taxpayers) may subject a Shareholder to backup withholding tax. Backup withholding is not an additional tax. Any amounts withheld may be credited against a Shareholder's U.S. federal income tax liability.

Tax-exempt Entities, corporations, non-U.S. Shareholders and certain other categories of Shareholders will not be subject to reporting on IRS Form 1099 or backup withholding, if such Shareholders furnish the Company with an appropriate and properly executed IRS Form W-8 or IRS Form W-9, as appropriate, certifying as to their exempt status.

Shareholders will be required to provide such additional tax information as the Directors may from time to time request.

Failure to provide requested information may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting, and/or mandatory redemption of the Shareholder's Shares.

*Dividend Distributions* - Distributions made by the Company to its U.S. Taxpayer Shareholders with respect to the Shares will be taxable to those shareholders as ordinary income for U.S. federal income tax purposes to the extent of the Company's current and accumulated earnings and profits, subject to the "passive foreign investment company" ("PFIC") rules discussed below. Dividends received by U.S. corporate Shareholders will not be eligible for the dividends-received deduction.

*Sale of Shares* - Upon the sale or other disposition of Shares, and subject to the PFIC rules discussed below, a U.S. Taxpayer that holds Shares as a capital asset generally will realise a capital gain or loss which generally will be long-term or short-term, depending upon the shareholder's holding period for the Shares.

*Medicare tax* - An additional 3.8 per cent. Medicare tax is imposed on certain net investment income (including interest, dividends, annuities, royalties, rents and net capital gains) of U.S. individuals, estates and trusts to the extent that such person's "modified adjusted gross income" (in the case of an individual) or "adjusted gross income" (in the case of an estate or trust) exceeds a threshold amount.

*PFIC Rules - In General.* The Company will be a PFIC within the meaning of Section 1297(a) of the Code. Unless a Fund determines in the future to elect to be treated other than as a corporation for U.S. federal income tax purposes, such Fund will also be a PFIC. In addition, the Company and each Fund may invest directly or indirectly in other entities that are classified as PFICs. Thus, investors will be treated as indirect Shareholders of the applicable Fund and any PFICs in which the Company or a Fund directly or indirectly invests. U.S. Taxpayers are urged to consult their own tax advisors with respect to the application of the PFIC rules and the making of a "qualified electing fund" ("QEF") election or "mark-to-market election" summarised below.

*PFIC Consequences - No QEF or Mark-to-Market Election.* A U.S. Taxpayer which holds Shares will generally be subject to special rules with respect to any "excess distribution" by the Company to that Shareholder or any gain from the disposition of the Shares. For this purpose, an "excess distribution" generally refers to the excess of the amount of any distributions received by the Shareholder during any taxable year in respect of the Shares of the Company over 125 per cent. of the average amount received by the Shareholder in respect of those Shares during the three preceding taxable years (or shorter period that the Shareholder held the Shares). The tax payable by a U.S. Taxpayer with respect to an excess distribution or disposition of Shares will be determined by allocating the excess distribution or gain from the disposition ratably to each day in the Shareholder's holding period for the Shares. The distribution or gain so allocated to any taxable year of the Shareholder, other than the taxable year of the excess distribution or disposition, will be taxed to the Shareholder at the highest ordinary income tax rate in effect for that year, and the tax will be further increased by an interest charge to reflect the value of the tax deferral deemed to have resulted from the ownership of the Shares. Any amount of

distribution or gain allocated to the taxable year of the distribution or disposition will be included as ordinary income.

*PFIC Consequences - QEF Election* - A U.S. Taxpayer may be able to make a QEF election, in lieu of being taxable in the manner described above, to include annually in gross income that Shareholder's pro rata share of (a) the ordinary earnings (that is, the earnings and profits (computed using U.S. federal income tax principles), reduced by any net capital gain (defined below)) and (b) the net capital gain (that is, the excess of net long-term capital gain over net short-term capital loss) of the Company, regardless of whether the Shareholder received any distributions from the Company. The ordinary earnings would be included in the Shareholder's income as ordinary income, and the net capital gain would be included as long-term capital gain. (Losses would not flow through to an electing shareholder.) For the QEF election to be effective, however, the Company would need to provide the electing Shareholder with certain financial information based on U.S. tax accounting principles. The Company and Funds have no current intention to do so. There can be no assurance that a QEF election will be available with respect to any other PFIC shares held by a Shareholder indirectly through the Company.

*PFIC Consequences - Mark to Market Election*. A mark-to-market election is not expected to be available for U.S. Taxpayers holding Shares, nor is one likely to be available with respect to any Fund or other PFIC shares held indirectly through the Company. Were such an election to become available, in lieu of being taxable in the manner described above, an electing Shareholder would include in income at the end of each taxable year the excess, if any, of the fair market value of its Shares over its adjusted basis for the Shares. The Shareholder also would be permitted to deduct the excess, if any, of its adjusted basis for the Shares over their fair market value, but only to the extent of any net mark-to-market gain included in income in prior years. Any mark-to-market gain and any gain from an actual disposition of Shares would be included as ordinary income. Ordinary loss treatment would apply to any deductible mark-to-market loss, as well as any loss from an actual disposition to the extent of previously included net mark-to-market gains. An electing Shareholder's adjusted basis in its Shares would be adjusted to reflect any mark-to-market inclusions or deductions.

*PFIC Consequences - Tax-exempt Organisations - Unrelated Business Taxable Income*. Certain entities (including qualified pension and profit-sharing plans, individual retirement accounts, 401(k) plans and Keogh plans) ("Tax-exempt Entities") generally are exempt from U.S. federal income taxation except to the extent that they have unrelated business taxable income ("UBTI"). UBTI is income from a trade or business regularly carried on by a Tax-exempt Entity which is unrelated to the entity's exempt activities. Various types of income, including dividends, interest and gains from the sale of property other than inventory and property held primarily for sale to customers, are excluded from UBTI, so long as the income is not derived from debt-financed property. Capital gains derived by a Tax-exempt Entity from the sale or exchange of Shares and any dividends received by a Tax-exempt Entity with respect to its Shares should be excluded from UBTI, provided that the Tax-exempt Entity has not incurred acquisition indebtedness in connection with the acquisition of such Shares.

Under current law, the PFIC rules apply to a Tax-exempt Entity that holds Shares only if a dividend from the Company would be subject to U.S. federal income taxation in the hands of the Shareholder (as would be the case, for example, if the Shares were debt-financed property in the hands of the Tax-exempt Entity). It should be noted, however, that temporary and proposed regulations appear to treat certain tax-exempt trusts (but not qualified plans) differently than other Tax-exempt Entities by treating the beneficiaries of such trusts as PFIC Shareholders and thereby subjecting such persons to the PFIC rules.

*Other Tax Considerations* - The foregoing discussion assumes, as stated above, that no U.S. Taxpayer owns or will own, directly or indirectly, or be considered as owning by application of certain tax law rules of constructive ownership, ten per cent. or more of the total combined voting power of all Shares. In the event that the U.S. ownership of Shares were so concentrated, other U.S. tax law rules which are designed to prevent deferral of U.S. income taxation (or conversion of ordinary income into capital gain) through investment in non-U.S. corporations could apply to an investment in the Company. For

example, the Company could, in such a circumstance, be considered a “controlled foreign corporation”, in which case a U.S. Taxpayer might, in certain circumstances, be required to include in income that amount of the Company’s “subpart F income” and “global intangible low-taxed income” to which the Shareholder would have been entitled had the Company currently distributed all of its earnings. (Under current law, such income inclusions generally would not be expected to be treated as UBTI, so long as not deemed to be attributable to insurance income earned by the Company or debt-financed Shares.) Also, upon the sale or exchange of Shares, all or part of any resulting gain could be treated as a dividend. Similar rules could apply with respect to shares of a Fund and any other non-U.S. corporations that are held by a Shareholder indirectly through the Company.

*Reporting Requirements* - U.S. Taxpayers may be subject to additional U.S. tax reporting requirements by reason of their ownership of Shares. For example, special reporting requirements may apply with respect to certain interests in, transfers to, and changes in ownership interest in, the Company and certain foreign entities in which the Company may invest. A U.S. Taxpayer also would be subject to additional reporting requirements in the event that it is deemed to own ten per cent. or more (by vote or value) of the stock of a controlled foreign corporation by reason of its investment in the Company. Each U.S. Taxpayer which is deemed to be a direct or indirect PFIC shareholder also will be required to report annually such information as the U.S. Department of the Treasury shall require, regardless of whether such person has received any PFIC income or distributions in a given taxable year. Individuals holding foreign financial assets (including Shares) having an aggregate value of more than US\$50,000 generally will be required to disclose such holdings with such individual’s U.S. tax returns. Significant penalties apply to failures to disclose and to certain underpayments of tax attributable to undisclosed foreign financial assets. U.S. Taxpayers should consult their own U.S. tax advisors regarding any reporting responsibilities.

*Tax Shelter Reporting* - Persons who participate in or act as material advisors with respect to certain “reportable transactions” must disclose required information concerning the transaction to the IRS. In addition, material advisors must maintain lists that identify such reportable transactions and their participants. Significant penalties apply to taxpayers who fail to disclose a reportable transaction. Although the Company is not intended to be a vehicle to shelter U.S. federal income tax, and the applicable regulations provide a number of relevant exceptions, there can be no assurance that the Company and certain of its Shareholders and material advisors will not, under any circumstance, be subject to these disclosure and list maintenance requirements.

## **Special Tax Considerations In Respect of Tax Transparent Funds**

Unless otherwise indicated, the foregoing disclosure assumes that each Fund will be treated as a corporation for U.S. federal income tax purposes.

A Fund may in the future elect to be treated for U.S. federal income tax purposes as a disregarded entity (in the event that it has only one member) or a “partnership,” and not a “publicly traded partnership” that is taxable as a corporation (in the event that it has more than one member).

As a disregarded entity, a Fund generally would not be subject to U.S. federal income tax. Instead, the Company, as its sole owner, would be treated as having directly earned or incurred the Fund’s items of income, gain, loss, deduction or credit. In addition, distributions from the Fund to the Company, and contributions from the Company to the Fund, generally would be of no U.S. federal income tax consequence, as the Company generally would be deemed to hold the assets of the Fund.

As a partnership, a Fund generally would not be subject to any regular U.S. federal income tax. Instead, the investors in the applicable Fund (including Company) would be treated as being engaged in the activities carried on by such Fund and, to the extent subject to U.S. federal income tax, would be taxable on their distributive share of the applicable Fund’s income and gain. The remainder of the discussion assumes that a relevant Fund has so elected and is treated as a partnership for U.S. federal income tax purposes.

As noted above, each Fund generally intends to conduct its affairs so that it will not be deemed to be engaged in a trade or business within the United States. With respect to each Fund's income that is not effectively connected with a U.S. trade or business carried on by that Fund, certain categories of income (including dividends, certain dividend equivalent payments and certain types of interest income) derived by such Fund from U.S. sources and allocable to the Company will be subject to a U.S. tax of 30 per cent., which tax is generally withheld from such income. Certain other categories of income, generally including capital gains (including those derived from options transactions) and interest on certain portfolio debt obligations (which may include U.S. Government securities), original issue discount obligations having an original maturity of one hundred and eighty three days or less, and certificates of deposit, will not be subject to this 30 per cent. tax. If, on the other hand, a particular Fund derives income which is effectively connected with a U.S. trade or business carried on by that Fund, this 30 per cent. tax will not apply to such effectively connected income, but such Fund generally will be required to withhold quarterly amounts of tax from the amount of effectively connected taxable income allocable to the Company at the highest rate of tax applicable to U.S. corporate taxpayers. Thus, the Company would be taxable on capital gains, as well as other income which is treated as effectively connected with the applicable Fund's U.S. trade or business, and generally would be required to file U.S. tax returns. Furthermore, the Company would be subject to an additional 30 per cent. branch profits tax. Gain from an actual or deemed disposition of Fund shares by the Company also would be treated as effectively connected with a U.S. trade or business to the extent that the Company would have had effectively connected gain if the Fund sold all of its assets at fair market value. A transferee of the Company's Fund shares generally would be required to withhold tax at a 10 per cent. rate from the amount realized by the Company from the disposition. For transfers occurring after 2021, the Fund would be required to withhold any amount (plus interest) that the transferee failed to withhold as required. Any tax so withheld by the Fund, or by the transferee of Fund shares, in respect of the Company would be creditable against the Company's U.S. federal income tax liability.

## **CONSTITUTION OF THE COMPANY AND EACH FUND**

### **Constitution of the Company**

- (a) The Company is an open ended multi-class investment company incorporated as an exempted company with limited liability in the Cayman Islands on 31 January 2014 under the provisions of the Act (registered no. WK-284759).
- (b) The authorised share capital of the Company is US\$1,000,000 comprising 99,990,000 redeemable voting participating shares of a nominal or par value of US\$0.01 each and 100 Founder Shares of US\$1.00 each.
- (c) The Founder Shares are held by Coronation Global Fund Managers (Ireland) Limited. The Founder Shares confer the right to vote at general meetings of the Company only when no Shares are in issue and otherwise have the rights, entitlements, obligations and attributes as provided for in the Articles. In particular, holders of Founder Shares have the exclusive right to vote on any resolution or pass any resolution in writing to change the name of the Company. The Founder Shares confer no other right to participate in the profits or assets of the Company.
- (d) The Shares will be created, classified and issued pursuant to resolutions of the Directors and shall generally be issued subject at all times to the rights, entitlements, obligations and attributes thereof as provided for by and in such resolutions, this Information Memorandum (including in particular the applicable section of the Appendix with respect to any particular Class) and the Articles.
- (e) The Shares shall be redeemable participating shares. The holders of Shares shall be entitled to receive notice of and to attend and to vote at any general meeting of the Company.
- (f) No Shares have preference or pre-emptive rights. There are no outstanding options or any special rights relating to any Shares. All Shares participate equally in the net assets of their respective Class on liquidation and in dividends and other distributions as declared.
- (g) The Company was incorporated with the capacity of issuing various Classes as provided from time to time in this Information Memorandum and including in particular the Appendix from time to time.

The Articles comprise the constitution of the Company. The Articles have been drafted in broad and flexible terms as befit a multi-Class umbrella fund such as the Company and are generally neither prescriptive in any particular sense, nor prospective in any particular way. As such, the Articles must always be read in conjunction with this Information Memorandum and this Information Memorandum must always be read and considered in unison with the Articles. The Articles are available for inspection at the Company's registered office and may otherwise be provided to any particular Shareholder or prospective investor upon request (and subject always to customary rules of confidentiality and privacy). Notwithstanding the above (and without prejudice to the generality thereof), certain salient terms of the Articles are summarised below (on an entirely non-exhaustive and illustrative basis only).

### **Compulsory Transfer of Shares**

The Directors are entitled by service of a notice to require the transfer of any Shares held by, or for the benefit, of, any person:

- (i) who is a U.S. Person or is holding Shares for the account of a U.S. Person or any other person who is not an eligible investor;

- (ii) who, by virtue of the holding concerned, gives rise to a regulatory, pecuniary, legal or taxation or material administrative disadvantage to the Company or its Shareholders;
- (iii) in the event that the continued ownership of Shares by such person could result in adverse tax, regulatory, pecuniary, legal consequences or material administrative disadvantage to the Company or its Shareholders or require the Company to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply; or
- (iv) who has failed to provide any information or declaration required by the Directors within twenty one days of being requested to do so.

### **Compulsory Redemption of Shares**

The Directors are entitled compulsorily to redeem Shares owned directly or beneficially by any person or persons who or which, by virtue of the holding concerned, gives rise to a breach of any applicable laws or requirement in any jurisdiction or may, either alone or together with other Shareholders, in the sole and conclusive opinion of the Directors:

- (i) prejudice the tax status or residence of the Company or its Shareholders as a whole; or
- (ii) cause the Company or its Shareholders to suffer any regulatory, pecuniary, legal, taxation or material administrative disadvantages; or
- (iii) cause the Company to be required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply.

The Directors are also entitled compulsorily to redeem all or any Shares generally or in a particular Class where:

- (i) the aggregate amount invested in any Class or the small number of Shareholders with outstanding Shares of any Class at any time does not justify or support the continued trading and existence of a particular Class; or
- (ii) in any other circumstances in which the Directors determine in their absolute discretion that such compulsory redemption is in the best interests of the Company.

### **Directors of the Company**

The Directors may, where they unanimously so resolve, be entitled to reasonable remuneration for their services as Directors. The Directors shall be entitled to be paid their travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Directors, or any committee of the Directors, or general meetings of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Directors from time to time, or a combination of one such method and partly the other.

There is no shareholding qualification for Directors.

The business of the Company shall be managed by the Directors, outside the U.K. and South Africa and the Directors may pay all expenses incurred in maintaining the Company and may exercise all such powers of the Company as are not, by the Act or the Articles, required to be exercised by the Company in general meeting. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge the Company undertaking and/or its assets.

The Directors may meet together (either within or without the Cayman Islands but outside of the U.K. and South Africa) for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes.

In case of an equality of votes the chairman shall not have a second or casting vote. A Director may at any time, summon a meeting of Directors by at least five days' notice in writing to every Director which notice shall set forth the general nature of the business to be considered provided however that notice may be waived by all the Directors (or their alternates) either at, before or after the meeting.

The *quorum* necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless so fixed by the Directors, if there shall be two or more than two Directors shall be two, and if less than two Directors shall be one (or their alternates) provided that at any such transaction of business there shall at least be a majority of Directors who are independent directors and there shall not be a majority of directors who are resident in the United Kingdom or South Africa.

No Director shall be disqualified from the office of Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director shall be in any way interested or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or transaction by reason of such Director holding office or of any fiduciary relationship thereby established. A Director may be counted in the quorum of any relevant meeting which he attends and shall be at liberty to vote in respect of any contract or transaction in which he is so interested as aforesaid provided however that the nature of the interest of any Director in any such contract or transaction shall be disclosed by him at or prior to its consideration and any vote thereon and a general notice that a Director is a Shareholder of any specified firm or company and/or is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

### **Indemnification of the Directors**

Every Director and officer for the time being of the Company or any trustee for the time being acting in relation to the affairs of the Company and their representatives, heirs, executors, administrators, personal representatives or successors or assigns shall be entitled to certain indemnity and exculpation protection as provided for in the Articles.

### **Constitution of each Fund**

Each Fund, where a Cayman Islands exempted company, will have an authorised share capital similar to the Company and which enables the Company to acquire shares in the capital of such Fund to which Shares of a particular Class will be readily attributable.

Each Fund will have Memorandum and Articles of Association (or other constitutional documents) which are identical or substantially similar or otherwise analogous to, the Articles and thus the above disclosure in relation to the Articles shall apply *mutatis mutandis* to such constitutional documents of each Fund.

## GENERAL INFORMATION

### Directors' and Promoters' Interests

- (a) Fees may be paid by the Company and each Fund to the Directors acting as such. In addition, the Directors will be reimbursed for reasonable travelling, hotel accommodation and other out-of-pocket expenses incurred by them while executing their duties as Directors.

Directors may waive all or part of their fees and may assign their fees to their employers.

- (b) The Directors of the Company are also (or are anticipated also to be) the directors of each Fund.
- (c) At the date hereof, no Director, nor any connected person, has any interest, direct or indirect in the Shares or any Fund shares. Although none of the Directors are required to be investors, all of the Directors and any associates may invest in the Company. The level of any investment is likely to vary over time.
- (d) The Directors and/or persons associated with an Investment Manager may make identical, similar or different own account investments from time to time.
- (e) There is no retirement age for Directors.
- (f) No Director has:
  - (i) any unspent convictions in relation to indictable offences; or
  - (ii) been bankrupt or the subject of a voluntary arrangement or has had a receiver appointed to any asset of such Director; or
  - (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
  - (iv) been a partner of any limited partnership which, while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or limited partnership voluntary arrangement or had a receiver appointed to any limited partnership asset;
  - (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
  - (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.



## **Cayman Islands Mutual Funds Act**

The Company falls within the definition of a "Mutual Fund" in terms of the Mutual Funds Act and, accordingly, is regulated in terms of that Mutual Funds Act. However, the Company is not required to be licensed or employ a licensed mutual fund administrator since the minimum aggregate investment purchasable by a prospective investor in the Company is equal to or exceeds US\$100,000, or its equivalent in any other currency.

As a regulated mutual fund, the Company will be subject to the supervision of the Cayman Islands Monetary Authority (the "Monetary Authority"). The Company must file this Information Memorandum and details of any changes that materially affect any information in this Information Memorandum 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) has contravened any provision of the Mutual Funds Act or of the Anti-Money Laundering Regulations (as amended);
- (d) is not being managed in a fit and proper manner; or
- (e) 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.

It is not anticipated that a Fund will itself fall within the definition of a "Mutual Fund" in terms of the Mutual Funds Act. However, if any Fund does fall within such definition, then such Fund will be regulated in terms of the Mutual Funds Act and the provisions above regarding the consequences and implications of such regulation, including the requirement to be registered with, and subject to the supervision of, the Monetary Authority, shall apply mutatis mutandis to such Fund and its Directors.

### **Reports and Financial Statements**

- (a) The Company and each Fund's financial year ends (or will end) on 30 September. Audited financial statements will be prepared and sent to investors, within six months of the financial year end.
- (b) Further investor reporting may take place from time to time in the sole discretion of the Directors. Shareholders wishing to receive such additional investor reporting are invited to contact the Administrator.

### **General**

- (a) The Directors reserve the right to accept subscriptions satisfied by way of *in specie* transfers of assets. In exercising their discretion, the Directors will take into account the investment objective, policy and rationale of the Company and the applicable underlying Fund and whether the proposed *in specie* assets comply with those criteria including the permitted investments of the Company and the applicable underlying Fund. Any *in specie* subscription that meets the investment criteria will be valued by the Administrator in accordance with the valuation procedures of the Company as set out under the "CALCULATION OF NET ASSET VALUE AND SUBSCRIPTION AND REDEMPTION PRICES" section of this Information Memorandum. Upon receipt of that verification and properly completed subscription materials, the Administrator will allot the requisite number of Shares in the normal manner. The Directors reserve the right to decline to register any prospective investor until the subscriber has been able to prove title to the assets in question and make a valid transfer thereof. The subscriber will be responsible for all custody and other costs involved in the transfer of the relevant assets unless the Directors otherwise agree.
- (b) The Company and the Funds do not, nor do they expect to, have any employees.
- (c) The Company has complied with the Mutual Funds Act by being registered under that law. It is obliged to file audited accounts with the Monetary Authority within six months of its financial year end. It is also obliged within 21 days to register any material changes in the particulars filed with the Monetary Authority.
- (d) General meetings of Shareholders will be held in the Cayman Islands unless otherwise notified and will be convened by not less than 21 days' notice given by fax or airmail letter or e-mail sent to the registered address of each Shareholder unless such notice is waived by all Shareholders.
- (e) Where a time limit or period is specified in this Information Memorandum, the Directors may, where permitted by the Articles and other applicable laws and regulations, specify a longer or shorter time limit or period where the Directors determine that the same is reasonable and in the best interests of the Company. This discretion may be exercised generally or in any particular case.

## **Data Protection**

Prospective investors should note that personal data must be supplied in order for an investment in the Company to be made and for that investment in the Company to continue. Certain personal data must be supplied to enable the investment to be redeemed. If the required personal data is not provided, a prospective investor will not be able to invest or continue to invest in the Company.

The Company's use of personal data is governed by the Cayman Islands Data Protection Act (as amended) and, in respect of EU data subjects, the EU General Data Protection Regulation (together, the "Data Protection Legislation").

Under the Data Protection Legislation, individual data subjects have rights and the Company as data controller has obligations with respect to the processing of personal data by the Company and its affiliates and delegates, including but not limited to the Administrator. Breach of the Data Protection Legislation by the Company could lead to enforcement action. The Company's privacy notice provides information on the Company's use of personal data under the Data Protection Legislation. The Company's privacy notice is contained in the Application Form and is made available to existing Shareholders via routine investor communications.

If you are an individual prospective investor, the processing of personal data by and on behalf of the Company is directly relevant to you. If you are an institutional investor that provides personal data on individuals connected to you for any reason in relation to your investment with us (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), this will be relevant for those individuals and you should transmit the privacy notice to such individuals or otherwise advise them of its content.

## **Material Contracts**

The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company and, as the case may be, an applicable Fund on or about or prior to the date of this Information Memorandum and are or may be material. Information in relation to fees is contained under the "Fees and Expenses" section of this Information Memorandum above.

- (a) The Administration Agreement between (1) the Company, (2) each current Fund and (3) the Administrator whereby the Administrator has agreed, subject to the overall supervision of the Directors to act as administrator and registrar of the Company and each Fund. A summary of the Administration Agreement is contained under the "Administration" section of this Information Memorandum above;
- (b) The Custody Agreement between the Company, each current Fund and the Custodian whereby the Custodian has agreed to provide custodial services to each Fund. A summary of the Custody Agreement is contained under the "Custodian" section of this Information Memorandum above; and
- (c) An Investment Management Agreement between (1) the Company (2) a particular Fund and (3) the Investment Manager appointed in respect of such Fund, whereby such Investment Manager has been appointed to provide discretionary investment management services to the Company and such applicable Fund. A summary of each Investment Management Agreement may be set out in the applicable section of the Appendix pertaining to the Fund to which such Investment Manager appointment and Investment Management Agreement relates, where considered appropriate by the Directors.

The Company and each Fund may in future enter into marketing agreements with the applicable Investment Manager engaged by such Fund and/or other financial intermediaries approved by the

Directors. All of the agreements listed above may be amended from time to time by mutual consent of the parties thereto.

The Company and/or each Fund and/or an applicable Investment Manager may enter into side letters in relation to the Company and/or a particular Fund with individual investors covering, inter alia, capacity, fee rebates or restrictions, provision of additional information, most favoured investor commitments, individual investor approval requirements, transfer rights and confirmations of how expenses will be borne. In entering into any side letters on behalf of the Company and/or any particular Fund, the Directors will act in the best interests of the Company and/or the applicable Fund as a whole and in a manner which ensures equality of treatment for investors in the same position.

### **Documents for Inspection**

Copies of the following documents will be available for inspection at the offices of the Administrator during usual business hours on any day (Saturdays, Sundays and public holidays excepted) and for not less than 14 days from the date of this Information Memorandum or the duration of any offer to which this Information Memorandum relates at the offices of the Administrator:

- (a) the Articles and the Memorandum and Articles of Association (or equivalent constitutional documents) of the Company and each relevant Fund;
- (b) the material contracts referred to above under “GENERAL INFORMATION: Material Contracts”;
- (c) the Companies Act (as amended) and the Mutual Funds Act (as amended) of the Cayman Islands; and
- (d) when available, the latest audited financial statements of the Company and wheresoever applicable or relevant, the latest audited financial statements of a relevant Fund.

## **APPENDIX 1 – FUNDS INFORMATION**

### **A. CORONATION GLOBAL BOND MANAGED FUND**

#### **CLASS: CORONATION GLOBAL BOND MANAGED CLASS Z**

##### **Investment Objective**

The Coronation Global Bond Managed Fund (the “Fund”) to which the corresponding Coronation Global Bond Managed Class Z (also referred to herein as the “Class Z”) is attributable aims to maximize total return, consistent with preservation of capital and prudent investment management.

The Fund’s return will be measured against that of the Barclays Global Aggregate Bond Total Return Index (LEGATRUU as quoted by Bloomberg), but there is no intention to track this as a benchmark.

##### **Investment Policy and Restrictions**

The Fund will aim to achieve its objective by investing up to 100% of net assets into a portfolio of fixed income securities and money market instruments of varying maturities. The Fund will be actively managed and the average portfolio duration will vary depending on the Investment Manager’s forecast for interest rates.

The fixed income securities and money market instruments in which the Fund will invest shall include, but not be limited to, the following:

- i. corporate debt securities and corporate commercial paper;
- ii. mortgage-backed and other asset-backed securities which are transferable securities that are collateralized by receivables or other assets;
- iii. transferable securities and money market instruments issued or guaranteed by EU Member States and non-EU Member states, their sub-divisions, agencies or instrumentalities, to include, but not limited to, UK gilts, EU government bonds, UK government bonds, Euro inflation linked bonds and United States treasury bills;
- iv. transferable securities and money market instruments issued or guaranteed by international agencies or supranational entities, to include, but not limited to, commercial paper, negotiable certificate of deposit, bonds and debentures issued by the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and the African Development Bank;
- v. certificates of deposit and American and/or Global Depository Receipts, which may be rated or unrated;
- vi. inflation-indexed bonds issued by both governments and corporations;
- vii. event-linked bonds issued by both governments and corporations;
- viii. international sovereign, government, bank and other bonds (including mortgage bonds) not already referred to above;
- ix. freely transferable and unleveraged structured notes, including securitized loan participations; and
- x. freely transferable and unleveraged hybrid securities which are derivatives that combine a traditional stock or bond with an option or forward contract.

The Investment Manager will follow both a “top down” and “bottom-up” approach in managing the Fund. This means that the first stage of the investment process will be to determine the macro-economic outlook, which involves evaluation of various factors including, but not limited to, interest rates, exchange rates, monetary and fiscal policies and trade and current account balances. The second stage will involve selection of suitable fixed income securities and/or money market instruments to reflect the Investment Manager’s assessment of bond market conditions. Factors that the Investment Manager will focus on may include portfolio duration, yield curve positioning and the credit quality of investment

instruments held. The Fund will be predominantly invest in sovereign debt, supranational debt, corporate bonds and emerging market bonds.

The Investment Manager believes that value can be added by following a focused approach in terms of individual markets and portfolio positioning.

The fixed income securities and money market instruments into which the Fund invests may have fixed, variable or floating rates of interest. A minimum of 80% of the assets of the Fund shall be listed or traded on a recognised exchange.

Should the Fund invest in a convertible bond or other convertible instrument that subsequently converts to equity, the Fund may continue to hold the instrument after such conversion.

The amortised cost method of valuation shall not be used to value the money market instruments in which the Fund invests.

The Fund may use financial derivative instruments such as, but not limited to, futures, bond futures, options, warrants, swaps, or forwards (including currency forwards) for efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out in this Annexure. Such derivatives will be covered by liquid assets. The assets which underlie the derivative may include but are not limited to fixed income securities, units in collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. The Fund may utilise only listed financial derivative instruments, except in the case of currency and interest rate financial derivative instruments which can be traded over the counter.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- i. to hedge the currency exposure of the assets of the Fund into the base currency of the Fund;
  - ii. to hedge or reduce the Fund's exposure to any asset;
  - iii. as a substitute for taking a position in the underlying asset where the Investment Manager feels that a derivative exposure to the underlying asset represents better value than a direct exposure;
  - iv. to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates;
- and /or
- v. to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Fund.

The Fund may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Fund.

Investment in derivatives may give rise to additional exposure. However any additional exposure arising from the use of derivatives by the Fund shall not exceed the limits set out below.

The Fund may employ borrowings and leverage. The Fund may borrow for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so for any other purposes when deemed appropriate by the Investment Manager. The Fund will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed. Leverage may take the form of loans (including trading on margin) and investments in derivatives that are inherently leveraged, in addition to other forms of direct and indirect borrowings. For the purpose of providing margin or collateral in respect of the Fund's investment activities, the Fund may from time to time transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund.

The Fund will ensure that its use of derivatives as contemplated herein will not result in the Fund having global exposure in excess of its Net Asset Value. Accordingly, the Fund will not be leveraged or geared by its use of derivatives if this results in global exposure in excess of its Net Asset Value. The global exposure and leverage of the Fund as a result of its use of derivatives will be measured using the commitment approach and the maximum global exposure will be 100%.

The Fund may also invest in the units of open-ended collective investment schemes in order to gain exposure to investments consistent with the investment policies of the Fund. The Fund will mainly, but not exclusively, invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man and/or the Cayman Islands.

For the avoidance of doubt, the Fund may invest in the following:

- (i) any one or more of the existing or future sub-funds of the Coronation Global Opportunities Fund. The Coronation Global Opportunities Fund is a UCITS unit trust authorised by the Central Bank of Ireland (“Central Bank”);
- (ii) any one or more of the existing or future portfolios of the Coronation Universal Fund. The Coronation Universal Fund is an open-ended umbrella trust authorised by the Central Bank.

The Fund may also invest in the units of closed-ended collective investment schemes to gain exposure to investments consistent with the investment policies of the Fund. Investment in units of closed-ended collective investment schemes may have lower liquidity than investment in open-ended collective investment schemes. The Fund may invest in such funds to the extent that it determines that such investment will not affect the Fund’s ability to provide liquidity sufficient to meet redemptions.

The Fund is subject to the following additional investment restrictions:

- i. the Fund may not invest in any instrument that compels it to accept the physical delivery of any commodity;
- ii. the Fund may not invest more than 20% of its net assets in securities which are not listed on or traded in or dealt on a recognised exchange;
- iii. the Fund may not invest more than 20% of its net assets in securities issued by a single issuer. Related companies/institutions are regarded as a single issuer for that purpose;
- iv. the Fund may invest up to 100 % of its assets in transferable securities issued or guaranteed by the EU, by the government, constituent states or local authorities of any EU member state, by the governments of the United Kingdom, Australia, Canada, Iceland, Japan, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey, by the European Investment Bank, by Euratom, by the World Bank, by the Asian Development Bank, by the Inter-American Development Bank and issues backed by the full faith and credit of the government of the United States of America.
- v. the Fund may acquire the units of other open-ended collective investment schemes subject to the following restrictions:
  - a) A maximum of 20% of the NAV of the Fund may be invested in any one underlying collective investment scheme portfolio, mutual fund, or similar structure;
  - b) where the Fund invests in units of a collective investment scheme managed by the Investment Manager or by an associated or related company, the manager of the scheme in which the investment is being made must waive the preliminary/initial/redemption charge which it is entitled to charge for its own account;
  - c) where a commission is received by the Investment Manager by virtue of an investment by the Fund in the units of another collective investment scheme, this commission must be paid into the property of the Fund.

**Eligible Investors**

The Class Z Shares will only be available to accounts managed by the Coronation group and selected other investors with prior consent of the Investment Manager.

**Base Currency**

The Base Currency will be US Dollars and settlement and dealing will be effected in US Dollars.

**Minimum Subscriptions**

The minimum initial subscription amount in relation to the Fund is US\$100,000, or its equivalency in another currency, provided that the Investment Manager shall be entitled to amend the minimum subscription amount and/or waive the minimum subscription amount in relation to one or more Shareholders at any time in their sole discretion, subject to any minimum subscription amount required under applicable law (which in the case of minimum initial subscriptions as at the date of this Information Memorandum as prescribed by the Mutual Funds Act is US\$100,000 (or its currency equivalent)).

Class Z Shares will be issued at the prevailing Net Asset Value of the Class Z as at the relevant Valuation Point.

**Valuation Day**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the Board. Valuation Point means close of business in the relevant market on each Valuation Day or such other time as the Board may determine.

**Dealing Day**

Each Business Day shall constitute a Dealing Day. Additional Dealing Days may be declared at the discretion of the Board.

**Subscription Process**

All applications for Shares and subscription monies must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day. However, the Investment Manager (subject to prior agreement) may extend the settlement period up to 1 Business Day after the relevant Dealing Day to facilitate payment or settlement methods. The Investment Manager reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the Company.

**Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the Board.

**Redemption Process**

In respect of all redemption requests to be effected on a Redemption Day, such redemption requests must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding that Redemption Day.

All redemption requests submitted by fax transmission should, if the Administrator or the Board requires it, be verified by Shareholders by telephone to the Administrator to confirm receipt of their fax



instruction. Notwithstanding the foregoing, it may be required that the original signed Redemption Form be delivered to the Administrator prior to payment of the Redemption proceeds.

The redemption price will normally be payable to a redeeming Shareholder within one Business Day after the relevant redemption Dealing Day on which the redemption is to be effected and, in any event, not later than thirty calendar days after the relevant Redemption Day on which the redemption is to be effected subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the Investment Manager and/or the Administrator.

### **Fees and expenses**

In addition to the fees and expenses set out under “FEES AND EXPENSES” section of the Information Memorandum, the following fees and expenses apply:

#### ***Initial Expenses***

All expenses incurred with the establishment of the Fund and initial offer of Shares of the Fund will be borne by the Investment Manager.

#### ***Anti-Dilution Levy***

The Investment Manager reserves the right to impose “an anti-dilution levy” representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), and other dealing costs relating to the acquisition or disposal of assets in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be effected as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). Any such levy will be deducted from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Fund and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). The anti-dilution levy will be paid into the Fund and become part of the property of the Fund and is designed to protect both the value of the Fund’s underlying assets, and the current Shareholders’ interests in the Fund. The Directors shall be entitled to waive the anti-dilution levy in circumstances where the Directors consider it appropriate to do so.

#### ***Redemption Charges***

A redemption charge not exceeding 5 per cent. of the Net Asset Value per Share of the applicable Class may be further deducted from the redemption price at the Investment Manager’s sole discretion, it being understood that the Investment Manager at its sole discretion may waive such charge or differentiate between Shareholders as to the amount of such charge within the permitted limit. Such redemption charge shall be paid to the Investment Manager for its absolute use and benefit and shall not form part of the assets of the Company or the Fund.

#### ***Management and Performance Fees***

No annual management or performance fees will be attributable to the Coronation Global Bond Managed Class Z.

The Fund will accordingly not pay the Investment Manager a monthly Management Fee nor a Performance Fee in respect of the Coronation Global Bond Managed Class Z Shares, unless otherwise agreed between the Company, the Fund and the Investment Manager at any time, in their discretion, on such terms as the Company and the Fund deem appropriate in their discretion.

Each of the Class Z Shareholders will pay the Investment Manager fees (e.g. Management Fee and/or a Performance Fee) which will be regulated by a side letter, or similar legal agreement, concluded between each Class Z Shareholder and the Investment Manager.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the “Qualifying Expenses”) exceed 0.15% per annum (the “Cap Rate”) of the average market value of the Fund (the “Voluntary Expense Cap”) over the VEC Calculation Period (as defined in this paragraph), the Investment Manager shall be responsible for and will reimburse the Fund in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Fund (each a “VEC Calculation Period”). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the Investment Manager will inject the excess amount into the Fund. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Fund could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply until such time as at the sole discretion of the Investment Manager, the Voluntary Expense Cap is removed, provided that Shareholders will be given reasonable notice prior to such removal to enable them to redeem their Shares if they wish. If the Voluntary Expense Cap is removed the existing fee structure will apply.

### **Investment Manager**

Pursuant to an Amended and Restated Investment Management Agreement dated on or about 30 September 2021 (the “CIMI Investment Management Agreement”), the Company and the Fund have appointed Coronation Investment Management International (Proprietary) Limited as the Investment Manager of the assets of the Fund.

The Investment Manager is incorporated and registered in South Africa to act as investment manager/ investment adviser to a variety of funds. It has its principal office at 7th Floor, MontClare Place, Corner Campground and Main Roads Claremont, Cape Town, South Africa, 7708. The Investment Manager is a company regulated in the conduct of its investment business in South Africa by the FSCA and is an SEC registered adviser.

The major activity of the Investment Manager is asset management. As at 30 September 2023, assets with a market value of approximately USD 4.07 billion were under its management. The Investment Manager is a wholly owned subsidiary of Coronation Fund Managers Limited.

The directors of the Investment Manager are currently:

#### ***Clinton Martin***

Clinton Martin joined Coronation International Limited (United Kingdom) in January 2003. In January 2005, Mr Martin was appointed to the post of Chief Financial Officer of Coronation International Limited. He transferred to Coronation Fund Managers Limited (South Africa) in November 2008 to take up the role of Group Financial Manager. Prior to Coronation, Mr Martin was with Deloitte South Africa in Cape Town where he qualified as a Chartered Accountant.

### ***Anton Pillay***

Anton Pillay joined Coronation Fund Managers Limited from BoE (Pty) Limited, being a division of Nedbank, in January 2006 as Chief Operating Officer. During his almost nine-year career with BoE/Nedbank he held a number of key positions and directorships, including assistant general manager of the private bank, general manager of investments and head of banking.

Mr. Pillay was appointed to the board of Coronation Fund Managers Limited in June 2009 as the executive director responsible for finance. Coronation Fund Managers Limited is listed on the Johannesburg Stock Exchange and serves as the holding company of the Coronation group of companies, which is one of the largest managers of institutional and retail assets in southern Africa (“Coronation”). Mr. Pillay was appointed as group Chief Executive Officer of Coronation in 2013 and acts as director of various subsidiaries within the Coronation group, including the Investment Manager.

### ***Summary of the Investment Management Agreement***

Pursuant to the CIMI Investment Management Agreement, the Investment Manager may delegate any of its functions under the agreement to one or more sub-investment managers. The Investment Manager will give prior written notice to the Company and the Fund of any delegation which involves the exercise of its discretionary investment management powers.

Pursuant to the CIMI Investment Management Agreement, the Investment Manager will not be liable for any claims for loss or damage suffered by the Company or the Fund in connection with the services it provides under the agreement (and in particular, but without limitation, in respect of any investments managed on behalf of the Company and/or the Fund) unless such loss arises from its fraud, dishonesty, negligence, wilful default or breach of its duties as a fiduciary.

The CIMI Investment Management Agreement is terminable on the expiry of thirty days’ written notice by either party. The CIMI Investment Management Agreement shall terminate immediately when the FSCA withdraws its approval from the Investment Manager as a licensed financial services provider, in which case the Investment Manager shall account to the Company and the Fund immediately.

## **B. CORONATION GLOBAL FRONTIERS FUND**

### **CLASS: CORONATION GLOBAL FRONTIERS FUND CLASS Z**

#### **Investment Objective**

The investment objective of the Coronation Global Frontiers Fund (the “Fund”) to which the corresponding Coronation Global Frontiers Class Z is attributable (the “Class Z Shares”), is to produce long term total returns by investing at least two-thirds of the Fund’s assets in equities and equity-related securities in global Frontier Markets.

For the purposes of this section of the Appendix, “Frontier Market” means all countries determined as frontier markets by MSCI Inc. in accordance with the MSCI Market Classification Framework including, without limitation, Argentina, Bahrain, Bangladesh, Bosnia and Herzegovina, Botswana, Bulgaria, Côte d'Ivoire, Croatia, Cyprus, Ecuador, Estonia, Gabon, Ghana, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Lithuania, Macedonia, Malta, Mauritius, Mozambique, Namibia, Nigeria, Oman, Panama, Pakistan, Papua New Guinea, Qatar, Romania, Saudi Arabia, Senegal, Serbia, Slovakia, Slovenia, Sri Lanka, Tanzania, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, Vietnam and Zambia and such additional and/or other jurisdictions as the Directors or the Investment Manager in their discretion may decide.

The Fund’s performance will be measured against a Secured Overnight Financing Rate (with Bloomberg ticker SOFRINDX) + 3.5% p.a. (net of fees) objective over a 3 – 5 year period, but there is no intention to track this as a benchmark. It will simply be used as a measurement tool.

#### **Investment Policy and Portfolio Construction**

The Fund will follow a long-term, valuation-driven investment philosophy, with a strong focus on potential downside risk in each investment made. The Portfolio will be constructed from the bottom-up with a focus on holding those shares that offer the best risk-adjusted investment upside.

The Fund will invest in equities and equity-related securities of companies with their registered office or principal place of business in a Frontier Market country; and/or, of companies which have the preponderance of their business activities in a Frontier Market country and/or of holding companies that have the preponderance of their assets invested in companies; a) with their registered office or principal place of business in a Frontier Market; and/or b) companies which have the preponderance of their business activities in a Frontier Market country; and/or c) of companies for whom expansion into a Frontier Market country is a major part of its future strategy.

The Fund may also invest in unlisted securities, such as the equity securities issued by an unlisted company that is awaiting the initial public offer of its shares. The Fund may invest in securities located in a geographically diverse range of global Frontier Markets including but not limited to Argentina, Bahrain, Bangladesh, Bosnia and Herzegovina, Botswana, Bulgaria, Côte d'Ivoire, Croatia, Cyprus, Ecuador, Estonia, Gabon, Ghana, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Lithuania, Macedonia, Malta, Mauritius, Mozambique, Namibia, Nigeria, Oman, Panama, Pakistan, Papua New Guinea, Qatar, Romania, Saudi Arabia, Senegal, Serbia, Slovakia, Slovenia, Sri Lanka, Tanzania, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, Vietnam and Zambia.

The Fund may also invest in money market and debt and debt-related securities which are: (i) issued by governments or government related bodies domiciled in a Frontier Market country and/or issued by corporations (including holding companies of such corporations) with their registered office, principal place of business or preponderance of their business activities in a Frontier Market country; and/or (ii) denominated in the currency of a Frontier Market country as at the investment date; and/or (iii) issued by and denominated in the currency of any developed market or emerging market countries. As such, the money market and debt securities within the Portfolio may be sub-investment grade debt.

The Fund may also invest up to 10% in aggregate of the net assets of the Fund in the shares of open-ended collective investment schemes managed by the Investment Manager or other fund management companies. The Fund may also invest in regulated underlying collective investment schemes. The Fund will mainly, but not exclusively, invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man, the Cayman Islands and/or South Africa.

The Directors will use their reasonable endeavours to ensure that the annual reports in respect of the Fund provide the publicly available information in relation to the investment in the underlying collective investment scheme as the Directors in their reasonable discretion deem relevant to such investments.

The Fund may also invest in the shares of exchange traded funds, which funds may be open-ended or closed-ended schemes.

Although it is normal policy of the Fund to deploy its assets as detailed above, it may also retain cash and cash equivalents such as certificates of deposit, bills and notes in the appropriate circumstances. Such circumstances may include but are not limited to the holding of cash on deposit pending reinvestment in order to meet redemptions and payment of expenses.

The Fund may use financial derivative instruments such as, but not limited to futures, options, warrants, swaps, forwards (including currency forwards) for purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out herein.

### **Investment Restrictions**

Save for any constraints imposed by the investment objective and investment policy of the Fund in respect of the Portfolio, the Fund is not currently subject to any requirements or restrictions on:

- (i) the amount or degree to which it may hold liquid assets in the form of cash, near cash, money market investments, government and non-government debt securities and other securities;
- (ii) the percentage of the gross assets of the Fund which may be invested in the securities of a single issuer or issue or exposed to the creditworthiness of a single counterparty, other than the Custodian provided that no more than 20 per cent. of the assets of a Fund may be invested in an IPO (initial public offering) of any one issuer;
- (iii) the percentage of the gross assets of the Fund which may be invested in unlisted securities or securities which are not traded on an exchange or market; or
- (iv) the markets in which the Fund may invest.

Although not envisaged at the date of this Information Memorandum, the Directors nonetheless reserve the right to seek a listing in the future for any Class attributable to a Fund or the shares of the Fund on any stock exchange when this is considered to be in the interests of investors of the relevant Class or Classes. In such event the Company and the Fund may become subject to investment restrictions and other constraints to which the Company and the Fund would otherwise not be subject which may include, without limitation, becoming required to restrict Company/Fund exposure to any single counterparty and the proportion of Company/Fund assets invested in securities issued by any one issuer and being prohibited from entering into any transaction which may result in the Company of the Fund taking legal or management control of any underlying investment.

### **Eligible Investors**

The Class Z Shares are currently only available for subscription by, the Investment Manager, its members, staff of the Coronation group of companies, and their connected persons and/or such other persons as the Directors may determine from time to time.

## **Base Currency**

The Base Currency will be US Dollars and settlement and dealing will be effected in US Dollars.

## **Minimum Subscriptions**

The minimum initial subscription amount in relation to the Fund is US\$150,000 (net of charges), or its equivalency in another currency, provided that the Investment Manager shall be entitled to amend the minimum subscription amount and/or waive the minimum subscription amount in relation to one or more Shareholders at any time in their sole discretion, subject to any minimum subscription amount required under applicable law (which in the case of minimum initial subscriptions as at the date of this Information Memorandum as prescribed by the Mutual Funds Act is US\$100,000 (or its currency equivalent)).

There is currently no minimum additional investment amount in Class Z Shares.

## **Valuation Day**

Valuation Day means each Subscription Dealing Day or each Redemption Dealing Day or such other and/or additional day or days as may be determined by the Directors in their sole discretion.

## **Dealing Days – Subscriptions**

The last Business Day of each calendar month is currently a Subscription Dealing Day in respect of the Class Z Shares and the Fund.

Investors may therefore apply to subscribe for Class Z Shares on each monthly Dealing Day.

## **Subscription Process**

Application Forms, duly completed, together with cleared funds for the Class Z Shares subscribed must be received by the Administrator no later than the close of business in Ireland on a Business Day not less than 2 (two) Business Days prior to the relevant subscription Dealing Day, or such earlier or later day and/or time as the Directors may determine generally or in respect of specific applications, but in any event by no later than close of business on the Business Day prior to the relevant subscription Dealing Day. Requests received after close of business in Ireland on such date will, subject to the Directors' discretion to waive this provision, be held over until the next subscription Dealing Day and Class Z Shares will then be issued at the price applicable with reference to that day.

Subscriptions must be made either in the currency of the intended Class (if not US Dollars) or in US Dollars (as is the case for Class Z Shares). US Dollar subscriptions for non-US Dollar denominated Classes will be valued at the foreign exchange spot rate at the time the currency hedge overlay is put in place.

## **Dealing Days – Redemptions**

The last Business Day of each calendar month is currently a Redemption Dealing Day in respect of the Class Z Shares and the Fund.

Investors may therefore apply to redeem Class Z Shares on each monthly Dealing Day.

## **Redemption Process**

Shareholders may request the redemption of all or some of their Shares on any applicable Dealing Day subject to prior written notice being received by the Administrator on a Business Day not less than sixty calendar days prior to the relevant Dealing Day (or such other lesser period of notice as may determined

by the Directors in their sole discretion). Redemptions made within 3 full years of purchase may be subject to a redemption charge further information on which is set out below.

Partial redemptions may be refused if, immediately thereafter, the value of such Shareholders' Shares would be less than any of the minima set out below.

The minimum redemption amount in respect of Class Z Shares is US\$100,000 (net of charges) and the minimum residual holding is Class Z Shares having a value of US\$150,000. These minima may be lowered, increased or waived in the sole discretion of the Directors, either generally or in respect of specific cases.

Any requests for redemption received on a Business Day which is not at least sixty calendar days prior to the requested Dealing Day will be deemed to be a request for redemption at the next Dealing Day thereafter. This notice period may be waived and/or reduced by the Directors generally or in respect of specific requests for redemption. Any request for redemption received by the Administrator on a day which is not a Business Day shall be deemed to be received on the next following day which is a Business Day. Redemption requests may be delivered to the Administrator by overnight courier or by fax. All redemption requests delivered by fax should, if required by the Administrator or the Board, be verified by Shareholders by telephone to the Administrator to confirm receipt of their fax instruction.

Notwithstanding the foregoing, the Directors may, when they deem it appropriate in their sole discretion, require that the original signed redemption request be delivered to the Administrator prior to the payment of the redemption proceeds.

Payment of redemption proceeds will be made as soon as practicable and normally within 30 Business Days of the finalisation of calculation and publication of the Net Asset Value and subject to receipt of all relevant documentation by the Administrator and, in any event, not later than sixty calendar days after the relevant Dealing Day on which the redemption is to be effected.

### **Transfers and Compulsory Redemptions**

The Directors may decline to register a transfer of Class Z Shares where the transfer would result in the transferor or transferee holding Class Z Shares with a Net Asset Value of less than US\$150,000 (or such lesser amount as may be determined by the Directors in their sole discretion).

The Company also has the right to compulsorily redeem the Class Z Shares of any Shareholder where the Net Asset Value of such Shares is less than US\$150,000 (or such lesser amount as may be determined by the Directors in their sole discretion).

### **Fees and Expenses**

In addition to the fees and expenses set out under the "FEES AND EXPENSES" section of the Information Memorandum, the following fees and expenses apply:

#### ***Initial Expenses***

All expenses incurred in connection with the establishment of the Fund and initial offer of Shares of the corresponding Class or Classes will be borne by the Fund's Investment Manager.

#### ***Management and Performance Fees***

The Fund will not pay the Investment Manager a monthly Management Fee nor a Performance Fee in respect of the Class Z Shares, unless otherwise agreed between the Company, the Fund and the Investment Manager at any time, in their discretion, on such terms as the Company and the Fund deem appropriate in their discretion.

Each of the Class Z Shareholders will pay the Investment Manager fees (e.g., Management Fee, Performance Fee) which will be regulated by a side letter, or similar legal agreement, concluded between each Class Z Shareholder and the Investment Manager.

### ***Anti-Dilution Levy***

The Directors shall charge an anti-dilution levy, representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold) and dealing costs relating to the acquisition or disposal of assets, in the event of receipt for processing of net subscription and/or net redemption requests to be effected as of a Dealing Day (including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund (including the Fund) into another Fund (including the Fund)). The anti-dilution levy shall be over and above the redemption charges referred to below.

The levy will be deducted from the subscription amount received as a separate charge in the case of net subscription requests and deducted from the redemption proceeds to be paid in the case of net redemption requests (including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund (including the Fund) into another Fund (including the Fund)).

The anti-dilution levy will be paid into the Portfolio and become part of the property of the Portfolio and is designed to protect both the value of the Portfolio's underlying assets, and the current applicable Class Shareholders' interests in the Portfolio. The Directors shall be entitled to waive the anti-dilution levy in circumstances where the Directors consider it appropriate to do so.

### ***Redemption Charges***

Over and above the anti-dilution levy referred to above, redemptions of Class Z Shares will be subject to the following redemption charges:

1. redemption requests received for a Dealing Day within 1 year of purchase: the redemption charge will be 5 per cent.;
2. redemption requests received for a Dealing Day after 1 full year but within 2 full years of purchase: the redemption charge will be 3.0 per cent.;
3. redemption requests received for a Dealing Day after 2 full year but within 3 full years of purchase: the redemption charge will be 1 per cent.; and
4. redemption requests received for a Dealing Day after 3 full years of purchase: no redemption charge will apply.

All redemption charges will be retained by the Fund for the benefit of ongoing investors and may be waived and/or reduced in the sole discretion of the Directors. This discretion may be exercised for a particular redemption or generally.

### ***Investment Manager***

The Company and the Fund have appointed Coronation Investment Management International (Proprietary) Limited as the Investment Manager of the assets of the Fund under the CIMI IMA referred to in Section A (Investment Manager) above. Investors are referred to Section A (Investment Manager) which sets out information in relation to the Investment Manager, its directors and certain salient terms and conditions of the CIMI Investment Management Agreement.

### ***Risks related to Investments in Emerging and Developing Markets***

The Fund may invest in credit securities, portfolios of credit default swaps or instruments, individual credit default swaps and other instruments relating to creditors in emerging and/or developing markets.



Investment in such markets involves risk factors and special considerations, including those set forth following which may not be typically associated with investing in more developed markets. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavourable currency exchange rate fluctuations, restrictions on foreign investment imposition of exchange control regulation by governments, withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalisation of their industries, political difficulties, including expropriation of assets, confiscatory taxation and social, economic or political instability in foreign nations. These factors may affect the level and volatility of securities prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses. Political or economic change and instability may be more likely to occur in emerging and developing markets and have a greater effect on the economies and markets of emerging and developing countries.

By comparison with more developed securities markets, most emerging countries' securities markets are comparatively small, less liquid and more volatile. In addition, settlement, clearing and registration procedures may be underdeveloped enhancing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging and developing markets may not provide the same degree of investor information or protection as would generally apply to major markets.

The economies of countries differ in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, measures imposed or negotiated by the countries with which they trade. The economies of certain countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

## **C. CORONATION GLOBAL HOUSEVIEW BOND FUND**

### **CLASS: CORONATION GLOBAL HOUSEVIEW BOND CLASS Z**

#### **Investment Objective**

The Coronation Global Houseview Bond Fund (the “Fund”) to which the corresponding Coronation Global Houseview Bond Class Z (also referred to herein as the “Class Z”) is attributable aims to maximize total return, consistent with preservation of capital and prudent investment management.

The Fund’s return will be measured against that of the Barclays Global Aggregate Bond Total Return Index (LEGATRUU as quoted by Bloomberg), but there is no intention to track this as a benchmark.

#### **Investment Policy and Restrictions**

The Fund will aim to achieve its objective by investing up to 100% of net assets into a portfolio of fixed income securities and money market instruments of varying maturities. The Fund will be actively managed and the average portfolio duration will vary depending on the Investment Manager’s forecast for interest rates.

The fixed income securities and money market instruments in which the Fund will invest shall include, but not be limited to, the following:

- i. corporate debt securities and corporate commercial paper;
- ii. mortgage-backed and other asset-backed securities which are transferable securities that are collateralized by receivables or other assets;
- iii. transferable securities and money market instruments issued or guaranteed by EU Member States and non-EU Member states, their sub-divisions, agencies or instrumentalities, to include, but not limited to, UK gilts, EU government bonds, UK government bonds, Euro inflation linked bonds and United States treasury bills;
- iv. transferable securities and money market instruments issued or guaranteed by international agencies or supranational entities, to include, but not limited to, commercial paper, negotiable certificate of deposit, bonds and debentures issued by the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and the African Development Bank;
- v. certificates of deposit and American and/or Global Depository Receipts, which may be rated or unrated;
- vi. inflation-indexed bonds issued by both governments and corporations;
- vii. event-linked bonds issued by both governments and corporations;
- viii. international sovereign, government, bank and other bonds (including mortgage bonds) not already referred to above;
- ix. freely transferable and unleveraged structured notes, including securitized loan participations; and
- x. freely transferable and unleveraged hybrid securities which are derivatives that combine a traditional stock or bond with an option or forward contract.

The Investment Manager will follow both a “top down” and “bottom-up” approach in managing the Fund. This means that the first stage of the investment process will be to determine the macro-economic outlook, which involves evaluation of various factors including, but not limited to, interest rates, exchange rates, monetary and fiscal policies and trade and current account balances. The second stage will involve selection of suitable fixed income securities and/or money market instruments to reflect the Investment Manager’s assessment of bond market conditions. Factors that the Investment Manager will focus on may include portfolio duration, yield curve positioning and the credit quality of investment instruments held. The Fund will be predominantly invest in sovereign debt, supranational debt, corporate bonds and emerging market bonds.

The Investment Manager believes that value can be added by following a focused approach in terms of individual markets and portfolio positioning.

The fixed income securities and money market instruments into which the Fund invests may have fixed, variable or floating rates of interest. A minimum of 80% of the assets of the Fund shall be listed or traded on a recognised exchange.

Should the Fund invest in a convertible bond or other convertible instrument that subsequently converts to equity, the Fund may continue to hold the instrument after such conversion.

The amortised cost method of valuation shall not be used to value the money market instruments in which the Fund invests.

The Fund may use financial derivative instruments such as, but not limited to, futures, bond futures, options, warrants, swaps, or forwards (including currency forwards) for efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out in this Annexure. Such derivatives will be covered by liquid assets. The assets which underlie the derivative may include but are not limited to fixed income securities, units in collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. The Fund may utilise only listed financial derivative instruments, except in the case of currency and interest rate financial derivative instruments which can be traded over the counter.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- i. to hedge the currency exposure of the assets of the Fund into the base currency of the Fund;
- ii. to hedge or reduce the Fund's exposure to any asset;
- iii. as a substitute for taking a position in the underlying asset where the Investment Manager feels that a derivative exposure to the underlying asset represents better value than a direct exposure;
- iv. to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates; and /or
- v. to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Fund.

The Fund may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Fund.

Investment in derivatives may give rise to additional exposure. However any additional exposure arising from the use of derivatives by the Fund shall not exceed the limits set out below.

The Fund may employ borrowings and leverage. The Fund may borrow for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so for any other purposes when deemed appropriate by the Investment Manager. The Fund will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed. Leverage may take the form of loans (including trading on margin) and investments in derivatives that are inherently leveraged, in addition to other forms of direct and indirect borrowings. For the purpose of providing margin or collateral in respect of the Fund's investment activities, the Fund may from time to time transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund.

The Fund will ensure that its use of derivatives as contemplated herein will not result in the Fund having global exposure in excess of its Net Asset Value. Accordingly, the Fund will not be leveraged or geared by its use of derivatives if this results in global exposure in excess of its Net Asset Value. The global

exposure and leverage of the Fund as a result of its use of derivatives will be measured using the commitment approach and the maximum global exposure will be 100%.

The Fund may also invest in the units of open-ended collective investment schemes in order to gain exposure to investments consistent with the investment policies of the Fund. The Fund will mainly, but not exclusively, invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man and/or the Cayman Islands.

For the avoidance of doubt, the Fund may invest in the following:

- (i) any one or more of the existing or future sub-funds of the Coronation Global Opportunities Fund. The Coronation Global Opportunities Fund is a UCITS unit trust authorised by the Central Bank of Ireland (“Central Bank”);
- (ii) any one or more of the existing or future portfolios of the Coronation Universal Fund. The Coronation Universal Fund is an open-ended umbrella trust authorised by the Central Bank.

The Fund may also invest in the units of closed-ended collective investment schemes to gain exposure to investments consistent with the investment policies of the Fund. Investment in units of closed-ended collective investment schemes may have lower liquidity than investment in open-ended collective investment schemes. The Fund may invest in such funds to the extent that it determines that such investment will not affect the Fund’s ability to provide liquidity sufficient to meet redemptions.

The Fund is subject to the following additional investment restrictions:

- i. the Fund may not invest in any instrument that compels it to accept the physical delivery of any commodity;
- ii. the Fund may not invest more than 20% of its net assets in securities which are not listed on or traded in or dealt on a recognised exchange;
- iii. the Fund may not invest more than 20% of its net assets in securities issued by a single issuer. Related companies/institutions are regarded as a single issuer for that purpose;
- iv. the Fund may invest up to 100 % of its assets in transferable securities issued or guaranteed by the EU, by the government, constituent states or local authorities of any EU member state, by the governments of the United Kingdom, Australia, Canada, Iceland, Japan, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey, by the European Investment Bank, by Euratom, by the World Bank, by the Asian Development Bank, by the Inter-American Development Bank and issues backed by the full faith and credit of the government of the United States of America.
- v. the Fund may acquire the units of other open-ended collective investment schemes subject to the following restrictions:
  - a. A maximum of 20% of the NAV of the Fund may be invested in any one underlying collective investment scheme portfolio, mutual fund, or similar structure;
  - b. where the Fund invests in units of a collective investment scheme managed by the Investment Manager or by an associated or related company, the manager of the scheme in which the investment is being made must waive the preliminary/initial/redemption charge which it is entitled to charge for its own account;
  - c. where a commission is received by the Investment Manager by virtue of an investment by the Fund in the units of another collective investment scheme, this commission must be paid into the property of the Fund.

### **Eligible Investors**

The Class Z Shares will only be available to accounts managed by the Coronation group and selected other investors with prior consent of the Investment Manager.

## **Base Currency**

The Base Currency will be US Dollars and settlement and dealing will be effected in US Dollars.

## **Minimum Subscriptions**

The minimum initial subscription amount in relation to the Fund is US\$100,000, or its equivalency in another currency, provided that the Investment Manager shall be entitled to amend the minimum subscription amount and/or waive the minimum subscription amount in relation to one or more Shareholders at any time in their sole discretion, subject to any minimum subscription amount required under applicable law (which in the case of minimum initial subscriptions as at the date of this Information Memorandum as prescribed by the Mutual Funds Act is US\$100,000 (or its currency equivalent)).

The initial issue price is \$10 per Coronation Global Houseview Bond Class Z Share. After the initial issuance of the Class Z Shares, additional Class Z Shares will be issued at the prevailing Net Asset Value of the Class Z as at the relevant Valuation Point.

## **Valuation Day**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the Board. Valuation Point means close of business in the relevant market on each Valuation Day or such other time as the Board may determine.

## **Dealing Day**

Each Business Day shall constitute a Dealing Day. Additional Dealing Days may be declared at the discretion of the Board.

## **Subscription Process**

All applications for Shares and subscription monies must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day. However, the Investment Manager (subject to prior agreement) may extend the settlement period up to 1 Business Day after the relevant Dealing Day to facilitate payment or settlement methods. The Investment Manager reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the Company.

## **Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the Board.

## **Redemption Process**

In respect of all redemption requests to be effected on a Redemption Day, such redemption requests must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding that Redemption Day.

All redemption requests submitted by fax transmission should, if the Administrator or the Board requires it, be verified by Shareholders by telephone to the Administrator to confirm receipt of their fax instruction. Notwithstanding the foregoing, it may be required that the original signed Redemption Form be delivered to the Administrator prior to payment of the Redemption proceeds.

The redemption price will normally be payable to a redeeming Shareholder within one Business Day after the relevant redemption Dealing Day on which the redemption is to be effected and, in any event,

not later than thirty calendar days after the relevant Redemption Day on which the redemption is to be effected subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the Investment Manager and/or the Administrator.

### **Fees and expenses**

In addition to the fees and expenses set out under “FEES AND EXPENSES” section of the Information Memorandum, the following fees and expenses apply:

#### ***Initial Expenses***

All expenses incurred with the establishment of the Fund and initial offer of Shares of the Fund will be borne by the Investment Manager initially but subsequently recharged to the Fund upon which such expenses will be amortised over one year or such other period as the Investment Manager may determine and in such manner as the Investment Manager in its absolute discretion deems fair, provided that the Investment Manager may, in its discretion, waive the recovery of the establishment expenses or any part thereof.

#### ***Anti-Dilution Levy***

The Investment Manager reserves the right to impose “an anti-dilution levy” representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), and other dealing costs relating to the acquisition or disposal of assets in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be effected as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). Any such levy will be deducted from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Fund and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). The anti-dilution levy will be paid into the Fund and become part of the property of the Fund and is designed to protect both the value of the Fund’s underlying assets, and the current Shareholders’ interests in the Fund. The Directors shall be entitled to waive the anti-dilution levy in circumstances where the Directors consider it appropriate to do so.

#### ***Redemption Charges***

A redemption charge not exceeding 5 per cent. of the Net Asset Value per Share of the applicable Class may be further deducted from the redemption price at the Investment Manager’s sole discretion, it being understood that the Investment Manager at its sole discretion may waive such charge or differentiate between Shareholders as to the amount of such charge within the permitted limit. Such redemption charge shall be paid to the Investment Manager for its absolute use and benefit and shall not form part of the assets of the Company or the Fund.

#### ***Management and Performance Fees***

No annual management or performance fees will be attributable to the Coronation Global Houseview Bond Class Z.

The Fund will accordingly not pay the Investment Manager a monthly Management Fee nor a Performance Fee in respect of the Coronation Global Houseview Bond Class Z Shares, unless otherwise agreed between the Company, the Fund and the Investment Manager at any time, in their discretion, on such terms as the Company and the Fund deem appropriate in their discretion.

Each of the Class Z Shareholders will pay the Investment Manager fees (e.g. Management Fee and/or a Performance Fee) which will be regulated by a side letter, or similar legal agreement, concluded between each Class Z Shareholder and the Investment Manager.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the “Qualifying Expenses”) exceed 0.15% per annum (the “Cap Rate”) of the average market value of the Fund (the “Voluntary Expense Cap”) over the VEC Calculation Period (as defined in this paragraph), the Investment Manager shall be responsible for and will reimburse the Fund in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Fund (each a “VEC Calculation Period”). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the Investment Manager will inject the excess amount into the Fund. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Fund could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply until such time as at the sole discretion of the Investment Manager, the Voluntary Expense Cap is removed, provided that Shareholders will be given reasonable notice prior to such removal to enable them to redeem their Shares if they wish. If the Voluntary Expense Cap is removed the existing fee structure will apply.

### **Investment Manager**

The Company and the Fund have appointed Coronation Investment Management International (Proprietary) Limited as the Investment Manager of the assets of the Fund under the CIMI IMA referred to in Section A (Investment Manager) above. Investors are referred to Section A (Investment Manager) which sets out information in relation to the Investment Manager, its directors and certain salient terms and conditions of the CIMI Investment Management Agreement.

## **D. CORONATION GLOBAL BOND ABSOLUTE FUND**

### **CLASS: CORONATION GLOBAL BOND ABSOLUTE CLASS Z**

#### **Investment Objective**

The Coronation Global Bond Absolute Fund (the “Fund”) to which the corresponding Coronation Global Bond Absolute Class Z (also referred to herein as the “Class Z”) is attributable aims to maximize total return, consistent with preservation of capital and prudent investment management.

The Fund’s return will be measured against that of the Barclays Global Aggregate Bond Total Return Index (LEGATRUU as quoted by Bloomberg), but there is no intention to track this as a benchmark.

#### **Investment Policy and Restrictions**

The Fund will aim to achieve its objective by investing up to 100% of net assets into a portfolio of fixed income securities and money market instruments of varying maturities. The Fund will be actively managed and the average portfolio duration will vary depending on the Investment Manager’s forecast for interest rates.

The fixed income securities and money market instruments in which the Fund will invest shall include, but not be limited to, the following:

- i. corporate debt securities and corporate commercial paper;
- ii. mortgage-backed and other asset-backed securities which are transferable securities that are collateralized by receivables or other assets;
- iii. transferable securities and money market instruments issued or guaranteed by EU Member States and non-EU Member states, their sub-divisions, agencies or instrumentalities, to include, but not limited to, UK gilts, EU government bonds, UK government bonds, Euro inflation linked bonds and United States treasury bills;
- iv. transferable securities and money market instruments issued or guaranteed by international agencies or supranational entities, to include, but not limited to, commercial paper, negotiable certificate of deposit, bonds and debentures issued by the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and the African Development Bank;
- v. certificates of deposit and American and/or Global Depository Receipts, which may be rated or unrated;
- vi. inflation-indexed bonds issued by both governments and corporations;
- vii. event-linked bonds issued by both governments and corporations;
- viii. international sovereign, government, bank and other bonds (including mortgage bonds) not already referred to above;
- ix. freely transferable and unleveraged structured notes, including securitized loan participations; and
- x. freely transferable and unleveraged hybrid securities which are derivatives that combine a traditional stock or bond with an option or forward contract.

The Investment Manager will follow both a “top down” and “bottom-up” approach in managing the Fund. This means that the first stage of the investment process will be to determine the macro-economic outlook, which involves evaluation of various factors including, but not limited to, interest rates, exchange rates, monetary and fiscal policies and trade and current account balances. The second stage will involve selection of suitable fixed income securities and/or money market instruments to reflect the Investment Manager’s assessment of bond market conditions. Factors that the Investment Manager



will focus on may include portfolio duration, yield curve positioning and the credit quality of investment instruments held. The Fund will be predominantly invest in sovereign debt, supranational debt, corporate bonds and emerging market bonds.

The Investment Manager believes that value can be added by following a focused approach in terms of individual markets and portfolio positioning.

The fixed income securities and money market instruments into which the Fund invests may have fixed, variable or floating rates of interest. A minimum of 80% of the assets of the Fund shall be listed or traded on a recognised exchange.

Should the Fund invest in a convertible bond or other convertible instrument that subsequently converts to equity, the Fund may continue to hold the instrument after such conversion.

The amortised cost method of valuation shall not be used to value the money market instruments in which the Fund invests.

The Fund may use financial derivative instruments such as, but not limited to, futures, bond futures, options, warrants, swaps, or forwards (including currency forwards) for efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out in this Annexure. Such derivatives will be covered by liquid assets. The assets which underlie the derivative may include but are not limited to fixed income securities, units in collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies. The Fund may utilise only listed financial derivative instruments, except in the case of currency and interest rate financial derivative instruments which can be traded over the counter.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- i. to hedge the currency exposure of the assets of the Fund into the base currency of the Fund;
- ii. to hedge or reduce the Fund's exposure to any asset;
- iii. as a substitute for taking a position in the underlying asset where the Investment Manager feels that a derivative exposure to the underlying asset represents better value than a direct exposure;
- iv. to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates; and /or
- v. to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Fund.

The Fund may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Fund.

Investment in derivatives may give rise to additional exposure. However any additional exposure arising from the use of derivatives by the Fund shall not exceed the limits set out below.

The Fund may employ borrowings and leverage. The Fund may borrow for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so for any other purposes when deemed appropriate by the Investment Manager. The Fund will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed. Leverage may take the form of loans (including trading on margin) and investments in derivatives that are inherently leveraged, in addition to other forms of direct and indirect borrowings. For the purpose of providing margin or collateral in respect of the Fund's

investment activities, the Fund may from time to time transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund.

The Fund will ensure that its use of derivatives as contemplated herein will not result in the Fund having global exposure in excess of its Net Asset Value. Accordingly, the Fund will not be leveraged or geared by its use of derivatives if this results in global exposure in excess of its Net Asset Value. The global exposure and leverage of the Fund as a result of its use of derivatives will be measured using the commitment approach and the maximum global exposure will be 100%.

The Fund may also invest in the units of open-ended collective investment schemes in order to gain exposure to investments consistent with the investment policies of the Fund. The Fund will mainly, but not exclusively, invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man and/or the Cayman Islands.

For the avoidance of doubt, the Fund may invest in the following:

- (i) any one or more of the existing or future sub-funds of the Coronation Global Opportunities Fund. The Coronation Global Opportunities Fund is a UCITS unit trust authorised by the Central Bank of Ireland (“Central Bank”);
- (ii) any one or more of the existing or future portfolios of the Coronation Universal Fund. The Coronation Universal Fund is an open-ended umbrella trust authorised by the Central Bank.

The Fund may also invest in the units of closed-ended collective investment schemes to gain exposure to investments consistent with the investment policies of the Fund. Investment in units of closed-ended collective investment schemes may have lower liquidity than investment in open-ended collective investment schemes. The Fund may invest in such funds to the extent that it determines that such investment will not affect the Fund’s ability to provide liquidity sufficient to meet redemptions.

The Fund is subject to the following additional investment restrictions:

- i. the Fund may not invest in any instrument that compels it to accept the physical delivery of any commodity;
- ii. the Fund may not invest more than 20% of its net assets in securities which are not listed on or traded in or dealt on a recognised exchange;
- iii. the Fund may not invest more than 20% of its net assets in securities issued by a single issuer. Related companies/institutions are regarded as a single issuer for that purpose;
- iv. the Fund may invest up to 100 % of its assets in transferable securities issued or guaranteed by the EU, by the government, constituent states or local authorities of any EU member state, by the governments of the United Kingdom, Australia, Canada, Iceland, Japan, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey, by the European Investment Bank, by Euratom, by the World Bank, by the Asian Development Bank, by the Inter-American Development Bank and issues backed by the full faith and credit of the government of the United States of America.
- v. the Fund may acquire the units of other open-ended collective investment schemes subject to the following restrictions:
  - a) A maximum of 20% of the NAV of the Fund may be invested in any one underlying collective investment scheme portfolio, mutual fund, or similar structure;
  - b) where the Fund invests in units of a collective investment scheme managed by the Investment Manager or by an associated or related company, the manager of the scheme in which the investment is being made must waive the preliminary/initial/redemption charge which it is entitled to charge for its own account;

- c) where a commission is received by the Investment Manager by virtue of an investment by the Fund in the units of another collective investment scheme, this commission must be paid into the property of the Fund.

### **Eligible Investors**

The Class Z Shares will only be available to accounts managed by the Coronation group and selected other investors with prior consent of the Investment Manager.

### **Base Currency**

The Base Currency will be US Dollars and settlement and dealing will be effected in US Dollars.

### **Minimum Subscriptions**

The minimum initial subscription amount in relation to the Fund is US\$100,000, or its equivalency in another currency, provided that the Investment Manager shall be entitled to amend the minimum subscription amount and/or waive the minimum subscription amount in relation to one or more Shareholders at any time in their sole discretion, subject to any minimum subscription amount required under applicable law (which in the case of minimum initial subscriptions as at the date of this Information Memorandum as prescribed by the Mutual Funds Act is US\$100,000 (or its currency equivalent)).

The initial issue price is \$10 per Coronation Global Bond Absolute Class Z Share. After the initial issuance of the Class Z Shares, additional Class Z Shares will be issued at the prevailing Net Asset Value of the Class Z as at the relevant Valuation Point.

### **Valuation Day**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the Board. Valuation Point means close of business in the relevant market on each Valuation Day or such other time as the Board may determine.

### **Dealing Day**

Each Business Day shall constitute a Dealing Day. Additional Dealing Days may be declared at the discretion of the Board.

### **Subscription Process**

All applications for Shares and subscription monies must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day. However, the Investment Manager (subject to prior agreement) may extend the settlement period up to 1 Business Day after the relevant Dealing Day to facilitate payment or settlement methods. The Investment Manager reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the Company.

### **Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the Board.

## **Redemption Process**

In respect of all redemption requests to be effected on a Redemption Day, such redemption requests must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding that Redemption Day.

All redemption requests submitted by fax transmission should, if the Administrator or the Board requires it, be verified by Shareholders by telephone to the Administrator to confirm receipt of their fax instruction. Notwithstanding the foregoing, it may be required that the original signed Redemption Form be delivered to the Administrator prior to payment of the Redemption proceeds.

The redemption price will normally be payable to a redeeming Shareholder within one Business Day after the relevant redemption Dealing Day on which the redemption is to be effected and, in any event, not later than thirty calendar days after the relevant Redemption Day on which the redemption is to be effected subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the Investment Manager and/or the Administrator.

## **Fees and expenses**

In addition to the fees and expenses set out under “FEES AND EXPENSES” section of the Information Memorandum, the following fees and expenses apply:

### ***Initial Expenses***

All expenses incurred with the establishment of the Fund and initial offer of Shares of the Fund will be borne by the Investment Manager initially but subsequently recharged to the Fund upon which such expenses will be amortised over one year or such other period as the Investment Manager may determine and in such manner as the Investment Manager in its absolute discretion deems fair, provided that the Investment Manager may, in its discretion, waive the recovery of the establishment expenses or any part thereof.

### ***Anti-Dilution Levy***

The Investment Manager reserves the right to impose “an anti-dilution levy” representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), and other dealing costs relating to the acquisition or disposal of assets in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be effected as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). Any such levy will be deducted from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Fund and deducted from the redemption proceeds to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). The anti-dilution levy will be paid into the Fund and become part of the property of the Fund and is designed to protect both the value of the Fund’s underlying assets, and the current Shareholders’ interests in the Fund. The Directors shall be entitled to waive the anti-dilution levy in circumstances where the Directors consider it appropriate to do so.

### ***Redemption Charges***

A redemption charge not exceeding 5 per cent. of the Net Asset Value per Share of the applicable Class may be further deducted from the redemption price at the Investment Manager’s sole discretion, it being understood that the Investment Manager at its sole discretion may waive such charge or differentiate between Shareholders as to the amount of such charge within the permitted limit. Such redemption

charge shall be paid to the Investment Manager for its absolute use and benefit and shall not form part of the assets of the Company or the Fund.

### ***Management and Performance Fees***

No annual management or performance fees will be attributable to the Coronation Global Bond Absolute Class Z.

The Fund will accordingly not pay the Investment Manager a monthly Management Fee nor a Performance Fee in respect of the Coronation Global Bond Absolute Class Z Shares, unless otherwise agreed between the Company, the Fund and the Investment Manager at any time, in their discretion, on such terms as the Company and the Fund deem appropriate in their discretion.

Each of the Class Z Shareholders will pay the Investment Manager fees (e.g. Management Fee and/or a Performance Fee) which will be regulated by a side letter, or similar legal agreement, concluded between each Class Z Shareholder and the Investment Manager.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the “Qualifying Expenses”) exceed 0.15% per annum (the “Cap Rate”) of the average market value of the Fund (the “Voluntary Expense Cap”) over the VEC Calculation Period (as defined in this paragraph), the Investment Manager shall be responsible for and will reimburse the Fund in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Fund (each a “VEC Calculation Period”). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the Investment Manager will inject the excess amount into the Fund. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Fund could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply until such time as at the sole discretion of the Investment Manager, the Voluntary Expense Cap is removed, provided that Shareholders will be given reasonable notice prior to such removal to enable them to redeem their Shares if they wish. If the Voluntary Expense Cap is removed the existing fee structure will apply.

### ***Investment Manager***

The Company and the Fund have appointed Coronation Investment Management International (Proprietary) Limited as the Investment Manager of the assets of the Fund under the CIMI IMA referred to in Section A (Investment Manager) above. Investors are referred to Section A (Investment Manager) which sets out information in relation to the Investment Manager, its directors and certain salient terms and conditions of the CIMI Investment Management Agreement.

## **E. CORONATION EMERGING MARKETS EX CHINA FUND**

### **CLASS: CORONATION EMERGING MARKETS EX CHINA CLASS Z**

#### **Investment Objective**

The Coronation Emerging Markets Ex China (the “Fund”) to which the corresponding Coronation Emerging Markets Ex China Class Z (also referred to herein as the “Class Z”) is attributable aims to produce long term out-performance of the MSCI Emerging Markets ex China Total Return (net of withholding taxes) Index (Bloomberg ticker M1CXBRV) primarily through investment in equities and equity related securities in global emerging markets.

The Fund’s return will be measured against that of MSCI Emerging Markets ex China Total Return (net of withholding taxes) Index (Bloomberg ticker M1CXBRV) but there is no intention to track the index. It will simply be used as a measurement tool. The MSCI Emerging Markets ex China Total Return (net of withholding taxes) Index (Bloomberg ticker M1CXBRV) is a widely used measure of the performance of equities listed or traded on recognised exchanges located in emerging markets including markets such as Brazil and India (amongst others).

#### **Investment Policy and Restrictions**

The investment objective will be achieved by investing, either directly or indirectly, at least 80% of the Fund’s assets in equities and equity-related securities (such as warrants, convertible preference shares, and convertible bonds) of companies, listed or traded on a recognised exchange in an Emerging Market country; and/or, of companies which have the predominant part of their business activities in an Emerging Market country; and/ or, of holding companies that have the predominant part of their assets in companies with their registered office in an Emerging Market country. “Emerging Market” shall mean any country other than China that is included in the MSCI Emerging Markets ex China Total Return (net of withholding taxes) Index (Bloomberg ticker M1CXBRV) or composite thereof (or any successor index, if revised), or any country, other than China, classified by the World Bank as a low to upper middle income country.

Although it will be normal policy of the Fund to deploy its assets as detailed above, where appropriately valued equity and equity related securities are not available, it may also invest in fixed income instruments, such as international sovereign, government, supranational agency, corporate, bank and other bonds (including mortgage and corporate bonds) and other debt and debt-related securities (such as debentures, notes (including corporate, sovereign, floating and fixed rate notes), asset and mortgage backed securities, certificates of deposit, commercial paper) listed or traded on recognised exchanges located worldwide. Investment in such fixed income securities will be limited to 20% of the net assets of the Fund. Such debt and debt-related instruments may be fixed or floating rate, where appropriate, and may be unrated or rated lower than BBB by S&P (or an equivalent rating by other recognised rating agencies).

In the appropriate circumstances, the Portfolio may retain cash and cash equivalents such as certificates of deposit, treasury bills and notes. Such circumstances may include but are not limited to the holding of cash and/or cash equivalents pending reinvestment in accordance with the investment objective and policies of the Portfolio, in order to meet redemptions and/or payment of expenses and/or cover for financial derivative instruments entered into on behalf of the Portfolio.

The amortised cost method of valuation shall not be used to value the money market instruments which the Portfolio invests in.

The Fund may use financial derivative instruments such as, but not limited to futures, options, warrants, swaps, forwards (including currency forwards) for purposes of efficient portfolio management or for any investment purpose that is consistent with the investment objectives and policies set out in this

Annexure. Such derivatives will be covered by liquid assets and may include exchange traded as well as over-the-counter transactions. The assets which underlie the derivative may be equities, fixed income securities, units in collective investment schemes, financial indices, interest rates, foreign exchange rates and currencies.

Examples of the ways in which financial derivative instruments may be used, which should not be taken as being exhaustive, or mutually exclusive, include:

- i. to hedge the currency exposure of the assets of the Fund into the base currency of the Fund;
- ii. to hedge or reduce the Fund's exposure to any asset;
- iii. as a substitute for taking a position in the underlying asset where the Investment Manager feels that a derivative exposure to the underlying asset represents better value than a direct exposure;
- iv. to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates; and /or
- v. to gain an exposure to the composition and performance of a particular index, the constituents of which are consistent with the investment policy of the Fund.

The Fund may use repurchase agreements, reverse repurchase agreements and/or stock lending agreements for the purposes of efficient portfolio management including reduction of risk or cost or the generation of additional capital or income for the Fund.

Investment in derivatives may give rise to additional exposure. However any additional exposure arising from the use of derivatives by the Fund shall not exceed the limits set out below.

The Fund may also invest in the units of open-ended collective investment schemes in order to gain exposure to investments consistent with the investment policies of the Fund. The Fund will mainly, but not exclusively, invest in such collective investment schemes authorised in Luxembourg, Ireland, Bermuda, Isle of Man and/or the Cayman Islands.

For the avoidance of doubt, the Fund may invest in the following:

- (i) any one or more of the existing or future sub-funds of the Coronation Global Opportunities Fund. The Coronation Global Opportunities Fund is a UCITS unit trust authorised by the Central Bank of Ireland ("Central Bank");
- (ii) any one or more of the existing or future portfolios of the Coronation Universal Fund. The Coronation Universal Fund is an open-ended umbrella trust authorised by the Central Bank.

The Fund may also invest in the units of closed-ended collective investment schemes to gain exposure to investments consistent with the investment policies of the Fund. Investment in units of closed-ended collective investment schemes may have lower liquidity than investment in open-ended collective investment schemes. The Fund may invest in such funds to the extent that it determines that such investment will not affect the Fund's ability to provide liquidity sufficient to meet redemptions.

The Fund may seek to obtain indirect exposure to asset classes, such as property and commodities (to include, but not limited to, oil, gold and iron), where suitable securities or listed derivatives representing such exposure are available to the Fund. Such securities or derivatives include, but are not limited to, the following:

- (i) exchange traded commodities ("ETCs"). ETCs are asset backed bonds that track the performance of either: (a) a single commodity, e.g. gold; or (b) a commodity index;
- (ii) exchange traded notes ("ETNs") that track the performance of a commodity index;
- (iii) exchange traded funds ("ETFs") which track a commodity index;

- (iv) ETFs which track a property index; and
- (v) derivatives which have a commodity index as their underlying asset.

The Fund may employ borrowings and leverage. The Fund may borrow for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so for any other purposes when deemed appropriate by the Investment Manager. The Fund will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed. Leverage may take the form of loans (including trading on margin) and investments in derivatives that are inherently leveraged, in addition to other forms of direct and indirect borrowings. For the purpose of providing margin or collateral in respect of the Fund's investment activities, the Fund may from time to time transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund.

The Fund will ensure that its use of derivatives as contemplated herein will not result in the Fund having global exposure in excess of its Net Asset Value. Accordingly, the Fund will not be leveraged or geared by its use of derivatives if this results in global exposure in excess of its Net Asset Value. The global exposure and leverage of the Fund as a result of its use of derivatives will be measured using the commitment approach and the maximum global exposure will be 100%.

The Fund is subject to the following investment restrictions:

- (i) the Fund may invest in closed-ended collective investment schemes, provided not more than 20% of its net assets may be invested in closed-ended collective investment schemes which are not listed, traded in or dealt on a recognised exchange;
- (ii) where the Fund invests in the units/shares of another collective investment scheme managed by either of the Investment Managers: (i) the Investment Manager must waive the preliminary/initial/redemption charge which it is entitled to charge for its own account; (ii) the Investment Manager must waive that portion of its annual fee in order to avoid a double charge. Where commission is received by the Investment Managers by virtue of an investment in the units of another collective investment scheme, this commission must be paid into the property of the Fund.

The Fund may derogate from the investment restrictions for six months following the date of its launch provided it observes the principle of risk spreading.

### **Investment Process**

Each of the Investment Managers shall apply the following investment process in the selection and monitoring of the assets of the Fund managed by each of the Investment Managers:

The country and equity selection will be driven by the relative attractiveness of equity securities across the investable universe. The key factors in determining attractiveness will be valuation and liquidity. The Investment Manager will buy equities that the Investment Manager deems to be undervalued, but only if the Investment Manager is satisfied that those equities are sufficiently liquid that they can be sold in a relatively short period. In determining an appropriate valuation for a security account will be taken of the various risks inherent within the business including the political stability of the country in which the issuer is domiciled or from which it derives a significant proportion of its earnings.

In managing the Fund, the Investment Manager endeavours to achieve the target performance through a concentrated equity selection process. The Investment Manager will actively manage the Portfolio and hence vary the allocation to country, sector and different securities over time. This is not a buy and hold portfolio.



In addition to the above, where equity investments do not offer adequately attractive valuations, the Investment Manager has the ability to invest up to 20% of the Net Assets of the Fund in fixed income securities and to obtain indirect exposure to asset classes, such as property and commodities as set out in the Investment Policy section above. Such investment will be based on the Investment Manager's research and assessment of fair value.

#### *Assessment of the Impact of Sustainability Risk on Likely Returns*

An assessment is undertaken of the likely impacts of sustainability risks on the Fund's returns. In considering sustainability risks in investment decisions, the Investment Managers may forgo opportunities for the Fund to gain exposure to certain issuers and may choose to sell an investment when it might otherwise be disadvantageous to do so. Where a sustainability risk occurs in respect of an asset, there could be a negative impact on, or loss of its value. The Investment Managers have determined that the sustainability risk faced by the Fund is low. However, investors are cautioned that even where sustainability risks are identified, there can be no guarantee that the Investment Managers will or have correctly assessed the impact of sustainability risks on the Fund's investments or proposed investments.

#### **Eligible Investors**

The Class Z Shares will only be available to accounts managed by the Coronation group and selected other investors with prior consent of the Investment Manager.

#### **Base Currency**

The Base Currency will be US Dollars and settlement and dealing will be effected in US Dollars.

#### **Minimum Subscriptions**

The minimum initial subscription amount in relation to the Fund is US\$100,000, or its equivalency in another currency, provided that the Investment Manager shall be entitled to amend the minimum subscription amount and/or waive the minimum subscription amount in relation to one or more Shareholders at any time in their sole discretion, subject to any minimum subscription amount required under applicable law (which in the case of minimum initial subscriptions as at the date of this Information Memorandum as prescribed by the Mutual Funds Act is US\$100,000 (or its currency equivalent)).

The initial issue price is \$10 per Coronation Emerging Markets Ex China Class Z Share. After the initial issuance of the Class Z Shares, additional Class Z Shares will be issued at the prevailing Net Asset Value of the Class Z as at the relevant Valuation Point.

#### **Valuation Day**

Valuation Day means each Dealing Day. Additional Valuation Days may be determined at the discretion of the Board. Valuation Point means close of business in the relevant market on each Valuation Day or such other time as the Board may determine.

#### **Dealing Day**

Dealing Day means the last Business Day of each calendar week and the last Business Day of each calendar month and/or such other day or days as may be determined by the Board and notified to Shareholders in advance.

## **Subscription Process**

All applications for Shares and subscription monies must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day. However, the Investment Manager (subject to prior agreement) may extend the settlement period up to 3 Business Days after the relevant Dealing Day to facilitate payment or settlement methods. The Investment Manager reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the Company.

## **Redemption Day**

Redemption Day means each Dealing Day. Additional Redemption Days may be determined at the discretion of the Board.

## **Redemption Process**

In respect of all redemption requests to be effected on a Redemption Day, such redemption requests must be received by the Administrator prior to 5.00 p.m. (Irish time) on the Business Day immediately preceding that Redemption Day.

All redemption requests submitted by fax transmission should, if the Administrator or the Board requires it, be verified by Shareholders by telephone to the Administrator to confirm receipt of their fax instruction. Notwithstanding the foregoing, it may be required that the original signed Redemption Form be delivered to the Administrator prior to payment of the Redemption proceeds.

The redemption price will normally be payable to a redeeming Shareholder within 5 Business Days after the relevant redemption Dealing Day on which the redemption is to be effected and, in any event, not later than thirty calendar days after the relevant Redemption Day on which the redemption is to be effected subject to receipt by the Administrator of the redemption request, supporting information and documentation as required by the Investment Manager and/or the Administrator.

## **Fees and expenses**

In addition to the fees and expenses set out under “FEES AND EXPENSES” section of the Information Memorandum, the following fees and expenses apply:

### ***Initial Expenses***

All expenses incurred with the establishment of the Fund and initial offer of Shares of the Fund will be borne by the Investment Manager initially but subsequently recharged to the Fund upon which such expenses will be amortised over one year or such other period as the Investment Manager may determine and in such manner as the Investment Manager in its absolute discretion deems fair, provided that the Investment Manager may, in its discretion, waive the recovery of the establishment expenses or any part thereof.

### ***Anti-Dilution Levy***

The Investment Manager reserves the right to impose “an anti-dilution levy” representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), and other dealing costs relating to the acquisition or disposal of assets in the event of receipt for processing of net subscription or net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be effected as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). Any such levy will be deducted from the subscription amount received as a separate charge in the case of net subscription requests exceeding 5% of the Net Asset Value of the Fund and deducted from the redemption proceeds

to be paid in the case of net redemption requests exceeding 5% of the Net Asset Value of the Fund (including subscriptions and/or redemptions which would be as a result of requests for a switch from one Fund (including the Fund) into another Fund (including the Fund)). The anti-dilution levy will be paid into the Fund and become part of the property of the Fund and is designed to protect both the value of the Fund's underlying assets, and the current Shareholders' interests in the Fund. The Directors shall be entitled to waive the anti-dilution levy in circumstances where the Directors consider it appropriate to do so.

### ***Redemption Charges***

A redemption charge not exceeding 5% of the Net Asset Value per Share of the applicable Class may be further deducted from the redemption price at the Investment Manager's sole discretion, it being understood that the Investment Manager at its sole discretion may waive such charge or differentiate between Shareholders as to the amount of such charge within the permitted limit. Such redemption charge shall be paid to the Investment Manager for its absolute use and benefit and shall not form part of the assets of the Company or the Fund.

### ***Management and Performance Fees***

No annual management or performance fees will be attributable to the Coronation Emerging Markets Ex China Class Z.

The Fund will accordingly not pay the Investment Manager a monthly Management Fee nor a Performance Fee in respect of the Coronation Emerging Markets Ex China Class Z Shares, unless otherwise agreed between the Company, the Fund and the Investment Manager at any time, in their discretion, on such terms as the Company and the Fund deem appropriate in their discretion.

Each of the Class Z Shareholders will pay the Investment Manager fees (e.g. Management Fee and/or a Performance Fee) which will be regulated by a side letter, or similar legal agreement, concluded between each Class Z Shareholder and the Investment Manager.

### ***Voluntary Expense Cap***

To the extent that certain operating expenses (i.e. all expenses other than management fees and performance fees, the cost of buying and selling assets, including brokerage and any anti-dilution levies charged, and interest) (the "Qualifying Expenses") exceed 0.30% per annum (the "Cap Rate") of the average market value of the Portfolio (the "Voluntary Expense Cap") over the VEC Calculation Period (as defined in this paragraph), the Investment Manager shall be responsible for and will reimburse the Portfolio in the amount of such excess, with such obligation arising from the time that the Voluntary Expense Cap is introduced. The calculation period for the Voluntary Expense Cap shall comprise each successive twelve month period in each financial year of the Portfolio (each a "VEC Calculation Period"). The Voluntary Expense Cap will be calculated as the Cap Rate multiplied by the average market value over the VEC Calculation Period. Where the Qualifying Expenses incurred during the VEC Calculation Period exceed the Voluntary Expense Cap at the calculation date (being the last Valuation Day of the VEC Calculation Period), the Investment Manager will inject the excess amount into the Portfolio. The excess amount will be payable in arrears at the end of the VEC Calculation Period and therefore actual operating expenses incurred by the Portfolio could exceed the Voluntary Expense Cap at other points during the VEC Calculation Period. As stated above, Qualifying Expenses will include all operating expenses other than management and performance fees, the cost of buying and selling assets (including brokerage and any anti-dilution levies charged) and interest.

The Voluntary Expense Cap shall apply in respect of each VEC Calculation Period until such time as at the sole discretion of the Investment Manager, the Voluntary Expense Cap is removed, provided that Shareholders will be given reasonable notice prior to such removal to enable them to redeem their Shares if they wish.

## Investment Managers

The Company and the Fund have appointed each of Coronation Investment Management International (Proprietary) Limited (“CIMI”) and Coronation International Limited (“CIL”) as the Investment Manager of the assets of the Fund.

### *CIMI’S Appointment as Investment Manager*

CIMI’s appointment as an Investment Manager of the Fund is regulated by the CIMI IMA referred to in Section A (Investment Manager) above. Investors are referred to Section A (Investment Manager) which sets out information in relation to CIMI, its directors and certain salient terms and conditions of the CIMI Investment Management Agreement.

### *CIL’s Appointment as Investment Manager*

CIL’s appointment as an Investment Manager of the Fund is regulated by an investment management agreement dated on or about 18 October 2023 (the “CIL Investment Management Agreement”) concluded between the Company, the Fund and CIL.

CIL is incorporated and registered in the United Kingdom to act as investment manager/ investment adviser to a variety of funds. It has its principal office at 15 Sackville Street, London, W1S 3DN, England. CIL is a company regulated in the conduct of its investment business in the United Kingdom by the FCA.

The major activity of CIL is asset management. As at 30 September 2023, assets with a market value of approximately USD 4.5 million were under its management. CIL is a wholly owned subsidiary of Coronation Fund Managers Limited.

The directors of CIL are currently:

### *Damien Dooris*

Mr. Dooris joined Coronation Global Fund Managers (Ireland) Limited (CGFMIL) in January 2013 as Head of Compliance, later adding Head of Risk responsibilities, fulfilling these responsibilities until the end of 2017. From this role he joined Guggenheim Partners establishing their AIFM and UCITS Management Company in Ireland. Mr. Dooris returned to CGFMIL in August 2022 taking up the role of Managing Director. Prior to first joining the CGFMIL, Mr. Dooris was employed by State Street and was responsible for the set up and development of their Compliance and Regulatory Reporting Services team, and Ernst & Young where he was responsible for the audit of investment funds and asset managers. Mr. Dooris holds a B.A. (Hons.) in Accounting from the University of Ulster and is a Fellow of Chartered Accountants Ireland. In addition, he holds a Professional Diploma in Compliance, the CFA’s Claritas Investment Certificate and a Practitioners Certificate in Operational Risk Management.

### *Clinton Martin*

Investors are referred to Section A (Investment Manager) which sets out Mr. Martin’s curriculum vitae.

### *Bryan Melville*

Investors are referred to the Management section of the Information Memorandum which sets out Mr. Melville’s curriculum vitae.

### *Anton Pillay*

Investors are referred to Section A (Investment Manager) which sets out Mr. Pillay’s curriculum vitae.

### *Summary of the CIL Investment Management Agreement*

Pursuant to the CIL Investment Management Agreement, the Investment Manager may delegate any of its functions under the agreement to one or more sub-investment managers. The Investment Manager will give prior written notice to the Company and the Fund of any delegation which involves the exercise of its discretionary investment management powers.

Pursuant to the CIL Investment Management Agreement, the Investment Manager will not be liable for any claims for loss or damage suffered by the Company or the Fund in connection with the services it provides under the agreement (and in particular, but without limitation, in respect of any investments managed on behalf of the Company and/or the Fund) unless such loss arises from its fraud, dishonesty, negligence, wilful default or breach of its duties as a fiduciary.

The CIL Investment Management Agreement is terminable on the expiry of thirty days' written notice by either party. The CIL Investment Management Agreement shall terminate immediately when the FCA withdraws its approval from the Investment Manager as a licensed financial services provider, in which case the Investment Manager shall account to the Company and the Fund immediately.