

The Directors of the Company whose names appear on the last page of this Offering Supplement accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Offering Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information as of the date hereof. The Directors accept responsibility accordingly.

Offering Supplement

12 June, 2017

relating to the offering of Class A
non-voting participating Investor Shares in the

Global Macro Trading Strategy Sub-Fund

a Sub-Fund of

Pilatus SICAV p.l.c.

A self-managed open-ended collective investment scheme organised as a multi-fund public limited liability company with variable share capital registered under the laws of Malta

Gamma Capital Markets Limited

(Investment Manager)

Calamatta Cuschieri Fund Services Limited

(Administrator)

Interactive Brokers LLC

(Executing Brokers)

Banca Zarattini & Co SA

(Executing Brokers)

Valbury Capital Limited

(Executing Brokers)

***Important Notice:** This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the Offering Memorandum issued by the Company.*

Global Macro Trading Strategy Sub-Fund, a sub-fund of Pilatus SICAV p.l.c. (the “Company”) is licensed by the Malta Financial Services Authority (“MFSA”) as a Professional Investor Fund (“PIF”) which is available to Qualifying Investors. PIFs are non-retail collective investment schemes, therefore, the protection normally arising as a result of the imposition of the MFSA’s investment and borrowing restrictions and other requirements for retail collective investment schemes do not apply. Investors in PIFs are not protected by any statutory compensation arrangements in the event of the fund’s failure. The MFSA has made no assessment or value judgement on the soundness of the Company and its Sub-Funds or for the accuracy or completeness of the statements made or opinions expressed with regard to them.

This Offering Supplement is an updated version of the Offering Supplement dated 13 August, 2015.

IMPORTANT INFORMATION

This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the latest Offering Memorandum issued by the Company. The attention of investors is also drawn, in particular, to the section entitled “**Important Notices**” in the Offering Memorandum which also applies to this Offering Supplement and the offering of Investor Shares made thereby.

This offer is an offer only to the person to whom a copy of this document has been furnished by the Company and/or its authorised agents and this on the basis that the person falls within the definition of a Qualifying Investor as defined in the Offering Memorandum. The Company is not authorised to, and does not intend to, offer Investor Shares to the general public.

Since the Company operates as a Self-Managed Professional Investor Fund in terms of the MFSA Rules, the management of its business and activities will be carried out internally through an Investment Committee appointed by the Board of Directors of the Company. The Directors are also generally responsible for the safekeeping of the assets of the Company and the proper administration of the Company. The Company has however delegated various functions, including safekeeping, administration, registrar services and the day to day portfolio and risk management. The Board has in this regard engaged the Executing Brokers, the Administrator and the Investment Manager.

Section 1 | DEFINITIONS

Terms used in this Offering Supplement shall, unless otherwise defined or the context otherwise requires, have the same meaning as those defined in the Offering Memorandum.

In this Offering Supplement, the following words shall have the meanings set opposite them:

Calculation Period	A three (3) month period commencing on the first Valuation Day in one calendar quarter and ending on the last Valuation Day of that calendar quarter.
Investor Shares	Non-voting participating shares (which may include fractions of a whole share) of no par value in the Sub-Fund.
Offering Period	The period during which Investor Shares will be made available at the Offering Price. The Offering Period shall commence on the first Business Day after the Closing Date, and shall remain open until such time as the Directors determine otherwise.
Offering Price	<p>The NAV per Share, rounded down to four (4) decimal places, calculated at the close of business on the last Valuation Day prior to the relevant Subscription Day and/or Redemption Day.</p> <p>If on any Valuation Day no Investor Shares in a class are in issue then the Offering Price for Investor Shares in that class on the relevant Subscription Day shall, however, be EUR100 per Investor Share in respect of the Class A Investor Share.</p>
Offering Supplement	This Offering Supplement as the same may be amended, supplemented and/or consolidated from time to time.
Redemption Day	The first Business Day of every week and/or such other day or days as the Directors may from time to time determine.
Redemption Price	The price at which Investor Shares shall be redeemed, which shall be equivalent to the Offering Price.
Redemption Proceeds	The Redemption Price multiplied by the number of Investor Shares being redeemed less the applicable Redemption Charge.
Sub-Fund	Global Macro Trading Strategy Sub-Fund.
Subscription Day	The first Business Day of every week and/or such other day or days as the Directors may from time to time determine.
Valuation Day	The Business Day immediately preceding a Subscription Day and/or a Redemption Day and such other Business Day as the Directors may from time to time determine.

This Offering Supplement shall, in addition, be subject to the same rules of interpretation as those set out in the Offering Memorandum. Please see “**Section 1 | Interpretation**” of the Offering Memorandum for further details.

Section 2 | KEY FEATURES

The Sub-Fund and the Investor Shares

Name of the Sub-Fund	Global Macro Trading Strategy Sub-Fund.
Segregation	The Sub-Fund is a segregated portfolio whose assets and liabilities are to be treated as a patrimony separate from the assets and liabilities of each other sub-fund and of the Company. Please refer to the Offering Memorandum for further details.
Classes of Investor Shares	Class A Investor Shares.
Base Currency	Class A Investor Shares – EUR.
ISIN	MT7000014247.
Tax Status	The Sub-Fund is classified as a Non-Prescribed Fund . Please refer to “ Section 13 Taxation ” of the Offering Memorandum for further details on the tax treatment of Non-Prescribed Funds and shareholdings in such funds.

Investment Objective, Policies and Restrictions

Investment Objective	<p>The Investment Objective of the Sub-Fund is to achieve absolute returns under all market conditions.</p> <p>There is no guarantee that the investment objective of the Sub-Fund will be achieved and investment results may vary substantially over time.</p>
Investment Policies	<p>The Sub-Fund intends to invest primarily in index futures as well as options and other derivatives which are quoted on a regulated exchange. The Sub-Fund will be exposed to indices which are traded in the major futures markets in the EU and US and in other selected countries including Asian countries.</p> <p>The Sub-Fund may also invest in (i) derivatives linked to commodities including but not limited to oil, gold, silver and copper (such holding will never lead to the physical delivery of the relevant commodity); (ii) equity linked CFDs, (iii) listed equities, (iv) publicly-traded debt securities, (v) money market instruments; (vi) regulated collective investment schemes; (vii) spot FX; and (viii) structured products. The Sub-Fund will not invest in derivatives which do not trade on a centralized exchange.</p> <p>The Sub-Fund will invest in regulated collective investment</p>

schemes and structured products whose investment objective and policies are consistent with those of the Sub-Fund. In the event that the Sub-Fund will invest in structured products or collective investment schemes managed by the Investment Manager, the Investment Manager will reimburse the Sub-Fund the portion of management and/or performance fees that the Investment Manager will receive from such other funds relating to the holding of the Sub-Fund in such other structured product or collective investment scheme.

The Sub-Fund will also invest in spot FX that it will trade on margin. The Sub-Fund will invest in the major currency pairs including but not limited to GBP/ USD, AUD/ USD, EUR/ USD, USD/ CHF, USD/ JPY and USD/ CAD.

The Sub-Fund will invest in bonds that have a credit rating of at least “CCC” by S&P, provided that the Sub-Fund may invest a maximum of 20% of its assets in non-rated bonds. The bond portfolio of the Sub-Fund is expected to have an average duration of 3 to 10 years. The Sub-Fund will not be biased towards any specific country, industry or market capitalization.

For temporary or defensive purposes, the Sub-Fund may invest up to 100% of total assets in short-term fixed income instruments, money market funds and cash and cash equivalents. The Sub-Fund may also at any time hold such securities for cash management purposes, pending investment in accordance with its Investment Policy and to meet operating expenses and redemption requests.

The Sub-Fund may invest in collective investment schemes managed by the Investment Manager, and subject to the MFSA rules on cross sub-fund investments may also invest in other sub-funds of the Company. In this case, the Investment Manager shall re-imburse the Sub-Fund any management and/ or performance fees received in connection with the Sub-Fund’s investment in the target collective investment scheme

Uninvested cash which has not been placed as margin may, subject to investment restrictions, be held on deposit in a bank account in the name of the Sub-Fund. When appropriate the Sub-Fund may also employ leverage through borrowing.

Investment, Borrowing and Leverage Restrictions

The exposure to any collective investment scheme shall not exceed 40% of total assets of the Sub-Fund.

The Sub-Fund may invest a maximum of 20% of its assets in non-rated bonds.

The Sub-Fund shall not make any direct investments in real

estate.

The Sub-Fund will not be subject to any restrictions on borrowing for investment purposes.

It is anticipated that the Sub-Fund will be leveraged up to 20 times of the NAV of the Sub-Fund.

The Initial Offering

Initial Offering Period	From the 13 th August, 2015 until the Closing Date.
Closing Date	30 th September, 2015
Initial Offering Price	Class A Investor Shares – EUR100.
Number of Investor Shares on Offer	100,000,000 Class A Investor Shares.

Fees and Charges

Investment Management Fee	<u>Class A Investor Shares</u> 2.50% per annum, calculated on the NAV on each Valuation Day and will be payable quarterly in arrears.
Performance Fee	<u>Class A Investor Shares</u> The Performance Fee is calculated on a “high water mark” basis and will be payable quarterly in arrears. For each Calculation Period, a Performance Fee shall be payable in the amount of 20% on the appreciation of the Sub-Fund’s GAV over the previous HWM.
Subscription Charge	<u>Class A Investor Shares</u> Up to 2% of the subscription amount.
Redemption Charge	<u>Class A Investor Shares</u> Up to 2% of the redemption amount.
Switching Charge	<u>Class A Investor Shares</u> None.

Minimum Subscription, Holding and Redemption Requirements

Minimum Initial Subscription	Class A Investor Shares – EUR75,000.
Minimum Additional Subscription	Class A Investor Shares – EUR10,000.
Minimum Holding	Class A Investor Shares – EUR75,000.
Minimum Redemption	Class A Investor Shares – EUR10,000.

Notice Periods**Subscription Notice Period**

10 a.m. CET, three (3) Business Days prior to the relevant Subscription Day.

Redemption Notice Period

10 a.m. CET, three (3) Business Days prior to the relevant Redemption Day.

Section 3 | THE OFFERING

Share Offer

Up to 100,000,000 Class A Investor Shares with no nominal value are on offer. The offering of the Investor Shares at the Initial Offering Price opened on the 13th August, 2015 and closed on the Closing Date.

During the Offering Period, which shall commence on the first Business Day after the close of the Initial Offering Period, the offer will be for Investor Shares at the Offering Price applicable on the relevant Subscription Day. The Offering Period shall remain open until such time as the Directors determine otherwise.

Acquisition of Investor Shares

Purchases of Investor Shares can be made at the Initial Offering Price during the Initial Offering Period and thereafter at the prevailing Offering Price, by:

- i. submission to the Company at the office of the Administrator of a properly executed Subscription Agreement including the Qualifying Investor Declaration Form, the Bank Transfer Instruction Letter and those documents required in the AML Supplement; and
- ii. remitting the related subscription monies.

In respect of each subscription for Investor Shares during the Offering Period, the Subscription Notice Period shall run as from the first Business Day following receipt by the Company at the office of the Administrator of both:

- a. the documents listed under (i) above; and
- b. confirmation that the full amount subscribed for the Investor Shares has been received in cleared funds.

The Investor Shares will be issued on the first Subscription Day following the expiration of the said Subscription Notice Period.

Full details of the application and subscription process appear in “**Section 9 | Acquisition of Investor Shares**” of the Offering Memorandum.

A specimen Subscription Agreement and Qualifying Investor Declaration Form may be obtained from the Administrator.

Redemption of Investor Shares

Investors are directed to “**Section 10 | Redemption of Investor Shares**” of the Offering Memorandum where the procedures relating to the redemption of Investor Shares and the conditions applicable thereto are outlined. In terms of the Memorandum and Articles, redemption requests are, once made, irrevocable.

In respect of each redemption request, the Redemption Notice Period shall commence to run following receipt by the Company at the office of the Administrator of a valid Redemption Form. The Investor Shares will be redeemed on the first Redemption Day following the expiration of the said Redemption Notice Period.

A specimen Redemption Notice may be obtained from the Administrator.

Net Redemption Proceeds due will typically be paid out within 5 Business Days from the relevant Redemption Day.

Exchange of Shares

Investor Shares in the Sub-Fund may be exchanged with any other Class of Investor Shares in issue in any other sub-fund established by the Company which allows for such exchange to take place.

Exchanges of Investor Shares in the Sub-Fund with any other Class of Investor Shares in issue in the Sub-Fund is also permitted.

Deferral of Redemption

The Directors may in their exclusive discretion limit the total amount of redemptions effected on any Redemption Day to 10% of the outstanding Investor Shares in the Sub-Fund on that day (in each case before processing requests for the issue of the Investor Shares or requests for redemptions of such Investor Shares for such Redemption Day). In such circumstances the Company or its authorised agent may scale down pro rata the number of the Investor Shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next Redemption Day and so on to each succeeding Redemption Day until each request has been complied with in full. Requests for redemption carried forward from an earlier Redemption Day shall have priority over later requests.

Investment Restrictions

Other than what is stated above, there are no restrictions in the manner and extent to which the Company may deploy, pledge or otherwise give as security, the assets of the Sub-Fund, or assume liabilities, in pursuit of the specific investment objective, approach and strategies of the Sub-Fund.

Please see the subsection below entitled “**Borrowing Powers**” for further details.

Borrowing Powers

The Company may borrow funds to pursue the investment objective, approach and strategies of the Sub-Fund. The Company may also borrow money to meet requests for the redemption of Shares.

Please also refer to the above subsection entitled “**Investment Restrictions**” for information on the possibility for the Sub-Fund to use leverage.

Risk Factors

Investors are directed to the Offering Memorandum where the risk factors applicable to investment in shares of the Company, including in Investor Shares, are explained.

Commodities Risk

Commodity prices generally relate to the overall level of economic activity and industrial production. Historically, during periods of economic or financial instability, commodities and the securities of producers have been subject to extreme fluctuations in market price. The earnings and general financial conditions of producers are highly dependent on the market price of the underlying resources which, historically, have been extremely volatile. Natural disasters, such as earthquakes, droughts and floods, can lead to severe supply disruptions. These events may significantly influence prices of commodities and prices of natural resource equities.

Similarly, supply interruptions as a result of social factors such as strikes and civil unrest can have a material impact on commodity prices. The production of some commodities can be concentrated in geographic regions or specific countries, and as such the impact of natural, political or social factors can have a significant effect. Commodity prices can be influenced, often unpredictably, by co-operative or co-ordinated actions, by producers or sovereign nations (e.g. OPEC members). The discovery of a significant mineral deposit could have a major adverse impact on the price of the commodity due to the prospect of increased supply. New technology could lead to substitution of a commodity or commodities, thereby reducing demand. Similarly, new technology could lower production costs and increase supply of a commodity, influencing its price.

Foreign Exchange Trading Risks

Currency trading is volatile, highly leveraged and may be illiquid. Currency spot, forward and option prices are highly volatile. Such prices are influenced by, among other things: changing supply and demand relationships; government trade, fiscal, monetary and exchange control programs and policies; national and international political and economic events; and changes in interest rates. In addition, governments, from time to time, intervene directly and by regulation in these markets with the specific intention of influencing such prices.

Furthermore, as an added risk in these volatile and highly leveraged markets, it is not always possible to liquidate positions to prevent further losses or recognize unrealized gains. Principals in the interbank currency markets have no obligation to continue to make markets in the currencies traded. There have been periods during which certain banks and dealers have refused to quote prices for currencies or have quoted prices with an unusually wide spread between the price at which they are prepared to buy and that at which they are prepared to sell. The inability to liquidate currency positions creates the possibility of the Fund being unable to control its losses.

OTC Derivatives

The Sub-Fund may enter into over the counter agreements ("OTC Derivative Agreements"). These agreements are individually negotiated and can be structured to include exposure to a variety of different types of investments, asset classes or market factors. Depending on their structure, OTC Derivative Agreements may increase or decrease the Sub-Fund's exposure to, for example, equity securities. OTC Derivative Agreements can take many different forms and are known by a variety of names. The Sub-Fund is not limited to any particular form of OTC Derivative Agreements if consistent with the Sub-Fund's investment objective and policy. Whether the Sub-Fund's use of OTC Derivative Agreements will be successful will depend on the Sub-Investment Manager's ability to select appropriate transactions for the Sub-Fund. Derivative transactions may be highly illiquid and may increase or decrease the volatility of the Sub-Fund's portfolio. Moreover, the Sub-Fund bears the risk of loss of the amount expected to be received under a OTC Derivative Agreements in the event of the default or insolvency of its counterparty. The Sub-Fund will also bear the risk of loss related to OTC Derivative Agreements, for example, for breaches of such agreements or the failure of the Sub-Fund to post or maintain required collateral. Many derivative markets are relatively new

and still developing. It is possible that developments in the derivative markets, including potential government regulation, could adversely affect the Sub-Fund's ability to terminate existing derivative transactions or to realise amounts to be received under such transactions.

Structured Products

Structured products involve derivatives and a higher degree of risk factors that may not be suitable for all investors. Such risks include risk of adverse or unanticipated market developments, issuer credit quality risk, risk of counterparty or issuer default, risk of lack of uniform standard pricing, risk of adverse events involving any underlying reference obligations, entity or other measure, risk of high volatility, and risk of illiquidity/ little to no secondary market. In certain transactions, investors may lose their entire investment or incur an unlimited loss.

Use of Prime Brokers to Hold Assets

Some or all of the assets of the Sub-Fund may be held in one or more margin accounts with the prime brokers. The margin accounts may provide less segregation of customer assets than would be the case with a more conventional custody arrangement. The prime brokers may also lend, pledge or hypothecate the assets of the Sub-Fund in such accounts, which may result in a potential loss of such assets. As a result, the assets of the Sub-Fund could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Sub-Fund may experience losses due to insufficient assets of the prime broker to satisfy the claims of its creditors and adverse market movements while its positions cannot be traded which would adversely affect the total return to the Sub-Fund.

THE SUB-FUND'S INVESTMENT PROGRAM IS SPECULATIVE AND ENTAILS SUBSTANTIAL RISKS. MARKET RISKS ARE INHERENT IN ALL INVESTMENTS TO VARYING DEGREES. THE PRACTICES OF LEVERAGE AND ENGAGING IN FINANCE TRANSACTIONS, CAN, IN CERTAIN CIRCUMSTANCES, INCREASE THE ADVERSE IMPACT TO WHICH THE FUND'S INVESTMENT PORTFOLIO MAY BE SUBJECT. NO ASSURANCE CAN BE GIVEN THAT THE SUB-FUND'S INVESTMENT OBJECTIVE WILL BE REALISED. AN INVESTOR MAY LOSE SOME OR ALL OF HIS INVESTMENT.

Pricing

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

Section 4 | THE EXECUTING BROKERS

Interactive Brokers LLC

In terms of an Institutional Services Customer Agreement (the “**IB Agreement**”) between the Company and **Interactive Brokers LLC** (“**IBLLC**”), the Company has appointed the latter as the executing broker of the Sub-Fund. IBLLC is a member of the New York Stock Exchange and is regulated by the US Financial Industry Regulation Authority (FINRA), the Securities Investor Protection Corporation and the Commodity Futures Trading Commission. Further details regarding IBLLC as well as a sample copy of the terms of the IB Agreement is available on IBLLC’s website (www.interactivebrokers.com).

In terms of the IB Agreement, IBLLC will provide execution, settlement and carrying services to the Sub-Fund. IBLLC will also provide safekeeping services in relation to assets of the Sub-Fund delivered to IBLLC in accordance with the applicable terms of the IB Agreement. IBLLC may hold assets of the Sub-Fund in the US, a money centre country as defined in the US Commodity Exchange Act and regulations thereunder or the country of origin of the currency in which the assets are denominated. In terms of the IB Agreement, IBLLC is entitled to also hold the Sub-Fund’s assets in countries other than those described above in order to facilitate trading in investments denominated in a particular currency.

IBLLC will be granted a pledge over all assets of the Sub-Fund held with it and subjected to a perfected first priority lien and security interest in IBLLC’s favour in order to secure performance of obligation and liabilities to IBLLC. As allowed by applicable law, IBLLC is also authorised in terms of the IB Agreement to lend to itself or others securities or assets of the Sub-Fund. IBLLC may, without notice to the Company, pledge, re-pledge, hypothecate or re-hypothecate the Sub-Fund’s securities and assets for any amount due in any account with IBLLC in which the Sub-Fund has an interest without retaining in IBLLC’s possession or control a like amount of assets.

In terms of the IB Agreement, IBLLC’s liability, regardless of the form of action and damages suffered by the Sub-Fund, is limited to the aggregate commissions paid by the Sub-Fund over the six months prior to the event giving rise to the claim.

IBLLC is entitled to terminate the IB Agreement or its services to the Sub-Fund at any time. The Sub-Fund is also entitled to close its account with IBLLC by giving notice electronically through the IBLLC’s website, but only after all positions are closed and all other requirements specified on the said website regarding account closure are satisfied.

The IB Agreement is governed by the laws of the State of New York, and subject to the jurisdiction of the courts of New York. Disputes in connection with the IB Agreement are to be subjected to arbitration in accordance with the IB Agreement.

The present fees and charges of IBLLC are set out in “**Section 5 | Fees, Charges and Expenses**” hereunder however these are subject to variation from time to time by publication on IBLLC’s website.

Banca Zarattini & Co SA

The Sub-Fund has opened a banking relationship with Banca Zarattini & Co SA (“**Banca Zarattini**”). Banca Zarattini is authorised as a bank and securities dealer with the Swiss Financial Market Supervisory Authority (FINMA).

In accordance with the general terms and conditions and the deposit rules of Banca Zarattini (“**BZ T&Cs**”), Banca Zarattini will provide execution, settlement and safekeeping services to the Sub-Fund in relation to the sole assets of the Sub-Fund deposited with Banca Zarattini. Banca Zarattini will not take any responsibility for the activities conducted by the Investment Manager, the Administrator, the Investment Advisor, or any other person entrusted with the safekeeping of the assets of the Sub-Fund, in accordance with the MFSA Rules. The liability of Banca Zarattini is limited to losses arising from Banca Zarattini’s gross negligence or fraud and is limited to the value of the assets entrusted with Banca Zarattini for safe-keeping. The Company has also constituted a pledge in favour of Banca Zarattini over the assets of the Sub-Fund entrusted to Banca Zarattini for safe-keeping.

Banca Zarattini is entitled to terminate its business relationship with the Company in respect of the Sub-Fund or its services to the Sub-Fund at any time. The Company may terminate its business relationship with Banca Zarattini at any time.

The BZ T&Cs are governed by the laws of Switzerland, and subject to the jurisdiction of the courts of Lugano, Switzerland.

The fees and charges of Banca Zarattini are set out in “**Section 5 | Fees, Charges and Expenses**” hereunder however these are subject to variation from time to time.

Valbury Capital Limited

In terms of the Terms of Business of Valbury Capital Limited (the “**VC Terms of Business**”), the Company has appointed Valbury Capital Limited (“**Valbury Capital**”) as Executing Broker in respect of the Sub-Fund. Valbury Capital is authorised and regulated by the UK Financial Conduct Authority for the conduct of investment business with registration number 5404418.

In accordance with the VC Terms of Business, Valbury will provide execution, settlement and carrying services to the Sub-Fund in relation to the sole assets of the Sub-Fund deposited with Valbury Capital.

Valbury Capital may deduct, from any money held by them, any money which is due to them under the VC Terms of Business, or which is required to be deducted by applicable laws and regulations (including for tax purposes). Valbury also has a right of set-off in respect of any amount due to them. As a continuing security for the performance of the secured obligations under or pursuant to the VC Terms of Business, the Company in respect of the Sub-Fund, has granted to Valbury Capital, with full title guarantee, a first fixed security interest in all non-cash margin.

Valbury Capital does not accept any liability by reason of any delay or change in market conditions before any particular transaction is effected. Without limitation, Valbury Capital does not accept liability for any adverse tax implications of any transaction. Neither Valbury Capital nor its employees shall be liable for any losses, damages, costs or expenses, whether arising out of negligence, breach of contract, misrepresentation or otherwise, incurred or suffered by the Company in respect of the Sub-Fund under or in connection with the VC Terms of Business, unless such loss is a reasonably foreseeable consequence or arises directly from Valbury Capital or its employees respective gross negligence, wilful default or fraud. Valbury Capital shall not have liability for losses suffered by the Company in respect of the Sub-Fund or any third party for any special or consequential damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with the VC Terms of Business nor for non-financial damage, in each case whether arising out of negligence, breach of contract, misrepresentation or otherwise. Valbury Capital is not liable if the Company in respect of the Sub-Fund has received less profit than it hoped for or has incurred a loss as a result of uncompleted action which it intended to complete.

Valbury Capital shall not be liable to you for any partial or non-performance of their obligations under the VC Terms of Business by reason of any cause beyond our reasonable control, including without limitation any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, acts and regulations of any governmental or supra-national bodies or authorities or the failure by the relevant intermediate broker or agent, counterparty, agent or principal, custodian, sub-custodian, dealer, market, clearing house or regulatory or self-regulatory organisation, for any reason, to perform its obligations. Nothing in the VC Terms of Business will exclude or restrict any duty or liability Valbury Capital may have under applicable laws and regulations which may not be excluded or restricted thereunder.

The Company in respect of the Sub-Fund shall pay Valbury Capital such sums as they may from time to time require in or towards satisfaction of any debit balance on any of the Sub-Fund's accounts with them and, on a full indemnity basis, any losses, liabilities, costs or expenses (including legal fees), taxes, imposts and levies which we may incur or be subjected to with respect to any of the sub-fund's accounts or any transaction or any matching transaction on a market or with an intermediate broker or counterparty or as a result of any misrepresentation by you or any violation by you of your obligations under the VC Terms of Business (including any Transaction) or by the enforcement of Valbury Capital's rights.

The VC Terms of Business are governed by the laws of England, and subject to the jurisdiction of the courts of England.

The fees and charges of Valbury Capital are set out in “**Section 5 | Fees, Charges and Expenses**” hereunder however these are subject to variation from time to time.

SECTION 5 | FEES, CHARGES AND EXPENSES

Investment Management Fee

The Sub-Fund will be subject to an Investment Management Fee of 2.5% per annum, calculated on the NAV on each Valuation Day and will be payable quarterly in arrears.

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

Performance Fee

The Investment Manager shall also receive from the Company in respect of the Sub-Fund a Performance Fee on the appreciation in the Gross Asset Value ("**GAV**") of the Sub-Fund over the previous High Watermark ("**HWM**") in respect of each Investor Share outstanding on each Valuation Day.

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value ("**NAV**") before deduction for any accrued Performance Fee.

For each Calculation Period, a Performance Fee shall be payable in the amount of 20% on the appreciation of the Sub-Fund's GAV over the previous HWM.

Once a Performance Fee has been paid, additional Performance Fees will be payable only once the Sub-Fund's GAV exceeds the new HWM. The HWM is the higher of: (a) the Initial Offering Price and (b) the highest NAV per Share on which a Performance Fee was paid.

The Performance Fee will be deemed to accrue as at each Valuation Day and shall be payable monthly in arrears and normally within fourteen (14) calendar days of the end of each Calculation Period.

If the Management Agreement is terminated during a Calculation Period the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

A transfer of Investor Shares will be treated as if there was a redemption of such Investor Shares by the transferor and a subscription (at the most recent Offering Price) for such Investor Shares by the transferee on the date of the transfer for the purposes of the Performance Fee.

If the Management Agreement is terminated during a Calculation Period the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of the Management Fee and/or Performance Fee. Any such rebates may be applied in paying up additional Investor Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash.

Equalisation Adjustments

If an investor subscribes for Investor Shares at a time when the Net Asset Value per Share is other than the Peak Net Asset Value per Share, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or to the Investment Manager.

The Peak Net Asset Value per Share ("**Peak Net Asset Value per Share**") is the greater of (i) EUR100 (being the price at which Investor Shares were issued on the first Business Day following the Closing Date) and (ii) the highest Net Asset Value per Share in effect immediately after the end of the previous Calculation Period in respect of which a Performance Fee (other than a Performance Fee Redemption, as defined below) was charged.

- (A) If Investor Shares are subscribed for at a time when the Net Asset Value per Share is less than the Peak Net Asset Value per Share, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Investor Shares. With respect to any appreciation in the value of those Investor Shares from the Net Asset Value per Share at the date of subscription up to the Peak Net Asset Value per Share, the Performance Fee will be charged at the end of each Calculation Period by the automatic forfeiture by the Shareholder in favour of the Sub-Fund of such number of the investor's Investor Shares as have an aggregate Net Asset Value (after accrual for any Performance Fee) equal to 20% of any such appreciation (a "Performance Fee Redemption"). An amount equal to the aggregate Net Asset Value of the Investor Shares so redeemed will be paid to the Investment Manager as a Performance Fee. The Sub-Fund will not be required to pay to the investor the redemption proceeds of the relevant Investor Shares. Performance Fee Redemptions are employed to ensure that the Investor Fund maintains a uniform Net Asset Value per Share. As regards the investor's remaining Shares, any appreciation in the Net Asset Value per Share of those Investor Shares above the Peak Net Asset Value per Share will be charged a Performance Fee in the normal manner described above.
- (B) If Investor Shares are subscribed for at a time when the Net Asset Value per Share is greater than the Peak Net Asset Value per Share, the investor will be required to pay an amount in excess of the then current Net Asset Value per Share equal to 20% of the difference between the then current Net Asset Value per Share (before accrual for the Performance Fee) and the Peak Net Asset Value per Share (an "**Equalisation Credit**"). At the date of subscription the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the other Investor Shares in the Sub-Fund (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Share has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders and serves as a credit against Performance Fees that might otherwise be payable by the Sub-Fund but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Investor Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Investor Shares have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Sub-Fund and will therefore appreciate or depreciate based on the performance of the Sub-Fund subsequent to the issue of the relevant Investor Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Day in the Net Asset Value per Share, the Equalisation Credit will also be reduced by an amount equal to 20% of the difference between the Net Asset Value per Share (before accrual for the Performance Fee) at the date of issue and as at that Valuation Day. Any subsequent appreciation in the Net Asset Value per Share will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Calculation Period, if the Net Asset Value per Share (before accrual for the Performance Fee) exceeds the prior Peak Net Asset Value per Share, that portion of the Equalisation Credit equal to 20% of the excess, multiplied by the number of Investor Shares subscribed for by the Shareholder, will be applied to subscribe for additional Investor Shares for the Shareholder. Additional Investor Shares will continue to be so subscribed for at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Sub-Fund after the original subscription for Investor Shares was made, has been fully applied.

If the Shareholder redeems its Investor Shares before the Equalisation Credit (as adjusted for depreciation and appreciation as described above) has been fully applied, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Investor Shares being redeemed and the denominator of which is the number of Investor Shares held by the Shareholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription.

Administration Fee

The Company pays to the Administrator an Administration Fee of 0.135% per annum based on the Net Asset Value of the Sub-Fund subject to a minimum Administration Fee of EUR17,500 per annum. Such fee shall accrue at each Valuation Day and be payable monthly in arrears.

The Administrator is reimbursed for any reasonable out-of-pocket expenses necessarily incurred in the performance of its duties.

Executing Brokerage Fee

The Sub-Fund pays the Executing Broker a fee based on current market rates.

Other Expenses

The Sub-Fund shall bear the costs incurred for the establishment and regulatory licensing of the Sub-Fund and the offering of the Investor Shares. In particular it shall incur a fee of EUR1,000 payable to the MFSA in respect of the application for licensing of the Sub-Fund and an annual supervisory fee of EUR600 payable to the MFSA upon licensing and, thereafter, on each anniversary of the licensing of the Sub-Fund.

The Sub-Fund will bear its own operating expenses, including, but not limited to, fees payable to the Executing Broker, Administrator, Investment Manager, organisational and investment expenses (reasonably determined to be related to the investment of the Sub-Fund's assets), administrative expenses, marketing expenses, legal and licensing expenses, government fees, audit, interest and shareholder communication expenses and other expenses associated with the operation of the Sub-Fund. The Sub-Fund may reimburse the Investment Manager for some of the investment expenses incurred in connection with its rendering investment advice and other services to the Sub-Fund (including, without limitation, compensation for ongoing operational, systems, research and due diligence). The Investment Manager and the Administrator will be responsible to track the expenses of the Sub-Fund. Preliminary and ongoing legal, printing and continuous offering documentation expenses, subject to a maximum of EUR100,000, borne by the Sub-Fund in connection with the continuous offering of Investor Shares, will be capitalized and then amortised by writing off equal instalments on each Valuation Day over five (5) years (and thereafter as incurred).

Whilst the Investment Manager considers that such a valuation methodology is appropriate such policy may conflict with International Financial Reporting Standards.

The Sub-Fund will also be subject to other fees including, its pro-rata share of the operating expenses of the Company as set out in the Offering Memorandum.

Subscription Charge

Up to 2% of the subscription amount.

Redemption Charge

Up to 2% of the redemption amount.

Section 6 | GENERAL INFORMATION

The Rights of Shareholders

The rights of Shareholders are stated in the Memorandum and Articles of the Company and in the Companies Act. The Investor Shares entitle Shareholders to participate in the movements, both positive and negative, in value of the assets of the Sub-Fund. It is not expected that the Company will declare any dividends and for a Shareholder to receive the benefits of any growth in the capital value of the Investor Shares, the Shareholder is entitled to request the redemption of the Investor Shares held by him at any time and the Investor Shares will, subject to the relevant Redemption Notice Period, be repurchased by the Company on the next Redemption Day following such request. **The Investor Shares are non-voting.** On winding up of the Sub-Fund the holders of the Investor Shares shall be entitled to their share of the value of the assets of the Sub-Fund.

Share Capital and Accounts

All amounts received by the Company on the issue of Investor Shares, initially and subsequently, will be credited as share capital of the Company and will form part of the net assets of the Sub-Fund. Separate accounts are kept for the assets of the Sub-Fund.

Fractional Shares

Fractional Shares will be issued up to four (4) decimal places.

Duration of the Sub-Fund

The Sub-Fund has been constituted for an indefinite period.

Sub-Fund Income

The income of the Sub-Fund will generally be accumulated. The Directors reserve the right to pay dividends at any time if they consider that a payment of a dividend is appropriate.

DIRECTORY

Directors of the Company

Mr. Nicholas Calamatta
Mr. Claudio Tonolla
Mr. Marcello Sertoni

Registered Office

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Investment Committee

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Mr. Enzo Filippini
Mr. Anthony V. Xuereb

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Administrator

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