

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

28th June, 2017

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

Oplon Art Sub-Fund

a Sub-Fund of

Pilatus SICAV p.l.c.

A self-managed 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, Registrar and Transfer Agent)

Banca Zarattini & Co SA

(Executing Broker)

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.*

Oplon Art 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.

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 administration, registrar services and the day to day portfolio and risk management. The Board has in this regard engaged the Executing Broker, the Administrator and the Investment Manager.

Investors should note that the Sub-Fund will be operated on a closed ended basis. This means that investors will not have any general right or opportunity to redeem their Investor Shares. Notwithstanding that Shareholders may not request the redemption of their Investor Shares for as long as the Sub-Fund remains closed, the Directors may in certain circumstances as outlined below, redeem their Investor Shares at the NAV.

In the event that an investor would like to redeem Investor Shares, the investor may approach the Board of Directors which, subject to the availability of the necessary liquidity, will set a Redemption Day in accordance with the procedures in the Offering Memorandum and this Offering Supplement. Although the Directors reserve the right to set a Redemption Day, Redemption Days will not be on any regular or frequent basis but only on a limited basis consistent with the closed ended nature of the Sub-Fund. In this regard, it is not expected that the Directors will redeem Investor Shares more frequently than once a year and the intervals between redemptions may well be greater than this.

Accordingly, investors should be prepared to hold Investor Shares over a long period of time. Shareholders will be given ninety (90) days notice should a Redemption Day be set.

Investors should note that the Investor Shares of the Sub-Fund will not be listed on any exchange and accordingly investors will not be able to dispose of any Investor Shares in the Sub-Fund by sale on a secondary market during closed periods – but only through exchange with other investors. Investors should understand that the price at which Investor Shares may be sold on this basis may be less than the NAV per Share.

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 twelve (12) month period ending on 31 st December in each year, with the first period commencing on the first Business Day after the Closing Date and ending on the last business day of the year.
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 are in issue then the Offering Price for Investor Shares on the relevant Subscription Day shall, however, be EUR100.000 per 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	Such Business 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	Oplon Art Sub-Fund.
Subscription Day	Such Business Days as the Directors may from time to time determine.
Valuation Day	The last Business Day of every calendar year and/or 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	Oplon Art 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	MT7000020665.
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.
Duration of the Sub-Fund	Indefinite.

Investment Objective, Policies and Restrictions

Investment Objective	<p>The Investment Objective of the Sub-Fund is to achieve long-term 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 Investment Manager will seek to attain the Sub-Fund's Investment Objective by investing primarily decorative and/or fine art pieces, including paintings, sculptures, printmaking, photography from the 20th century, and historic and contemporary design works of visual arts (20th and 21st Century).</p> <p>It is anticipated that the Sub-Fund will in the short to medium term have a diversified portfolio of works of art of different art sectors. The Sub-Fund will mainly acquire primary pieces that are easily manageable and highly marketable which are capable of generating the highest premiums on realisation.</p> <p>The Sub-Fund will mainly acquire the assets from private individuals, auction houses and/or art dealers, and mainly</p>

sell to other art dealers, private clients, and buyers at primary national and international auctions in primary worldwide locations. The Sub-Fund shall not in any way purchase or deal with works of art produced, sold or otherwise dealt with directly by any Member of the Investment Committee of the Sub-Fund in his own name. The Investment Manager will choose the most appropriate markets and clients for each art piece and antique, in order to maximise the return on its investments.

The Sub-Fund will seek to acquire works of art and antiques that can be adequately appraised and authenticated with reasonable accuracy. The works of art will be valued in accordance with generally accepted valuation standards such as the International Valuation Standards issued by the International Valuation Standards Council and authenticated by independent and appropriately qualified valuer that has the expertise, knowledge and experience in the valuation of similar assets. The Investment Manager will prepare a report of the objects acquired, whereby it will point out what features make the target asset stand out in value in relation to the time when they were acquired and the anticipated time of realisation. The works of art and antiques will be transported by professional companies and stored in secure locations with a leading safekeeper(s) whereby physical access to the assets will be limited to instances which are strictly necessary.

The Sub-Fund may also acquire works of art and antiques which require restoration for the purpose of restoring the condition of such assets in order to maximise the potential realisation value of the assets. When acquiring such assets in need of restoration the Investment Manager will engage reputable professional persons qualified in the fields of conservation of such particular works of art and antiques.

Uninvested cash may be held on deposit in a bank account in the name of the Sub-Fund, and may also be temporarily invested in listed securities (including equities and bonds) or in the major currencies (including EUR, USD, GBP, USD and CAD), in order to pursue an alternative, diversification strategy for hedging purposes. When appropriate the Sub-Fund may also employ leverage through borrowing.

Investment, Borrowing and Leverage Restrictions

The Sub-Fund will not be subject to any borrowing or leverage restrictions and there is accordingly no cap on the extent of leverage that the Sub-Fund may employ. Leverage will not however be used to meet requests for the redemption of Investor Shares unless the repayment emanates from a short term identified source(s).

The Initial Offering

Initial Offering Period	From the 28 th June 2017 until the Closing Date.
Closing Date	31 December, 2017 or such earlier or later date as the Directors may in their absolute discretion determine.
Initial Offering Price	Class A Investor Shares – EUR100.000
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% per annum, calculated on the NAV on each Valuation Day and will be payable annually 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 annually 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.
Administration Fee	<u>Class A Investor Shares</u> The Company will pay the Administrator a fixed Administration Fee of EUR10,000 per annum. Such fee shall accrue at each Valuation Day and be payable annually in arrears.
Subscription Charge	<u>Class A Investor Shares</u> Up to 2% of the subscription amount.
Redemption Charge	<u>Class A Investor Shares</u> <i>Redemptions within one (1) year from the relevant Subscription Day:</i> 10% of the redemption amount. <i>Redemptions after one (1) year from the relevant Subscription Day:</i> 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	10am CET, 90 days prior to the relevant Subscription Day.
-----------------------------------	---

Redemption Notice Period	10am CET, sixty (60) 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 shall be open on the 28th June 2017 and shall close on the Closing Date. The Company is entitled to close the Initial Offering Period at any time prior to the Closing Date or to extend it beyond the Closing Date and this at its sole discretion.

During the Offering Period, which shall commence from 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

The Directors reserve the right to set a Redemption Day and to limit the redemption amount on such Redemption Days. In the event that an investor would like to redeem Investor Shares, the investor may approach the Board of Directors which, subject to the availability of the necessary liquidity, will set a Redemption Day in accordance with the procedures in the

Offering Memorandum and this Offering Supplement. Investors will be notified at least ninety (90) days in advance of a Redemption Day. The Directors may declare a Redemption Day in the event of the realisation of the assets of the Sub-Fund or in the event that the Sub-Fund has excess cash without a foreseeable investment prospect.

To the extent that requests for redemptions received for a Redemption Day exceed the maximum redemption amount set by the Directors, all redemptions received in respect of that Redemption Day will be effected on a *pro-rata* basis.

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 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 ninety (90) Business Days from the relevant Redemption Day.

Exchange of Shares

Exchanges of Investor Shares in the Sub-Fund with any other Class of Investor Shares in issue are not 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.

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.

IN EVALUATING THE POTENTIAL AND SUITABILITY OF AN INVESTMENT IN THE SUB-FUND, CAREFUL CONSIDERATION SHOULD BE GIVEN BY PROSPECTIVE INVESTORS TO THE FOLLOWING RISK FACTORS WHICH RELATE TO THE MANAGEMENT OF THE SUB-FUND AND THE MARKETS IN WHICH THE SUB-FUND’S ASSETS WILL BE INVESTED.

INVESTMENT IN THE SUB-FUND SHOULD BE REGARDED AS A LONG TERM INVESTMENT. THERE CAN BE NO GUARANTEE THAT THE INVESTMENT OBJECTIVE OF THE SUB-FUND SET OUT HEREIN WILL BE ACHIEVED.

POTENTIAL INVESTORS ARE EXPECTED TO BE AWARE OF THE RISKS OF INVESTING IN THE SUB-FUND AND ANY PERSON CONSIDERING AN INVESTMENT IN THE SUB-FUND MUST HAVE THE FINANCIAL SOPHISTICATION AND EXPERTISE TO EVALUATE ITS MERITS AND RISKS.

POTENTIAL INVESTORS ARE EXPECTED TO NOTE THAT EXCEPT AS SPECIFIED IN THE ABOVE SECTIONS THERE WILL BE NO GENERAL RIGHT OF REDEMPTION AFFORDED TO INVESTORS THROUGHOUT THE LIFE OF THE SUB-FUND.

Market Risks

Any investments in works of art bear substantial risks due to considerable fluctuations in value. Investments by the Sub-Fund may therefore lead to some temporary, possibly even prolonged, illiquidity, as well as loss of share value. Moreover, the value of some art pieces might not be easily determinable, due to differences in taste and potential return, and therefore the valuation, which is necessary subjective, might change substantially according to the valuer. Please refer to the section entitled “**Valuation of the Sub-Fund’s Investments**” below.

Inventory and Valuation Risks

Although the methods used in detecting counterfeits are improving steadily, no guarantees against a total loss of the invested capital can be given. All necessary effort is taken to minimise any risk by carefully selecting the works of art. The works of art are insured against counterfeiting risk, starting from the time they are reviewed and approved by the insurance company. The Sub-Fund will be purchasing the art objects only after these have been independently assessed and after they are already insured. Therefore the Sub-Fund has limited exposure to counterfeiting risk.

Ownership, Transport, Storage, Accidental Damage, Loss or Theft

The Company is exposed to risks associated with transportation, storage, accidental damage, loss or theft of the works of art. It is anticipated that the Company will secure appropriate insurance cover in order to cover these risks from a leading insurer in the art business from the moment the works of art are purchased until sale, including while in transit or in storage. Any information will be made available to Shareholders upon request.

Illiquidity of Investor Shares

Investments in works of art, antiques and other collectibles are illiquid compared to financial instruments and are significantly more difficult to realise. Works of art, antiques and other collectibles are not traded with determined prices or delivery and acceptance obligations. The art market is also influenced by trends, fashions and other irrational factors. This may mean that art objects cannot be sold immediately or may only be sold with a significant loss of value. The Investor Shares may only be redeemed as specified in the above Sections and on any ad hoc Redemption Day that may be set by the Directors from time to time. The Investor Shares may therefore only be suitable for those investors who are able to make a long-term commitment of capital.

The Company may also, in specific circumstances, suspend the determination of the Net Asset Value, in which case the Company may be unable to redeem Investor Shares.

The investments of the Sub-Fund may be relatively illiquid and are significantly more difficult to realise. Investors should note: (i) the possibility that no redemptions may take place during the life of the Sub-Fund and (ii) that the Sub-Fund has been constituted for an indefinite period of time. The Investor Shares may therefore only be suitable for those investors who are able to make a long-term commitment of capital.

Valuation of the Sub-Fund's Investments

Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations, and if such valuations should prove to be incorrect, the value of the Investor Shares could be adversely affected. Accordingly, while the Sub-Fund will use its best efforts to value all investments fairly, certain investments may be difficult to value and may be subject to varying interpretations of value.

Performance Fee

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee due to the Investment Manager. Shareholders may accordingly underpay or overpay any Performance Fee due to the Investment Manager when subscribing or redeeming their Investor Shares.

Pricing

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

The valuation of the assets held by the Sub-Fund will be valued by independent and appropriately qualified valuers that have the expertise, knowledge and experience in the valuation of similar assets (the “**Valuer**”). The initial value of any investment, which is not quoted, listed or normally dealt in on a market, shall be amount expended in the acquisition thereof. The subsequent measurement of any such investment shall be the fair value as determined by the Valuer in line with generally accepted valuation standards (including, the International Valuation Standards issued by the International Valuation Standards Council) and accounting principles.

Please see “**Section 15 | Determination of Net Asset Value**” of the Offering Memorandum for further details.

Section 4 | THE INVESTMENT COMMITTEE

The Board of Directors retains overall responsibility for the implementation of the investment objective of the Company in respect of each Sub-Fund, directing the investment management of its assets and in the management and monitoring of risk. In this regard, the Board has established and will receive support from the Investment Committee constituted specifically for the Sub-Fund.

Under its terms of reference, the Investment Committee shall:

1. carry out or procure appropriate and timely assessments of the investment strategies of the Company, and of the investment performance achieved, in the light of market conditions, and the Company's investment objectives, stated policies and restrictions;
2. issue rules for asset selection, make recommendations to the Board of Directors of the Scheme and to lay down the investment allocation criteria, in line with MFSA Rules and the Licence Conditions, in the form of strategic investment parameters for the Company;
3. review the investment actions taken, and the positions held, to ensure that the investment management has been conducted in line with applicable limits and restrictions, including strategy guidelines or parameters set by the Investment Committee; and
4. monitor the activities of the Investment Manager.

Meetings of the Investment Committee shall be held at least four (4) times a year with at least a majority of such meetings being physically held in Malta.

The Investment Committee in respect of the Sub-Fund is composed of:

Mr. Enzo L. Filippini

Mr. Enzo Filippini has acquired extensive experience of almost 40 years on the financial markets. He was Head of the Treasury Department at BSI. Since leaving BSI, Mr. Filippini has been involved in the management of investments for private wealth clients and investment funds. Mr. Filippini was a co-founder of two important family offices. He subsequently founded his own family office and the Oftrader group where he still holds the position of CEO as well as Head of the Investment Committee and Senior Portfolio Manager. He has acquired a high level of competence in investment management and in particular in derivatives, forex, securities and hedge funds.

Mr. Walter Mondavilli

Mr. Mondavilli's activity in the field of antique trading began in the 1990s. Initially, he dealt with 19th and 20th century art, including furniture and décor. His trading interests then turned specifically to the early 20th century, the latest historical styles and the modern movement. With time he also began focusing on Italian furniture. This transition led him to be more selective in his job and to start a series of market surveys and travels which allowed him to explore the historical production of Italian furniture and lighting. At the beginning of the new millennium, Mr. Mondavilli's research and trade shifted progressively to art productions of the post-war decades and on the great Italian authors of post-war design, with special attention to furniture and lighting. He also started to work with Italian sculptures.

Mr. Mondavilli has well-established partnerships with some of the main Italian and international auction houses and specialised galleries. For a number of years, Mr. Mondavilli has also been

producing and exhibiting his own works of art in exhibition centres and museums in Italy and overseas.

In 2004, Mr. Mondavilli founded ARMO S.r.l. with an expert on the history of Italian glass. This company focuses on the purchase and sale of works of art of historical Italian design.

Mr. Mondavilli's professional path, which has included research and systematic studies of the works of art he trades in, has contributed to his competence, international relationships and ability to create various business networks and partnerships. His main exhibition centre is in Via Giovenale 7, Milan, Italy.

Dr. Riccardo de Caria

Dr. Riccardo de Caria is a lawyer and academic, specializing in business law and law and economics. He earned his law degree summa cum laude from the University of Torino, Italy (2007), then a PhD in Public Law from the same University (2011), and also an LLM (Master of laws) from the London School of Economics (2011), where he undertook exams such as Advanced EU Law, Competition Law, and the Regulation of Financial Markets.

He has been working as a solo-practitioner since 2014. His law firm advises private clients and corporations in their day-to-day business and in litigation.

He also holds a post-doc research fellowship at the University of Torino. He has written several academic publications in the field of business law and financial regulation.

Mr. Kenneth Vassallo

Mr. Kenneth Vassallo is an auctioneer by profession specializing in antiques and fine art. He started Vassallo Auctioneers in 1994, one of the leading auction houses in Malta and still remains managing director to date. With more than 23 years of experience he has built a strong reputation with local and foreign collectors especially with the prospect of investment. Combining local and foreign experience in the art world, he has furthered his studies in both the financial and compliance field to aid clients towards investment in art and purchasing and selling works of art for private funds.

Mr. Vassallo holds a Bachelor of Arts degree in History of Art and also in Management and Public Policy from the University of Malta.

Section 5 | Safekeeping Arrangements

The Company has not appointed a global custodian responsible for safekeeping the assets of the Sub-Fund.

The assets of the Sub-Fund will consist in decorative and/or fine art pieces and antiques, including paintings, sculptures, printmaking and photography from the 20th century, and historic and contemporary design works of visual arts (20th and 21st Century). The Company will hold, at its registered offices, all relevant documents of title relating to the assets of the Sub-Fund. The assets will be stored in the vaults of ArtDefender Srl (“**ArtDefender**”) of Via Cino del Duca 2, 20122 Milan, Italy. The assets will only be accessible to authorised personnel of ArtDefender and will be protected by state of the art security systems specifically designed to store and preserve artwork and collectibles. Potential purchasers will be able to view the works of art by viewing photographs and physical access will be limited to instances which are strictly necessary. In exceptional circumstances where it is not possible to store the assets with ArtDefender (including in instances involving any maintenance, restoration, promotions and/or other similar events at the premises of ArtDefender), the assets will be stored in facilities of another reputable safekeeping company having equivalent security standards as ArtDefender. The storage service times are published by Art Defender on its website (www.artdefender.it).

The Sub-Fund has insurance cover to protect the assets against damage, loss, theft and other insurable events, from the moment of purchase until sale, including appropriate cover while the art pieces are in transit or in storage with ArtDefender.

The Company has entered into a safekeeping agreement with ArtDefender and will be subject to the General Contractual Conditions for the Deposit of Movable Goods, Artworks and Sealed Containers attached thereto (the “**AD Agreement**”).

All statements and communications between the parties should be in writing unless specified otherwise in the AD Agreement. ArtDefender reserves the right to modify the AD Agreement at any time. The modifications will be binding upon the parties unless the Company chooses to terminate the AD Agreement within fifteen (15) days from receipt of the modifications.

Art Defender is liable within the limits of the Declared Value (as defined in the AD Agreement) or Accepted Estimate (as defined in the AD Agreement) where required by applicable law. If any theft or loss affects only some or part of a work of art, Art Defender will be liable in proportion to the total value and taking into account the residual value of the work of art.

The parties may terminate the AD Agreement at any time by sending fifteen (15) days advanced notice. The AD Agreement will be tacitly renewed unless Art Defender receives notice of termination by the Company within thirty (30) days before the expiration of the AD Agreement.

The AD Agreement is governed by the laws of Italy and subject to the exclusive jurisdiction of the Court of Milan.

Section 6 | THE EXECUTING BROKER

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 (if any), 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 7 | Fees, Charges and Expenses**” hereunder however these are subject to variation from time to time.

SECTION 7 | FEES, CHARGES AND EXPENSES

Investment Management Fee

The Company will pay the Investment Manager an Investment Management Fee of 2% per annum of NAV. The Investment Management Fee will accrue on every Valuation Day and shall be payable annually 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**") multiplied by the average number of Investor Shares in issue in the related class of Investor Shares from the end of the previous Calculation Period on which a Performance Fee was paid.

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 annually in arrears and normally within fourteen (14) calendar days of the end of each Calculation Period.

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee due to the Investment Manager. Shareholders may accordingly underpay/ over pay any performance fee due to the Investment Manager when subscribing and/or redeeming their Investor Shares.

Investment Committee Fee

Each Investment Committee member will receive a fee of up to EUR10,000 per annum.

Administration Fee

The Company pays to the Administrator a fixed Administration Fee of EUR10,000 per annum. Such fee shall accrue at each Valuation Day and be payable annually 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.

Safekeeping Company Fee

The Sub-Fund will pay the Safekeeping Company 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, the Administrator, the Investment Manager, the Safekeeping Company, insurance, 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 capitalised 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

Shareholders are subject to a Subscription Charge of up to 2% of the subscription amount.

Redemption Charge

Shareholders are subject to a Redemption Charge of 10% of the redemption amount in the case of redemptions within one (1) year from the relevant Subscription Day. Redemptions received after one (1) year from the relevant Subscription Day will be subject to a redemption charge of up to 2%.

SECTION 8 | 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. The Directors reserve the right to pay dividends at any time if they consider that a payment of a dividend is appropriate. All distributions will be at the sole discretion of the Directors and shall be made solely out of current proceeds available for distribution of the Sub-Fund.

The Shareholder may also receive the benefits of any growth in the capital value of the Investor Shares upon redemption of the Investor Shares. Other than as specified in the above Sections, the investors will not have any general right or opportunity to redeem their Investor Shares. The Directors reserve the right to set a Redemption Day and to limit the redemption amount on such Redemption Days. Investors will be notified at least ninety (90) days in advance of a Redemption Day. The Directors may declare a Redemption Day in the event of the realisation of the assets of the Sub-Fund or in the event that the Sub-Fund has excess cash without a foreseeable investment prospect. **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 Directors reserve the right to pay dividends at any time if they consider that a payment of a dividend is appropriate. All distributions will be at the sole discretion of the Directors and shall be made solely out of current proceeds available for distribution of the Sub-Fund.

DIRECTORY

Directors of the Company

Mr. Nicholas Calamatta
Mr. Paolo Cecco
Mr. Marcello Sertoni

Registered Office

Pilatus SICAV p.l.c.
259, St. Paul Street,
Valletta VLT 1213,
Malta

Investment Committee

Mr. Enzo L. Filippini
Mr. Walter Mondavilli
Dr. Riccardo de Caria
Mr. Kenneth Vassallo

Investment Manager

Gamma Capital Markets Limited
259, St. Paul Street,
Valletta VLT 1213,
Malta

Safekeeping Company

ArtDefender Srl
Via Cino del Duca 2,
20122 Milan,
Italy

Administrator

Calamatta Cuschieri Fund Services Limited
Ewropa Business Centre,
Dun Karm Street,
B'Kara BKR 9034,
Malta

Executing Broker

Banca Zarattini & Co SA
Via Pretorio 1,
6900 Lugano,
Switzerland

Company Secretary

E2S Monitoring Ltd.
259, St. Paul Street,
Valletta VLT 1213,
Malta

Auditors

PricewaterhouseCoopers
78, Mill Street,
Qormi QRM 3101,
Malta

Legal Advisors (Malta)

GANADO Advocates

171, Old Bakery Street,
Valletta, VLT 1455,
Malta