

**THIS DOCUMENT IS IMPORTANT. If you are unclear about the contents of this document, you should consult a professional financial adviser.**

# **Offering Document**

**relating to**

## **First World Hybrid Real Estate PLC**

(a company incorporated in the Isle of Man under the Companies Act 2006)

This document is dated 14 January 2026

Your attention is drawn to the "**Important Notice**" overleaf. Your attention is also drawn to the "**Definitions and Interpretation**" section of this Offering Document, which sets out definitions of certain words and expressions used in this document; certain additional words and expressions are also defined in the text of this document. This entire Offering Document should be read by prospective investors, and, in particular, attention is drawn to the section entitled "**Risk Factors**". All statements in this Offering Document concerning the Fund's business, financial position and prospects should be viewed in the light of those risk factors. An investment in the Fund may not be suitable for all recipients of this Offering Document. Prospective investors should consider carefully whether an investment in the Fund is suitable for them in the light of their personal circumstances and the financial resources which are available to them.

# Contents

Important Notice.....	1
Directory .....	4
Structure of the Fund .....	7
Investment Objective, Ethics Statement and Investment Policy .....	8
Investment Terms.....	12
Management, Custody, Audit and Conflicts.....	14
Charges and Expenses.....	19
Risk Factors .....	22
Subscriptions and Redemptions .....	28
Net Asset Value and Pricing of Shares.....	31
Characteristics of Shares and Permitted Investors.....	36
Regulation .....	39
Taxation .....	45
Status of the Fund .....	48
Investor Due Diligence .....	56
Data Protection.....	56
Additional Information .....	59
Definitions and Interpretation.....	61

# Important Notice

## Regulated Fund Status

**This Fund is a Regulated Fund, which is subject to the Collective Investment Schemes (Regulated Fund) Regulations 2017.**

**The manager of the Fund, FIM Capital Limited, is required to be an authorised person for the purposes of the Collective Investment Schemes Act 2008. The Manager's appointment to this fund has been approved by the Isle of Man Financial Services Authority ("IOMFSA").**

In granting permission for the Manager to manage the Fund, the IOMFSA has –

- reviewed the constitutional documents and Offering Document of the Fund;
- considered whether the members of the Fund's governing body are fit and proper persons to act as such;
- considered the status of other functionaries to the Fund and the Fund arrangements.

The IOMFSA has not, however, commented on, nor is it required to comment on, the investment objectives or strategy of the fund, its suitability for any investor or class of investor or the accuracy of statements made or opinions expressed about it. The Fund is not subject to the benefit of any compensation arrangements.

The IOMFSA receives annual compliance declarations from the Fund's governing body and Manager.

There are statutory requirements for the IOMFSA to be notified about material changes to the Fund and matters of concern.

The fiduciary custodian of the Fund, EFG Fund Services, a division of EFG Wealth Solutions (Jersey) Limited, is licensed to act as a fiduciary custodian by the Jersey Financial Services Commission.

The asset manager of the Fund is an authorised person for the purposes of the Collective Investment Schemes Act 2008.

The IOMFSA will review the Manager's continuation as manager of the Fund when changes are made to the Fund's documentation, arrangements and functionaries.

On the basis of the IOMFSA's regulatory considerations in approving the Manager's appointment and continuation, this Fund is deemed to be regulated by the IOMFSA.

If you are unclear about the contents of this Offering Document, you should consult a professional financial adviser.

## Investment Risk Warning

The value of Shares and the income produced by them can fall as well as rise. You are wholly responsible for ensuring that this Fund is acceptable to you. Investment in Regulated Funds may involve special risks that could lead to a loss of all or a substantial portion of the investment. Unless you fully understand and accept the nature of this Fund and the potential risks inherent in this Fund you should not invest in this Fund.

## Notice to Persons Investing on Behalf of Others

If you are investing on behalf of someone else, the IOMFSA expects you to be satisfied that the person understands the risks associated with this type of investment.

## Notice to Life Assurance Companies

If you are a life assurance company investing assets comprised within your long-term business fund, the IOMFSA expects that relevant policyholders have been given the opportunity to read the Fund's Offering Document and, as such, have information about the risks associated with an investment in the Fund.

## **Permitted Investors**

The Fund shall only accept as investors persons who are Permitted Investors, who complete an Application Form and who make a minimum initial investment of not less than the amount set out in the section of this document entitled "**Investment Terms**", being the appropriate minimum subscription amount determined jointly by the Manager and the Directors for the purposes of the Regulations.

## **Responsibility Statement**

The Directors of the Fund, whose names appear in the section of this document entitled "**Directory**", accept responsibility for the information contained in this document. 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 Document is as at the date thereof: (a) in accordance with the facts and does not omit anything likely to affect the import of such information; and (b) accurately sets out all material information which is relevant for the purposes of making an informed judgment about the merits of participating in the Fund. The Directors accept responsibility accordingly.

## **Status of Offering Document**

This document constitutes the "offering document" for the purposes of the Regulations, it is valid as at the date on page 1 and it is prepared in compliance with the Regulations. This document also constitutes the "offering document" for the purposes of section 45 of the Isle of Man Companies Act 2006 and is prepared in compliance with the requirements of that section. It is not necessary for this document to be filed or registered with any governmental or public body, authority or agency in the Isle of Man either on, before or after the date of its publication and it is not intended that this document will be filed with the Registrar of Companies in the Isle of Man pursuant to section 45(5) of the Companies Act 2006.

## **Listing**

Shares of the A (Income) Class of par value GBP0.01 were listed on The International Stock Exchange Limited (the "**Exchange**") on 7 April 2016. Shares of the B (Accumulation) Class of par value GBP0.01 and C (Accumulation) Class of par value GBP0.01 were listed on the Exchange on 25 October 2018. This Offering Document includes particulars given in compliance with the listing rules of the Exchange for the purpose of giving information with regards to the issuer. The Directors, whose names appear on page 4, accept full responsibility for the information contained in this Offering Document and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Neither the admission of the Shares to the official list of the Exchange nor the approval of the Offering Document pursuant to the listing requirements of the Exchange shall constitute a warranty or representation by the Exchange as to the competence of the service providers to or any other party connected with the issuer, the adequacy of the information contained in the Offering Document or the suitability of the issuers for investment or for any other purpose.

## **Offering Restrictions – General**

The Offering Document does not constitute an offer or solicitation in any state or other jurisdiction in which an offer or solicitation is not lawful or authorised or in which the person making such offer or solicitation is not qualified to do so. This document constitutes an offer only if delivery of this document is authorised by the Fund and complies with the laws of the country in which the recipient resides. Any reproduction of this document or the divulgence of any of its contents, without the prior written consent of the Fund, is prohibited.

Investors must acquire the Shares solely for their own account (or under such other permitted arrangements as are disclosed in the Application Form and accepted by the Manager), for investment purposes only and not with an intention of distribution, transfer or resale. The Shares cannot be resold or transferred except in accordance with the terms of the Offering Document and the Articles.

No person other than the Manager has been authorised to make any representation or warranty or provide any information with respect to the Shares except the information contained in the Offering Document. Neither the delivery of the Offering Document nor the acquisition of any Shares pursuant thereto shall create an implication that there has been no change in the matters disclosed in the Offering Document since the date of this document.

The Offering Document should not be construed as investment, legal or tax advice. Each prospective investor should seek independent investment, legal and tax advice concerning an investment in Shares. The Offering Document cannot be reproduced or distributed to any other persons. The recipient of the Offering Document, by accepting delivery thereof, agrees to return them and all related documents to the Fund if the recipient elects not to subscribe for any Shares.

## **Offering Restrictions – Isle of Man**

The Fund is neither a recognised scheme nor an authorised scheme as the same are defined in the CISA and is accordingly subject to the prohibition on the promotion of collective investment schemes as contained in Section 3 of the CISA. Accordingly, this document may only be issued or passed on to any person in the Isle of Man by way of the three limited exceptions to this general prohibition set out in Section 3(2) of the CISA and the Exemption Regulations. Under Regulation 4(2) of the Exemption Regulations, any advertisement issued in the Isle of Man in connection with a fund must contain a statement either (a) that participants in a fund are not protected by any statutory compensation scheme; or (b) that participants in a fund are protected by a statutory compensation scheme and particulars sufficient to identify the compensation arrangements. The Manager reserves the right to refuse applications from investors who are resident in the Isle of Man.

## **Offering Restrictions – United States**

The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or qualified under any applicable state statutes, and Shares may not be offered, sold or transferred in the United States of America (including its territories and possessions) or to, or for the benefit of, directly or indirectly, any US Person. The Fund is not, and will not be, registered under the United States Investment Company Act of 1940, as amended (the "**1940 Act**") and investors will not be entitled to the benefit of registration under the 1940 Act.

## **Offering Restrictions – United Kingdom**

The Fund will be an unregulated collective investment scheme, the promotion of which in the United Kingdom is restricted by Section 21(1) and Section 238 of the Financial Services and Markets Act 2000. The Shares may not be offered or sold in the United Kingdom other than in accordance with the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and by authorised persons in accordance with the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 as amended by the Financial Services & Markets Act 2000 (Financial Promotion and Promotion of Collective Investment Schemes) (Miscellaneous Amendments) Order 2005, or the conduct of business rules of United Kingdom financial services supervision. Except as described above, no communication, including this document, made or issued in connection with the Shares may be passed on to any person in the United Kingdom except in accordance with those regulations.

## **Offering Restrictions – AIFM Directive**

This Offering Document has been prepared in accordance with Article 23 of the AIFM Directive and solely for the purpose of when the Offering Document is to be used to market Shares to professional investors in Member States of the European Economic Area ("**EEA**") in accordance with Article 42 of the AIFM Directive.

For the purposes of the AIFM Directive, the Manager is the alternative investment fund manager (**AIFM**) for the Fund.

# Directory

## Fund

<i>Name:</i>	<b>First World Hybrid Real Estate Plc</b>
<i>Jurisdiction of Incorporation:</i>	Isle of Man
<i>Statute of Registration:</i>	Companies Act 2006
<i>Date of Incorporation:</i>	1 August 2013
<i>Company Number:</i>	009959V
<i>Corporate Status:</i>	Company limited by shares with unlimited duration
<i>Registered Office and Head Office:</i>	55 Athol Street Douglas Isle of Man IM1 1LA
<i>Accounting Date</i>	31 August
<i>Accounting Standards</i>	International Financial Reporting Standards
<i>Fund's Directors:</i>	Russell Collister Mark Grace Philip Scales Craig Ewin Beth Greenhalgh David Elliott Duggan Matthews
<i>Correspondence Address for Directors:</i>	55 Athol Street Douglas Isle of Man IM1 1LA

## Manager, Registrar, Registered Agent, Asset Manager, Property Manager and Promoter

<i>Name:</i>	<b>FIM Capital Limited</b>
<i>Jurisdiction of Incorporation</i>	Isle of Man
<i>Statute of Incorporation:</i>	Companies Acts 2006
<i>Date of Incorporation:</i>	23 September 2005
<i>Company Number:</i>	012651V
<i>Corporate Status:</i>	Private company limited by shares with unlimited duration
<i>Regulatory Status:</i>	Licensed by the IOMFSA to provide, inter alia, management, administration and asset management services to collective investment schemes and associated corporate services
<i>Registered Office, Head Office and address at which the Register can be inspected:</i>	55 Athol Street Douglas Isle of Man IM1 1LA
<i>Contact Details:</i>	Telephone +44 1624 681250 Fax +44 1624 681392 Email <a href="mailto:enquiries@fim.co.im">enquiries@fim.co.im</a>

## **Fiduciary Custodian**

<i>Name:</i>	<b>EFG Fund Services a division of EFG Wealth Solutions (Jersey) Limited</b>
<i>Jurisdiction of Incorporation:</i>	Jersey
<i>Statute of Incorporation:</i>	The Companies (Jersey) Law, 1991
<i>Date of Incorporation:</i>	14 March 1985
<i>Company Number:</i>	31272
<i>Corporate Status:</i>	Registered Private Company
<i>Regulatory Status.</i>	Licensed by the Jersey Financial Services Commission under the Financial Services (Jersey) Law, 1998 (as amended) to conduct funds services business including being custodian of collective investment schemes.
<i>Registered Office:</i>	44 Esplanade St Helier Jersey JE1 3FG

## **Listing Sponsor**

<i>Name:</i>	<b>Equiom (Isle of Man) Limited</b>
<i>Jurisdiction of Incorporation:</i>	Isle of Man
<i>Statute of Incorporation:</i>	Companies Acts 1931 to 1974
<i>Date of Incorporation:</i>	10 August 1978
<i>Company Number:</i>	011582C
<i>Corporate Status:</i>	Private Company Limited by Shares
<i>Regulatory Status.</i>	Licensed by the IOMFSA to provide, inter alia, corporate services, trust services and services to collective investment schemes.
<i>Registered Office:</i>	First Floor Jubilee Buildings Victoria Street Douglas Isle of Man IM1 2SH

## **Auditor**

<i>Name:</i>	<b>KPMG Audit LLC</b>
<i>Jurisdiction of Registration:</i>	Isle of Man
<i>Legal Status:</i>	Isle of Man limited liability company
<i>Professional Body:</i>	Institute of Chartered Accountants in England & Wales
<i>Principal Place of Business in the Isle of Man:</i>	Heritage Court, 41 Athol Street, Douglas Isle of Man, IM1 1LA

**Legal Advisers** (as to Isle of Man law)

*Name:* **Callin Wild**  
*Legal Status:* Isle of Man limited liability company  
*Professional Body:* Isle of Man Law Society  
*Principal Place of Business in the Isle of Man:* Bank Chambers  
15-19 Athol Street  
Douglas  
Isle of Man, IM1 1LB

# Structure of the Fund

## Background and Regulation

The Fund was incorporated as a public company limited by shares under the Companies Act on 1 August 2013 and it has company number 009959V. The Fund is an “open-ended investment company” for the purposes of the CISA and, as a result, the Fund is a “collective investment scheme” as defined in the CISA and is thus subject to certain legal requirements in the Isle of Man.

The Fund has been constituted as a Regulated Fund: in accordance with the Regulations, the Fund has a manager that is licensed in the Isle of Man by the IOMFSA to act as a manager of Regulated Funds, namely FIM Capital Limited, and a custodian that is licensed to act as a fiduciary custodian by the Jersey Financial Services Commission.

The Fund is not, and need not be, an “authorised person” for the purposes of the CISA. The Fund is not required to hold a licence under the CISA. Further information on the status of the Fund is set out in the section of this document entitled **“Status of the Fund”**.

## Subsidiaries

The Fund may utilise wholly owned subsidiary companies from time to time to pool certain direct real estate assets pursuant to the Fund’s investment objectives. The subsidiaries may be capitalised by the Fund through the Fund’s purchase of shares in the subsidiaries or by the Fund making loans to them. The assets of subsidiaries will be deemed to be assets of the Fund for the purposes of calculating the Net Asset Value of the Fund.

## Assets

The Fund will, in addition to operating receivables and cash, hold a combination of direct first world real estate assets, listed Real Estate Investment Trusts and cash as more fully described in the section of this document entitled **“Investment Policy.”**

# **Investment Objective, Ethics Statement and Investment Policy**

## **Investment Objective**

The objective of the Fund is to generate a reliable, predictable and growing income primarily through investment in certain kinds of direct real estate, listed Real Estate Investment Trusts, property investment companies and money-market instruments.

## **Ethics Statement**

The Directors are committed to the business of the Fund being run by the Directors in an ethical manner. In particular, the Board will at all times endeavour to manage the business of the Fund and its subsidiaries in accordance with the following ethics statement:

- The Board will treat all investors in exactly the same manner as the Directors would expect to be treated if they were investing in the Fund. Investors in the Fund will be kept informed in a full and timely manner, so that they are in a position to judge both the performance of the Fund and the risks to their investment.
- The Board and the Manager will maintain effective regulatory controls.
- The Board will maintain a consistent attitude to risk.

## **Investment Policy**

The Fund will invest primarily in real estate. It may also invest in property-related securities, property investment companies, Real Estate Investment Trusts, cash and near cash, warrants, deposits and money market instruments.

By way of further explanation of how the Manager proposes to implement this policy, the Fund expects to invest as follows:

- primarily UK commercial real estate, although the Fund may also invest in US or Continental European real estate;
- sector target weighting: distribution and retail warehousing (including food stores) of 75% of its assets; offices of 25% of its assets;
- no single property must be valued at greater than 25% of the Gross Asset Value of the Fund;
- target a portfolio unexpired lease term of greater than 10 years;
- debt funding will be at a maximum of 50% loan to acquisition value for each property, with the Asset Manager to determine the level of debt to be fixed and the duration of such fixes;
- transferable securities, with an emphasis on property-related securities. The Fund may hold up to 100% of its assets in transferable securities, Real Estate Investment Trusts and property investment companies up to 100% of its assets;
- except as detailed below, not more than 10% of the assets will be invested in aggregate in units of other open-ended collective investment undertakings, including UCITS. Should this figure be breached due to changes to the number of Shares in issue or performance, remedial action will be undertaken to reduce the holding taking account of prevailing market conditions; and
- free cash within the Fund may be invested into a Money Market Instrument pending investment into property. Consequently, there may be circumstances where the monies

invested into money market instruments mean that investment into open-ended collective schemes exceeds 10% of the assets.

When investing in real estate the Manager places strong emphasis on the quality of the lease covenant, the financial strength of the tenant, the length of lease, the type of lease and market relatedness of passing rent in terms of that lease. The Manager must take reasonable care to determine that the title to the property is good and marketable.

The Manager must have received a report from an appropriate valuer which contains a valuation of the property (with and without any relevant subsisting mortgage) and which states that in the appropriate valuer's opinion the property would, if acquired by the Fund, be capable of being disposed of in an orderly transaction between market participants at that valuer's valuation.

Any furniture, fittings or other contents of any building may be regarded as part of the relevant property.

An appropriate valuer must be a person who:

- has knowledge of and experience in the valuation of property of the relevant kind in the relevant area;
- is qualified to be a valuer;
- is independent of the Manager and the Fund; and
- has not engaged themselves or any of their Associates in relation to the finding of the property for the Fund or the finding of the Fund for the property.

Further information on the valuation of the Fund is set out in the section of this document entitled "**Net Asset Value and Pricing of Shares**".

The Fund may undertake, where appropriate, property development.

The Fund may also invest in such other investments as the Manager deems appropriate, including warrants, money market instruments, derivatives and deposits.

The investment policy of the Fund means that it may be appropriate for the Fund to hold cash or near cash. This will only occur where the Manager reasonably regards it as necessary to enable the pursuit of the Fund's objective, redemption of units, efficient management of the Fund in accordance with its objective, or for purposes ancillary to its objective.

The Fund may use property derivative instruments and to the extent that these are used, this will be for hedging purposes using efficient portfolio management style techniques. It is not envisaged that the risk profile of the Fund will be affected by the use of such instruments. The use of such derivative instruments will not contravene the investment objective or any relevant investment limits.

## **Borrowing**

The Fund may borrow money for the purpose of achieving its investment objectives. Such borrowing may only be made from an eligible institution or an approved bank and may be on a temporary or a permanent basis. The borrowing of the Fund (inclusive of any borrowing by the Fund's subsidiaries) must not, on any Business Day, exceed 50% of the Net Asset Value of the Fund (excluding such borrowing).

The Manager may be required by the AIFM Directive to report to investors on leverage of the Fund (if any) calculated by reference to Net Asset Value.

## **Distribution Policy**

If the profits of the Fund are sufficient, the Directors may resolve to make distributions at three-monthly intervals, which, in the case of Income Shares, will be paid to Shareholders as a dividend, and, in the case of Accumulation Shares, will be re-invested. The discretion to make distributions rests entirely with the Directors and is subject to the Act and the Articles. Please see the section of this document entitled "**Status of the Fund – Dividends, Distributions and the Solvency Test**" for further information on Distributions.

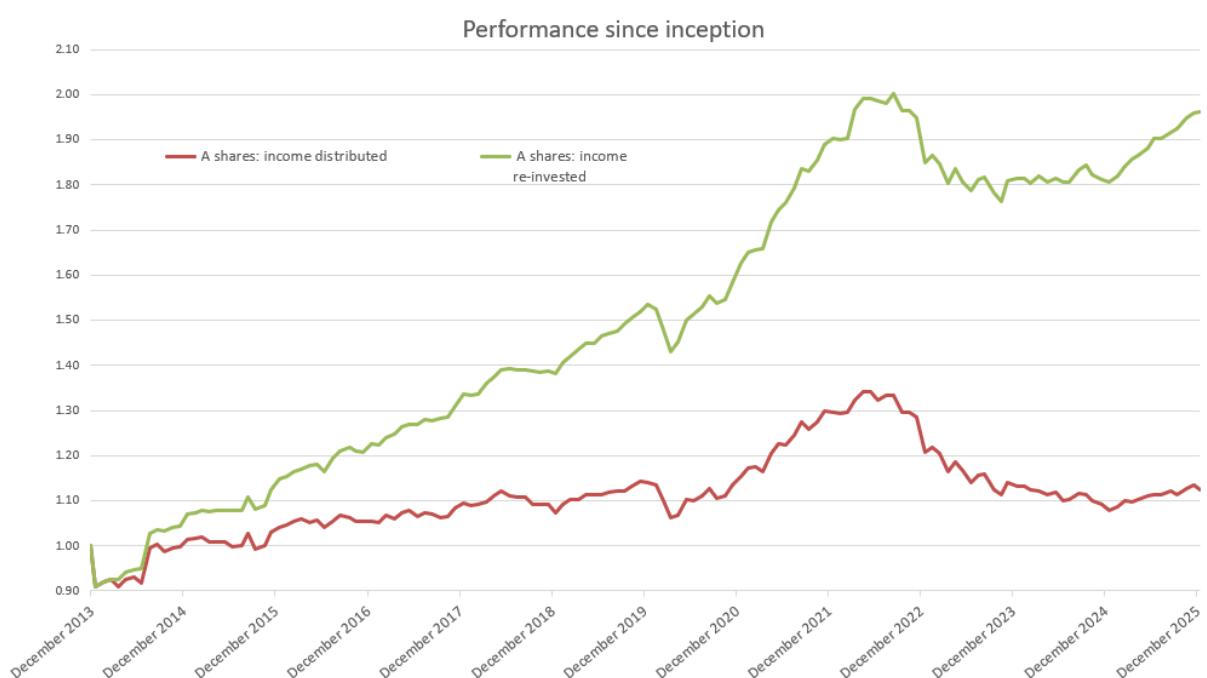
## **Risk Factors**

Please see the section of this document entitled "**Risk Factors – General Investment Matters**" for a description of some of the specific risks associated with the investment policy.

## Historical Performance

Annualised return as at 2 January 2026

	A shares: with income distributed	A shares: with income re-invested	B shares	C shares
During preceding year	4.29%	8.67%	8.67%	8.13%
During preceding three years	(2.31%)	2.04%	2.04%	1.53%
During preceding five years	(0.53%)	3.83%	3.84%	3.32%
Since launch / inception	0.98%	5.78%	5.04%	4.50%
Date of launch / inception	12 Dec 2013	12 Dec 2013	12 Oct 2018	12 Oct 2018



1. Please be aware that the historical Fund performance figures detailed above are not indicative of the Fund's future performance.
2. The historical Fund performance figures are net of tax and ongoing charges but do not include the effect of any Initial Charge charged by the Fund, where applicable.

# Investment Terms

## Shares in the Fund

Under the Articles the Fund is permitted to issue separate Classes of Shares which may be designated as Income Shares or Accumulation Shares. Any distributions made by the Fund will be paid to holders of Income Shares and re-invested in the case of Accumulation Shares. Please see the section of this document entitled **"Status of the Fund – Dividends, Distributions and the Solvency Test"** for further information on Distributions.

Each Share of each Class is deemed to represent one undivided unit of entitlement in the property of the Fund. Where both Income Shares and Accumulation Shares are in existence, the number of undivided units of entitlement in the property of the Fund represented by each Accumulation Share increases as income is accumulated, as explained in more detail in the section of this document entitled **"Net Asset Value and Pricing of Shares - Proportion Accounts"** on page 33 of this document.

Details of the Classes of Shares in the Fund which are currently available are:

### **A (Income) Class**

Shares of the A (Income) Class are Income Shares, and they are available for subscription on the terms of this Offering Document by Institutional Investors and by Non-Institutional Investors.

### **B (Accumulation) Class**

Shares of the B (Accumulation) Class are Accumulation Shares, and they are available for subscription on the terms of this Offering Document by Institutional Investors and by Non-Institutional Investors.

### **C (Accumulation) Class**

Shares of the C (Accumulation) Class are Accumulation Shares, and they are available for subscription on the terms of this Offering Document by Institutional Investors only.

## Initial Offer

The Initial Offer of Shares of the A (Income) Class commenced at 11.00 a.m. on 12 December 2013 and continued until the Initial Offer Closing Date. The Initial Offer Price was £1 per Share of that Class, and applications were only accepted from prospective investors willing to subscribe for Shares of that Class having an aggregate subscription price of not less than £10,000, being the appropriate minimum subscription amount determined by the Directors in accordance with the Regulations. The closing of the Initial Offer was conditional upon applications having been received and accepted by the Manager on behalf of the Fund (and cleared funds having been received in respect thereof) on or before the Initial Offer Closing Date in respect of Shares of the A (Income) Class with an aggregate subscription price of £1,000,000.

## Continuing Offer

Following the Initial Offer Closing Date, Shares of the A Income Class have been available for subscription during a Continuing Offer at prices based on the Net Asset Value on and subject to the terms of the Offering Document, as amended, supplemented or replaced from time to time.

Shares of the B Accumulation Class and the C Accumulation Class have been available for subscription from the 15 October 2018 at the Subscription Price for that Class of Share ruling on that Subscription Day. In addition to new subscriptions, the Directors exercised their discretion to permit Shareholders of the A (Income) Class to convert Shares of the A Income Class into Shares of the B Accumulation Class or the C Accumulation Class (as described in the section of this document entitled **"Characteristics of Shares and Permitted Investors"**) on this date if they met the entry

criteria for the relevant Class, in the ratio of one Share of the B (Accumulation) Class or C (Accumulation) Class (as appropriate) for each Shares of the A (Income) Class so converted. Thereafter Shares of the B (Accumulation) Class and C (Accumulation) Class have been available for subscription during a Continuing Offer at prices based on the Net Asset Value on and subject to the terms of the Offering Document, as amended, supplemented or replaced from time to time.

Applications will only be accepted from prospective investors willing to subscribe for Shares of a Class having an aggregate subscription price of not less than £10,000, being the appropriate minimum subscription amount determined by the Directors in accordance with the Regulations. Applications for Shares of the C (Accumulation) Class will only be accepted from prospective investors who have satisfied the Manager that they are Institutional Investors.

No interest will be paid on subscription monies awaiting investment; such monies will be held in the client account of the Manager and any interest will be retained for the benefit of the Manager.

## **General**

Further information on the dealing arrangements are set out below in the section of this document entitled "**Subscriptions and Redemptions**".

The Fund may permit the acceptance of investments "in-kind" in circumstances where the Manager, in its discretion, is satisfied that the terms of any exchange are equivalent.

Any subscription for Shares of a Class may be accepted or rejected, in whole or in part, in the discretion of the Manager. To the extent that an applicant is subject to any investment restrictions or limitations, these should be disclosed at the time of subscription.

Not everyone may acquire Shares; further information in this regard is set out in the section of this document entitled "**Characteristics of Shares and Permitted Investors**".

## **Application Procedures**

The attention of prospective investors is drawn to the application procedure and arrangements described in the section of this document entitled "**Subscriptions and Redemptions**".

# Management, Custody, Audit and Conflicts

## Directors

The responsibility for the management of the Fund is vested primarily in, and is subject to the overall supervision of, the Directors. The responsibilities of the Directors include, among other things, determining strategy and investment policies, appointing such service providers to the Fund as may be required by regulation or as they deem necessary, supervising and directing all service providers and reviewing the performance of service providers on a regular basis. The Directors have certain specific regulatory responsibilities under the Regulations, as described in the section of this document entitled "**Regulation**". The Directors serve in a non-executive capacity and have delegated the day-to-day management of the activities of the Fund and the management, investment and reinvestment of the assets of the Fund to the Manager, as described herein. The minimum number of Directors that the Fund must have is two and (in accordance with the Regulations) at least one of the Directors must be a natural person who is resident in the Isle of Man. The names, places of residence, biographies and significant activities of the Directors are set out below.

### **Russell Collister (British) – Isle of Man resident**

Russell has over 36 years of continuous experience in the investment management industry. He has worked for both small and large investment management companies specialising in managing discretionary investment portfolios for private clients and institutions. Russell has a particular interest in the quoted property sector having worked as a property analyst managing specialist property and income orientated funds for many years. Russell was a founder director of the Manager in 2006, holds a BA (Hons) degree and is an individually chartered Fellow of the Chartered Institute for Securities and Investment in the UK. He is the investment director of the Manager and is also a member of the Fund's Investment Committee.

### **Mark Grace (British) – Isle of Man resident**

As one of the founding directors of Black Grace Cowley, a leading multi-disciplinary firm of chartered surveyors, valuers, estate agents and property managers, based on the Isle of Man, Mark has over 30 years' experience in the property business. Mark is involved with both residential and commercial property, together with the running of his company's commercial and investment departments and an international department serving a number of clients in the Far East. Mark is a Member of the Royal Institution of Chartered Surveyors and has a First Class BSc (Hons) in estate management.

### **Philip Scales (British) – Isle of Man resident**

Philip helped establish the Manager in January 2006 after nearly 20 years with Northern Trust (formerly Barings) in the Isle of Man, where he had been Managing Director since 1990. He has over 40 years' experience of working offshore in corporate and third party fund administration. Philip is a Fellow of the Institute of Chartered Secretaries and Administrators and holds a number of directorships of both private and listed companies and collective investment schemes. He is a member of the Fund's Audit Risk and Compliance Committee.

### **Craig Ewin (South African/British) – South African resident**

After qualifying as a chartered accountant in 1985, Craig's career has been in the real estate industry. He was Managing Director of Marriott Property Services and subsequently head of listed Real Estate at Old Mutual Property investments, before starting Sequel Property Investments in 2009. He was Chief Executive Officer of SA Corporate Real Estate Fund (Johannesburg Stock Exchange listed), a director of Oryx Properties Limited (Namibian listed) and a past Chairman of the Association of Property Unit Trust Management Companies in South Africa. Craig is a member of the Fund's Investment Committee.

### **Beth Greenhalgh (British) – Isle of Man resident**

Beth has an MA from Edinburgh University and is a qualified English solicitor. She is a commercial property specialist with extensive experience in the discipline gained locally and in England and has advised on many property developments both in the Isle of Man and the UK. Beth chairs the Fund's Audit Risk and Compliance Committee.

### ***David Elliott (South African) – South African resident***

David joined Marriott Asset Management (PTY) Ltd in 2011 after 7 years of audit, accounting and tax experience with a top 4 accountancy firm, during which time he qualified as a chartered accountant. He currently holds the position of Marriott's Chief Executive Officer, and is a member of their Investment Committee and Risk Committee. David is responsible for all aspects of Marriott's local and global operations. David is also a member of the Fund's Investment Committee and its Audit Risk and Compliance Committee.

### ***Duggan Matthews (South African) – South African resident***

Duggan is a Director and Chief Investment Officer of Marriott Asset Management (PTY) Ltd and is Chair of its Investment Committee. As custodian of Marriott's Income Focused investment style he is responsible for investor outcomes, both locally and offshore. Duggan is also a member of Marriott's Executive Committee and Marketing Committee, and is the Chairman of the Fund's Investment Committee. Duggan has more than 15 years investment experience, is a qualified Chartered Financial Analyst and holds a Master's degree in Business Administration.

The Directors occupy a fiduciary position in relation to the Fund and are under a duty to act in the best interests of the Fund and in accordance with the constitutional documents of the Fund. In exercising and performing their duties as directors, the Directors must act with all due skill, care and diligence.

Under the Regulations, each Director must have submitted himself/herself to vetting by the IOMFSA before being appointed. A proposed appointee may not be appointed as a Director if the IOMFSA objects. Subject to these requirements, a person may be appointed, either as an additional Director or to fill a vacancy on the Board, either by the Board or by an ordinary resolution of the members; only the holders of Management Shares may vote on such a resolution. A Director may be removed by a Special Resolution; again, only the holders of Management Shares may vote on such a resolution.

### **Investment Committee**

The committee meets on a quarterly basis, to review investment related matters and on an ad hoc basis to consider investment opportunities and make recommendations to the Board. Each member of the Committee is appointed by the Board and the quorum necessary for the transaction of business is three members, at least two of whom must be Board members.

The investment committee considers:

- Property market trends
- Property investment opportunities and/or disposals
- Debt funding and hedging
- Real Estate Investment Trust holdings
- Liquidity targets
- Any other strategic investment matters, as required.

### **Audit, Risk and Compliance Committee**

On 28 September 2021, the Board approved a newly appointed audit, risk and compliance committee. The committee's role is to consider and discuss audit, risk and compliance related matters as and when they arise, including but not limited to, the annual financial statements, and appropriate risk policy and management, and to make recommendations to the Board. The committee meets twice per annum and on an ad hoc basis as required. The chair of the committee shall be an independent non-executive director, and the quorum necessary for the transaction of business shall be two members.

The audit risk and compliance committee will consider;

- The appointment of the external auditor and such terms
- The integrity of the financial statements
- The Fund's compliance and risk modelling

The committee will meet with the external auditor at least once a year and will report to the Board on significant issues communicated to it by the auditor.

## **Manager, Asset Manager, Property Manager, Promoter, Registrar and Registered Agent**

The Fund has appointed the Manager to be the manager of the Fund. No separate asset manager has been appointed by the Directors and in accordance with the Regulations the responsibility for the discretionary investment management of the assets of the Fund therefore lies with the Manager. Accordingly, the Manager is also the Asset Manager for the purposes of this document.

The Manager was appointed by the Fund as Property Manager on 1 March 2023. In this capacity it assists with the procurement and management of property for the Fund and advises on any action which would be advantageous to the Fund in implementing the investment policies set out in this Offering Document. On that date it also entered into contracts with Craig Ewin, Roger Perkin and Peter Sparks who were the executive directors of the Fund's previous property manager, Sequel Property Investments (Pty) Ltd. Collectively they have more than seventy years' experience in the assembly, financing and management of property portfolios, primarily in the listed environment (Real Estate Investment Trusts) where they have held executive roles. Mr Ewin has been appointed to the board of FIM Holdings Limited, the owner of the Manager.

In addition to its responsibilities as Manager, Property Manager and Asset Manager, the Manager undertakes the functions of promoter in accordance with the Regulations and it acts as the Registrar and the Registered Agent of the Fund.

In its capacity as promoter the Manager is responsible for the promotion of the Fund and for the suitability and accuracy of promotional materials and advertisements. The Manager is permitted by the Management Agreement to delegate certain of its duties to third parties. The Manager has delegated its duties for the promotion of the Fund in South Africa to Marriott Asset Management (PTY) Limited, an asset management company domiciled in South Africa.

Details of the Manager appear in the "**Directory**". The Manager is a private limited company incorporated in the Isle of Man whose principal activity is the provision of investment management and fund management and administration services to a range of clients. The Manager is the holder of a licence issued by the IOMFSA that entitles it to act as Manager and as Asset Manager of Regulated Funds in accordance with the FSA and, as such, is an authorised person for the purposes of the FSA.

The Directors of the Manager as at the date of this document are all resident in the Isle of Man. Mr Collister and Mr Scales are also Directors of the Manager and FIM Holdings Limited, the owner of the Manager, which is a company incorporated in the Isle of Man. The principal shareholders of FIM Holdings Limited are Mr Collister and Mr Scales, who is also the secretary of the Fund.

Details of the Management Agreement and Property Management Agreement are set out in section of this document entitled "**Additional Information – Material Contracts**". Details of the fees and charges of the Manager are set out in the section of this document entitled "**Charges and Expenses**". The Management Agreement provides that the Manager agrees to act as manager, asset manager and promoter of the Fund in accordance with the Regulations, to act as the registrar and registered agent of the Fund and to provide certain administrative functions to the Fund. Details of the regulatory responsibilities imposed upon the Manager are set out in the section of this document entitled "**Regulation**".

## **Listing Sponsor**

The Fund has appointed the Listing Sponsor to be the listing sponsor of the Fund. Details of the Listing Sponsor appear in the "**Directory**". The Listing Sponsor is a Category 1 and 2 listing member of the Exchange.

Details of the agreement between the Fund and the Listing Sponsor are set out in the section of this document entitled "**Additional Information – Material Contracts**". Details of the fees and charges of the Listing Sponsor are set out in the section of this document entitled "**Charges and Expenses**".

## **Fiduciary Custodian**

The Fund has appointed the Fiduciary Custodian to be the fiduciary custodian of the Fund. Details of the Fiduciary Custodian appear in the "**Directory**". The Fiduciary Custodian is licensed in Jersey by the Jersey Financial Services Commission under the Financial Services (Jersey) Law, 1998 (as amended), to conduct funds services business including being custodian of collective investment schemes.

Any cash held for the account of the Fund pending investment, or resulting from the realisation of any investment, will be held in accounts with the Fiduciary Custodian. All the assets of the Fund acquired pursuant to the investment strategy and policy pertaining thereto will (save to the extent of any property, the title to which is held by a subsidiary of the Fund) be held in the name of the Fiduciary Custodian or a nominee of the Fiduciary Custodian or a Sub-Custodian appointed by the Fiduciary Custodian in accordance with the requirements pertaining thereto and described in the section of this document entitled "**Regulation**". The shares of any subsidiary of the Fund will be held by the Fiduciary Custodian. The Fiduciary Custodian will take reasonable care to ensure that it is satisfied that arrangements are in place and continue to be made for the safekeeping of documents of title to such property and other assets. For the avoidance of any doubt, such documents of title will not be held with the Fiduciary Custodian. The Fiduciary Custodian will be provided with copies of the valuations received by the Manager for each property.

As described above in the section of this document entitled "**Structure of the Fund**" the immediate assets of the Fund are a combination of direct first world real estate assets, listed Real Estate Investment Trusts and cash as more fully described in the section of this document titled "**Investment Policy**." The Fiduciary Custodian is not responsible for the selection or valuation of investments.

EFG Wealth Solutions (Jersey) Limited is a subsidiary of EFG International AG, which is a global private banking and wealth management business listed on the Swiss stock exchange. EFG Wealth Solutions (Jersey) Limited is regulated by the Jersey Financial Services Commission and its registered office is 44 Esplanade, St Helier, Jersey, JE1 3FG. The authorized share capital of EFG Wealth Solutions (Jersey) Limited is 10,000 shares of GBP1 each and total shareholders' equity including reserves is in excess of GBP 3.5 million.

Details of the Custody Agreement are set out in section of this document entitled "**Additional Information – Material Contracts**". Details of the fees and charges of the Fiduciary Custodian are set out in the section of this document entitled "**Charges and Expenses**". The Custody Agreement provides that the Fiduciary Custodian agrees to act as fiduciary custodian of the Fund in accordance with the Regulations and to hold the cash and assets of the Fund in safe custody. Details of the regulatory responsibilities imposed upon the Fiduciary Custodian are set out in the section of this document entitled "**Regulation**".

## **Audit Arrangements**

The Fund has appointed the Auditor to act as auditor of the Fund in accordance with the Articles and the Regulations. Details of the Auditor appear in the "**Directory**". The Auditor has been appointed by the Directors. Subsequent Auditors may be appointed by the Shareholders or by the Directors. The Auditor may be removed by an Ordinary Resolution of the Shareholders; only the holders of Management Shares may vote on such a resolution. No Shareholder and no Director or other officer of the Fund is eligible to be the Auditor of the Fund. Details of the arrangements for the preparation and distribution of reports and accounts for the Fund are set out in the section of this document entitled "**Additional Information – Reports and Financial Statements**". The remuneration of the Auditor is fixed by the Directors.

The Auditor is a member firm of the Institute of Chartered Accountants in England & Wales and is qualified to audit the accounts of the Fund under the Regulations. The Auditor has been appointed pursuant to an engagement letter with the Fund that is on normal market terms. A summary of the Regulatory responsibilities of the Auditor is set out in the section of this document entitled "**Regulation**".

## **Conflicts of Interest**

The Fund is subject to certain conflicts of interest involving the Directors, the Manager and the Property Manager. Mr Collister, Mr Scales, and Mr Ewin are also directors and partial owners of FIM Holdings Limited, the owner of the Manager. Mr Elliott and Mr Matthews are directors of Marriott Asset Management (PTY) Limited, an asset management company domiciled in South Africa which provides intermediary and distribution services to the Manager, including the promotion of the Fund in South Africa, and may from time to time invest client monies in the Fund and earn a fee for such services.

Provided that they have disclosed their interests in accordance with the requirements of the Companies Act and the Articles, and subject to their fiduciary duties to the Fund, the Directors may count in the quorum and vote in relation to decisions of the Directors relating to matters in which they are interested. The Directors will endeavour to ensure that all conflicts of interest will be resolved fairly.

The Manager, its affiliates and their directors, officers and employees may from time to time act for clients who wish to invest in or otherwise acquire investment opportunities that are also within the investment objective and investment policy of the Fund. It is, therefore, possible that the Manager may, in the course of its business, have potential conflicts of interest with the Fund, but it will at all times have regard in such event to its obligations to the Fund and will endeavour to ensure that any such conflicts are resolved fairly.

The Manager will at all times ensure that dealings between the Fund and clients of the Manager are carried out on normal commercial terms negotiated on an arm's length basis and that such dealings are consistent with the best interests of Shareholders.

## **Corporate Governance**

The Fund does not follow a specific recognised code of corporate governance. However, the Fund is subject to the Regulations 2017, and it must adhere to a regulatory framework and pre-fitness and propriety approval for its governing body, along with a number of pre-notification and reporting requirements. Furthermore, the Regulations require the Fund to appoint a Manager which is licenced by the IOMFSA which permits it to act as manager of Regulated Funds. The Board is the governing body of the Fund for the purposes of the Regulations and it has a number of responsibilities for ensuring that the Fund adheres to the Regulations and, in fulfilling its role, takes account of applicable guidance which may be issued by the IOMFSA concerning the governance of collective investment schemes. See the section of this document entitled "**Regulation**" on page 38 for further details.

# Charges and Expenses

## A. Initial Charge Payable by the Investor

The Fund is entitled to charge an Initial Charge of an amount equal to 3% of subscription monies received by the Manager pursuant to an application for Shares of each Class under the Continuing Offer. The Initial Charge may be retained for the benefit of the Fund or paid to whom the Directors see fit and the Directors may rebate some or all of it to persons who introduce prospective investors to the Fund. Shareholders will be given thirty clear days' notice in relation to any increase in the Initial Charge which does not result in the Initial Charge exceeding the Maximum Permitted Level for the time being. The current Maximum Permitted Level of the Initial Charge is 5% of subscription monies received by the Manager under the Continuing Offer. Any increase in the Maximum Permitted Level of the Initial Charge will require the approval of a Special Resolution of the affected Shareholders. Any Initial Charge will be deducted prior to the subscription monies being invested in Shares.

## B. Charges payable by the Fund and Deductible from the Assets of the Fund

### 1. Management Charge

The Management Charge is a fixed annual fee payable by the Fund to the Manager. The Management Charge comprises:

- a management fee of 0.31% of the Gross Asset Value subject to an annual minimum of £650,000, charged quarterly in arrears; and
- an asset management fee payable only in respect of the C (Accumulation) Class, at a rate of 0.5% of the proportionate interest of the C (Accumulation) Class in the Net Asset Value, which will be debited quarterly in arrears to the Proportion Account maintained for that Class of Shares (as described below in the section of this document entitled **"Net Asset Value and Pricing of Shares - Proportion Accounts"**).

Shareholders will be given thirty clear days' notice in relation to any increase in the Management Charge which does not result in the Management Charge exceeding the Maximum Permitted Level for the time being. The current Maximum Permitted Level of the Management Charge is 1.5% of the Net Asset Value on an annualised basis calculated on the most recent determination thereof. Any increase in the Maximum Permitted Level of the Management Charge will require the approval of a Special Resolution of the affected Shareholders. The Manager receives from the Fund no separate fee for acting as Asset Manager and promoter of the Fund in accordance with the Regulations, save for the asset management fee which is charged to the C (Accumulation) Class, as described above.

### 2. Custody Fees

The Fiduciary Custodian is entitled to receive from the Fund a fee which accrues and which is payable to the Fiduciary Custodian quarterly in arrears at an annualised rate of 0.0750% per annum of the Gross Asset Value of the Fund as determined by the Manager on each Valuation Day, subject to an annual minimum of £20,000. The Fiduciary Custodian is also entitled to recover its out-of-pocket expenses from the Fund and to recover from the Fund the amount of any payment for any permit or other regulatory fee which is required to be paid to any regulatory authority outside of Jersey to obtain authorisation for the Fiduciary Custodian to act as fiduciary custodian of the Fund.

The minimum annual fee is subject to annual adjustment in line with the movement of the Jersey retail price index which will be reviewed in line with the calendar year end.

The Fiduciary Custodian is permitted to charge transaction fees for its services relating to the Fund's investment activity, fees for its activities in connection with any borrowing by the Fund and a fee for conducting due diligence visits in the Isle of Man.

### **3. *Property Management Fees***

With effect from 1 March 2023, the date on which the Manager was appointed as the Property Manager, it became entitled to receive from the Fund a monthly fee for managing the Fund's property, which is calculated as 1/12<sup>th</sup> of an ad valorem rate as given below of the Gross Asset Value of the Fund, as determined by the Manager on each Valuation Day, to be paid not later than 7 Business Days after the relevant Valuation Day.

On first £125 million of GAV	0.50%
On GAV between £125 million and £250 million	0.30%
On GAV in excess of £250 million	0.25%

In circumstances where the Fund has established or acquired a wholly-owned subsidiary for the purposes of holding or trading investments, the Manager may determine that the assets of such subsidiary, rather than the ownership interests in that subsidiary, shall be treated as the assets of the Fund for the purposes of calculating Gross Asset Value upon which the Property Manager's fee is based. Despite such determination, the management fee which is attributable to a property owned by a subsidiary may be paid directly by the relevant subsidiary of the Fund to the Property Manager and not by the Fund itself.

The Property Manager is also entitled to be paid by the Fund a fee for the procurement of property of 0.25% of the Net Acquisition Cost of the relevant property acquired by the Fund, to be paid as and when title to the relevant property is registered in the name of a subsidiary of the Fund.

Insofar as concerns the renewal of leases and the letting of property by the Property Manager on behalf of the Fund, the Property Manager is entitled to receive from the Fund a letting fee of £2,500 in respect of each lease event.

### **4. *Listing Sponsor Fees***

The Listing Sponsor is entitled to receive from the Fund an annual fee for acting as Listing Sponsor which is payable annually in advance. An element of the fee is variable depending on the time spent by the Listing Sponsor in providing administrative services to the Fund, with the total estimated annual fee as at the date of this document being £12,310. In addition, the Fund will pay the Listing Sponsor's disbursements, including the Exchange fees and third-party fees incurred by the Listing Sponsor in carrying out its services to the Fund; such disbursements and expenses will be invoiced for not less than quarterly.

### **5. *Preliminary Expenses***

The preliminary expenses associated with the establishment of the Fund, the preparation of this document and the making of the Initial Offer were paid by RMB Holdings Limited, which is part of the Marriott Asset Management group of companies, and amounted to approximately £30,000. Those preliminary expenses were not reimbursed by the Fund. The estimated expenses associated with the application for listing of the Shares, were paid by the Fund, and amounted to approximately £16,250.

### **6. *Directors' Fees***

The Directors are entitled to such remuneration for their services as may be determined by the Shareholders by Ordinary Resolution. David Elliott, Duggan Matthews, Philip Scales and Russell Collister have currently agreed to waive their fees for acting as directors of the Fund. Beth Greenhalgh's fee is £20,000 per annum and Mark Grace's fee is £30,000 per annum. Craig Ewin's fee is £25,000 per annum. Each Director may be reimbursed reasonable travel and other incidental expenses of attending meetings.

## **7. General Expenses**

Expenses relating to the investment of the assets of the Fund may be paid (or reimbursed to any service provider or sub-delegate, as appropriate) out of the property of the Fund. These may include:

- the costs of dealing in the investments of the Fund;
- the costs of developing any property which is owned by the Fund;
- the costs of establishing and operating any subsidiary companies which are established by the Fund;
- taxation, duties, notarial fees and filing fees payable in respect of the investments of the Fund;
- legal expenses;
- the fees of the property valuers retained by the Fund;
- any costs incurred in respect of meetings of Shareholders;
- the costs associated with dissemination of information on the Fund to Shareholders;
- the fees and expenses of the Auditors;
- the costs incurred in publishing annual and interim reports of the Fund;
- the costs incurred in administering the Fund;
- costs incurred in modifying the Offering Document, the Articles or creating any new Classes of Shares or creating or entering into or modifying agreements with any of the service providers to the Fund;
- filing and other fees and charges of any government bodies or agencies; and
- Costs of sourcing and financing property acquisitions and disposals.

The Directors may in their discretion amortise the expenses incurred in acquiring a property over such period of time as they may determine.

## **8. Extraordinary Expenses**

These are expenses incurred by the Fund arising out of unanticipated events such as (but not limited to) litigation, reorganisation, bankruptcy or similar events ("Extraordinary Expenses"). Extraordinary Expenses shall be approved in amounts deemed necessary by the Directors, in their sole discretion, to best serve the interests of the Fund.

## **9. Value Added Tax ("VAT")**

The Management Charge and custody fees described in sections B.1 and B.2 above are exempt from VAT.

The property management fees and Listing Sponsor fees described in sections B.3 and B.4 above are subject to VAT, as are some of the general expenses listed in section B7, but the Fund recovers such VAT in accordance with normal VAT rules and procedures.

# Risk Factors

An investment in the Fund involves a degree of risk and there is no guarantee against loss of an investor's entire investment. The following is not intended to be an exhaustive listing of all the risks involved in an investment in Shares and does not purport to be an explanation of all the risks associated with an investment in the Fund. Potential investors should review this document and consult with their own counsel and advisers before deciding to invest in Shares.

## GENERAL INVESTMENT MATTERS

When the Fund invests in funds or other collective investment vehicles, any such fund or other vehicle and its underlying investments may also be subject to these risks and this section should be read accordingly.

### **No Guarantee**

The value of an investment in Shares may go down as well as up; an investor may not get back the amount invested. There is no guarantee from any third party against loss of some or all of a Shareholder's investment in the Fund.

### **Performance Risk**

There can be no assurance that the Fund will achieve its investment objectives. The performance of the Fund and the risks associated with it will depend, amongst other things, on the investment decisions made by the Asset Manager.

### **Reliance on the Asset Manager**

The success of the Fund will be dependent on the judgment and abilities of the Asset Manager in selecting and monitoring the performance of investments. Investors will not have the opportunity to evaluate for themselves the relevant economic, financial, and other information regarding the investments of the Fund and will be dependent on the Asset Manager's judgment and abilities. There is no assurance that the Asset Manager will be successful. Furthermore, the death, incapacity or retirement of any key personnel of the Asset Manager may adversely affect the investment results of the Fund.

### **Market Risk**

External factors can cause an entire asset class to decline in value. Prices and values of similar assets could decline at the same time.

### **Currency Exchange Risk**

Although the Fund's base currency is Pounds Sterling, investments may be denominated in a range of currencies. Investors, therefore, may bear the risk of fluctuations in the exchange rates of such investments. While the Asset Manager may seek to hedge currency risks, it will not be obliged to do so.

### **Derivatives**

The Manager may use derivatives and forward transactions for hedging purposes using efficient portfolio management style techniques. The use of derivatives is not intended to increase the risk profile of the Fund. Investors should consider potential exposure to derivatives in the context of all their investments.

### **Failure of Financial Institution**

The value of the Fund may be affected if any financial institution with which cash is deposited or by whom assets are held (whether by the Fund or by a subsidiary of the Fund) suffers insolvency or other financial difficulty. Neither the Fund nor its subsidiaries are likely to benefit from any compensation arrangements.

### ***Risk to Capital***

An investor may not receive back all of the capital invested.

If an investor makes regular withdrawals from an investment, this may reduce capital over time if the capital growth and income derived from the investment in the Fund's shares does not compensate for the withdrawals.

The application of charges and expenses may be a contributory factor in an investor receiving back less than the amount invested.

### ***Income***

The Fund may only make distributions on Shares as described in the section of this document entitled "**Investment Objective, Ethics Statement and Investment Policy – Distribution Policy**".

### ***Credit Risk***

External factors may cause an issuer or other financial institution to default on its financial obligations.

### ***Concentration Risk***

The Fund and its subsidiaries may invest in a relatively small number of markets, issuers or real estate properties which may make it more volatile than a more diversified fund.

### ***Smaller Companies***

If the Fund invests in smaller companies, the investment carries a higher risk because their share price may be more volatile than those of larger companies.

### ***Liquidity Risk***

There may be little opportunity for the underlying assets to be realised in the short or medium term, the probability of which is increased by the inclusion of the direct real estate investments noted in the section of this document entitled "**Investment Policy**". This may result, amongst other things, in late payment on redemptions of Shares, a suspension of redemptions of Shares or a significant reduction in the value of redemption proceeds. In the event that a subsidiary is required to close out open positions at a loss to finance redemptions the Net Asset Value and any redemptions proceeds will be affected accordingly.

### ***Trading Volatility***

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

### ***Competition***

The Fund may engage in investment and trading activities which are highly competitive with other investment and trading programs including those of funds and other financial institutions, investment banks, broker/dealers, commercial banks, insurance companies and pension funds, as well as private investors, all of whom may have investment objectives similar to those of the Fund.

### ***Counterparty Risk***

Where the Fund uses derivative transactions there is a risk that the counterparty to the transaction will wholly or partially fail to meet its contractual obligations, which may result in a financial loss to the Fund, and hence to a reduction in the Net Asset Value.

## **Fees and Expenses**

The Fund will be required to meet certain fixed costs, including establishment and offering expenses, investment-related expenses, and ongoing administrative and operating expenses (such as fees payable to the service providers). These fees and expenses may be substantial and will be payable by the Fund regardless of whether any profits are realised by the Fund or its subsidiaries.

## **PROPERTY INVESTMENT RISKS**

### ***Liquidity of Property Investments***

Investments in property are relatively illiquid and more difficult to realise than equities or bonds.

### ***Valuation Risk***

Property and property-related assets are inherently difficult to value due to the individual nature of each property. In addition, as described in the section of this document entitled "**Net Asset Value and Pricing of Shares**", all property assets are valued on a bi-annual basis. As a result, valuations are infrequent and subject to uncertainty and are a matter of an independent valuer's opinion. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

### ***Market Risk***

The performance of the Fund would be adversely affected by a downturn in the property market in terms of capital value or a weakening of rental yields.

### ***Property Development Risk***

As part of its investment strategy the Fund may acquire interests in land or property that will require development in order to become income producing. In undertaking this type of investment the Fund will take on additional risks including, without limitation, the risk of obtaining relevant governmental and regulatory consents, delays in the completion of construction, increased costs during the construction phase due to unforeseen circumstances, the availability of finance on acceptable terms, changes in governmental policies, risk of being able to tenant or sell the developed property and other related risks. These risks could result in additional costs (either directly or due to costs of delay on rental or capital return on investment).

### ***Property Expenses***

Commercial property values are affected by factors such as the level of interest rates, economic growth, fluctuations in property yields and tenant default. In the event of a default by an occupational tenant, there will be a rental shortfall and additional costs including legal expenses are likely to be incurred in maintaining, insuring and re-letting the property. Certain significant expenses, such as operating expenses, must be met by the owner even if the property is vacant.

### ***Leverage***

The Fund may borrow money for the purpose of achieving its investment objectives. Such borrowing may only be made from an eligible institution or an approved bank and may be on a temporary or a permanent basis. The borrowing of the Fund (inclusive of any borrowing by the Fund's subsidiaries) must not, on any Business Day, exceed 50% of the Net Asset Value of the Fund (excluding such borrowing).

Debt creates an opportunity for increased total return. However, it will also increase the exposure of the Fund to capital loss and interest costs. Any investment income and capital gain generated on investments financed through the use of debt that exceed the interest costs associated therewith may cause the Net Asset Value of the Fund to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and capital gain, the Net Asset Value of the Fund may decrease more rapidly than would otherwise be the case. Investors should note that, whilst in a rising market the effect of borrowing is to increase returns to investors, in a falling market the effect can be to reduce returns to investors.

## **REAL ESTATE INVESTMENT TRUST RISKS**

### ***Delegation of Control***

Although the Asset Manager will screen Real Estate Investment Trusts in which the Fund invests, the Asset Manager has no ability or obligation to predict the investments that fund may select, or whether such fund's advisors will act in accordance with disclosure documents or descriptive materials furnished by them to the Asset Manager.

### ***Increased Expenses***

Where the Asset Manager invests in several Real Estate Investment Trusts this may significantly increase the fees and expenses payable by the Fund because the funds charge their own fees and expenses, which are in addition to the advisory and management fees and expenses relating to the Fund.

### ***Valuation***

The Manager will rely on the valuations provided by the Real Estate Investment Trusts in which the Fund invests for the purposes of calculating the Net Asset Value and preparing financial reports. There is no assurance that such valuation will be correct or that such information will be received in a timely manner.

### ***Concentrated or Offsetting Investments***

Although the Fund may intend to invest in several Real Estate Investment Trusts, two or more of those funds may hold the same investments. Therefore, if the Fund, through such a fund, makes investments that are ultimately concentrated in a limited number of types of investment, the Fund could be exposed to losses disproportionate to market declines in general, if there are disproportionately greater adverse price movements in those investments. Conversely, such funds may, at times, hold economically offsetting positions. To the extent that funds, in fact, hold such positions, the Fund, considered as a whole, may not achieve any gain or loss despite incurring expenses.

### ***Investment Strategies Used by other Real Estate Investment Trusts***

Certain economic conditions, such as illiquidity within a market, may cause an investment strategy employed by one or more Real Estate Investment Trusts in which the Fund invests to fail and adversely affect the performance of the Fund. In addition, such Real Estate Investment Trusts schemes may have the ability to modify or change their investment strategies.

### ***Estimated Prices***

In determining the Net Asset Value of the Fund, the Manager may rely on estimated prices provided on behalf of Real Estate Investment Trusts in which the Fund invests. Estimated prices are not expected to account for a significant proportion of the value of the Fund and the use of such prices by the Manager will be agreed with the Fiduciary Custodian. Estimated prices may differ from the prices finally published on behalf of the relevant Real Estate Investment Trusts and adjustments will not be made to determinations of the Net Asset Value (and, accordingly, to Subscription Prices or Redemption Prices on the basis thereof) previously made; such differences may work to the advantage or disadvantage of an applicant or redeeming Shareholder or the remaining Shareholders as the case may be.

### ***Effect of Performance-Based Compensation to Advisors to Real Estate Investment Trusts in which the Fund Invests***

Advisors to a Real Estate Investment Trusts in which the Fund invests may receive compensation based on the performance of that fund or scheme they manage. Such performance-based compensation arrangements may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. In addition, because performance-based compensation is calculated on a basis which includes unrealised appreciation of a fund or scheme's assets, it may be greater than if such compensation were based solely on realised gains.

## **FUND RISKS**

### ***Illiquidity and Alternative Redemption Terms***

There is not now, and there is not likely to develop, any market for the resale of Shares. There is no secondary market for the Shares and none is expected to develop. Although the Shares are listed on the Exchange, such listing will not necessarily create a liquid market for the Shares.

Shares are subject to limited redemption rights. Furthermore, under certain circumstances, the Fund may suspend redemptions or delay payment of redemption proceeds with respect to the Fund, or limit the amount redeemed from the Fund on any Redemption Day. The Fund may also stipulate in certain circumstances that redemptions may only be effected if the Shareholder is willing to accept an in specie transfer of assets of the Fund and may impose alternative valuation bases for the determination of Redemption Prices, in each case if the Directors see fit. See the section of this document entitled "**Subscriptions and Redemptions**".

#### **Possible Effect of Redemptions**

Shareholders may redeem their Shares in accordance with the Articles. Substantial redemptions could require the investments in the Fund and/or one of its subsidiaries to be liquidated more rapidly than otherwise desirable in order to raise the necessary cash to fund the redemptions and to achieve a market position appropriately reflecting a smaller equity base. This could adversely affect the value of the remaining Shares or the risk profile of the remaining investments or result in the Directors deciding to terminate the Fund.

#### **Conflicts of Interest**

Potential conflicts of interest exist between the Fund and its service providers (and their respective officers, directors and employees). See the section of this document entitled "**Management, Custody, Audit and Conflicts - Conflicts of Interest**". However, each such person is expected, at all times, to act in accordance with his/her/its obligation to act in the best interests of the Fund.

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

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

#### **The European Union's Alternative Investment Fund Managers Directive**

The Council of the European Union and the European Parliament adopted the AIFM Directive to regulate alternative investment fund managers ("**AIFM**") which required transposition into the laws of individual member states of the European Union (the "**EU**") by 22 July 2013. The AIFM Directive establishes a framework for the regulation of AIFM managing and/or marketing securities of an alternative investment fund ("**AIF**") in the EU and generally prohibits unauthorised and/or unregistered AIFM from managing AIF or marketing AIF securities in the EU. The Fund is an AIF under the AIFM Directive.

By acquiring Shares, an investor will be deemed to have acknowledged that the Manager and the Fiduciary Custodian of the Fund, may need to take actions to comply with the AIFM Directive or equivalent laws or regulations even though such actions may affect the Fund and to have consented thereto.

#### **Miscellaneous**

##### **Tax Implications**

Investments in the Fund may have certain taxation, investment and legal implications.

**Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions to which they may be subject.**

Tax implications are also considered in the section of this document entitled "**Taxation**." Tax rules may change in the future.

##### **Offering Document**

The Offering Document contains various expressions of belief and intention. In addition, forward-looking statements are made. No assurance can be given that any expression of belief or opinion as to a future event will prove to be correct with the passage of time. Similarly, forward-looking statements should not be considered certain of fulfilment.

### ***Inflation***

An investment in Shares is not protected against the effects of inflation, which may affect future buying power. If the returns on investments have not beaten the rate of inflation, it will have less buying power in the future.

### ***Unforeseen Events***

It should be borne in mind that the performance of the Fund may be affected by unforeseen events such as acts of war or terrorism or general changes in economic conditions.

**Prospective investors should consider the risks attached to an investment in the Fund, including (but not limited to) those set out above. Consideration should be given to whether such risks are suitable for them and prospective investors in any doubt about the contents of this document or the nature of an investment in Shares should seek independent financial advice.**

# Subscriptions and Redemptions

## **Application Procedure**

Further information in relation to the terms upon which applications for Shares of each Class may be made under the Offers is set out in the section of this document entitled "**Investment Terms**".

Under the Continuing Offer, any applications to subscribe for Shares of any Class that are received and accepted by the Manager prior to 5.00 p.m. on a Valuation Day will be dealt with at the relevant Subscription Price for that Class of Share ruling on the next following Subscription Day. Requests received or accepted after 5.00 p.m. on a Valuation Day will not (unless the Manager agrees otherwise) be dealt with on the next following Subscription Day and will instead be held over until the subsequent Subscription Day and dealt with at the relevant Subscription Price ruling on that Subscription Day. The Manager has discretion to accept applications received after the deadline referred to above. The first Subscription Day following the date of admission of the A Shares to official list of the Exchange was 11 April 2016. The first Subscription Day following the date of admission of the B and C Shares to the official list of the Exchange was 29 October 2018.

Applications to subscribe for Shares of any Class should be made by completing the Application Form and sending it by fax or email (if so desired), and (in any case) by post, duly completed and signed, to the Manager, together with all ancillary information and documentation required thereunder. All Application Forms must be received in original before the subscription may be completed by the Manager. Applications for Shares of the C (Accumulation) Class will only be accepted from prospective investors who have satisfied the Manager that they are Institutional Investors.

Payment for Shares may be made by telegraphic transfer (in Pounds Sterling) only. Applicants will be allotted Shares under the Continuing Offer only if the Manager receives advice from the Fiduciary Custodian that cleared funds were available by 5.00 p.m. on the Valuation Day immediately prior to the relevant Subscription Day. The Manager has discretion to accept cleared funds received after the deadline referred to above.

Shares will not be issued on a day falling within a period of suspension of the determination of the Net Asset Value of the Fund, as described in the section of this document entitled "**Net Asset Value and Pricing of Shares**". The attention of prospective investors is drawn to the sections of this document entitled "**Characteristics of Shares and Permitted Investors**" and "**Investor Due Diligence**".

Contract notes in respect of accepted applications showing details of the applicable Subscription Price, the number and Class of Shares issued and any Initial Charge paid will be sent to Shareholders within the Settlement Period following the Initial Offer Closing Date or the relevant Subscription Day, as the case may be. Shareholders will not be provided with certificates evidencing Shares.

No interest will be paid on subscription monies awaiting investment; such monies will be held in the subscription account of the Manager (being a specified client bank account held by the Manager in accordance with the Rule Book in which subscription monies received by the Manager on behalf of all prospective investors in any funds managed or administered by the Manager are held pending acceptance of the related application or the issue of any shares); any interest earned on subscription monies pending acceptance of the related application or the issue of any Shares will be retained for the benefit of the Manager.

## **Redemption Procedure**

The Manager will generally redeem Shares of each Class on a Redemption Day. Requests to redeem Shares of any Class must be made in writing in the form prescribed by the Manager for that purpose for the time being. Redemption requests must be signed by the Shareholder whose name appears in the Register or by one of such Shareholders in the case of joint holdings, or (in the discretion of the Manager) by a person whose authority to act on behalf of such person has been evidenced to the satisfaction of the Manager.

Redemption requests are only valid upon receipt and acceptance by the Manager and if the Shareholder has provided any updated or further due diligence information that may be requested by the Manager and the Manager may act on the basis of a copy of a duly signed redemption request that has been received by it by fax or e-mail in its discretion.

Requests for redemption that are received and accepted by the Manager prior to 5.00 p.m. five clear Business Days before a Redemption Day will be dealt with at the relevant Redemption Price ruling as at the next following Redemption Day. Requests received later than 5.00 p.m. five clear Business Days before a Redemption Day will not (unless the Manager agrees otherwise) be dealt with as at the next following Redemption Day and will instead be held over until the subsequent Redemption Day and dealt with at the relevant Redemption Price ruling as at that Redemption Day. The Manager has discretion to accept redemption requests received after the deadline referred to above.

Requests to redeem Shares of any Class, once received by the Manager, may only be withdrawn in the event of a suspension or deferral of the redemption of Shares (see "**Restrictions on Redemption**" below) or with the consent of the Manager, which may be granted or withheld in its absolute discretion.

No interest will be paid on redemption proceeds pending transmission to the redeeming Shareholder. After the relevant redemption has been effected, such monies will be held in the redemption account of the Manager (being a specified client bank account held by the Manager in accordance with the Rule Book in which redemption monies handled by the Manager on behalf of all investors redeeming shares in any funds managed or administered by the Manager are held pending transmission to the redeeming investors); any interest earned on subscription monies pending acceptance of the related application or the issue of any Shares will be retained for the benefit of the Manager.

### ***Settlement of Redemption Proceeds***

Following a redemption of Shares of any Class, payment of the redemption proceeds will normally be made in Pounds Sterling and a contract note will be despatched, within the Settlement Period following the relevant Redemption Day. Unless otherwise instructed and agreed by the Manager, redemption proceeds will be sent by telegraphic transfer to the bank account nominated for that purpose in the relevant Shareholder's original Application Form. All payments are made at the expense and risk of the relevant Shareholder. The Directors may delay settlement of redemption proceeds if they reasonably determine that any relevant due diligence information is outstanding or the payment of the same might breach any applicable law, regulation or guidance or the cash assets of the Fund are insufficient to enable all outstanding redemption proceeds to be paid.

### ***Restrictions on Redemption***

The Manager may refuse to comply with instructions for a redemption of Shares of any Class, if to do so would result in the Shareholder having a residual holding in the Fund of less than the Minimum Holding. The Fund will not be bound to redeem Shares of any Class during a period of when the determination of the Net Asset Value is suspended, as described in the section of this document entitled "**Net Asset Value and Pricing of Shares – Suspension of Valuation**".

The Fund will not be bound to redeem on any Redemption Day more than the Maximum Permitted Redemption Percentage of the Shares that are in issue. If redemption requests are received for the redemption of Shares on any Redemption Day in excess of the Maximum Permitted Redemption Percentage, the Fund may scale down the number of Shares to be redeemed in response to each request to such extent as may be necessary to ensure that the Maximum Permitted Redemption Percentage is not exceeded; in such a case any unfulfilled redemption requests will be carried forward to the next Redemption Day, and so on, until each request has been complied with in full. Redemption requests that have been carried forward from an earlier Redemption Day, will be complied with in priority to subsequently received requests for redemption of Shares. The same restrictions apply to the conversion Shares of one Class into Shares of another Class (as described in the section of this document entitled "**Characteristics of Shares and Permitted Investors**").

### ***In Specie Redemption***

The redemption proceeds due to a Shareholder upon the redemption of Shares of any Class may, at the discretion of the Directors and with the consent of the relevant Shareholder, be satisfied by the transfer by the Fund of investments held for the account of the Fund. The Directors shall ensure in so far as they are reasonably able that the value of the assets to be transferred by the Fund in lieu of cash (calculated on the same basis and at the same time as the determination of the Net Asset Value of the Fund upon which the Redemption Price therefore was, or would have been, based) shall not be more than the amount of cash which would otherwise be due to be paid by the Fund.

### **Forced Redemption**

If, in relation to the Fund, either:

- it is, in the opinion of the Manager, considered advisable, prudent or otherwise in the interests of the Shareholders so to do as a result of any enactment, legislation or other event or circumstances whatsoever; or
- on each Valuation Day falling within the Minimum NAV Testing Period, the Net Asset Value of the Fund is less than Minimum NAV; or
- a Special Resolution to that effect has been passed by the Shareholders,

then the Manager may, by not less than four weeks' notice expiring on a Redemption Day (which in the case of a redemption pursuant to the second provision above falls within four months of the last Valuation Day during the relevant Minimum NAV Testing Period in question) to given to all Shareholders redeem at the Redemption Price on such Redemption Day all (but not some) of such Shares not previously redeemed.

Where all of the Participating Shares are redeemed in this way, the Manager may, make such provision or allowance as it sees fit for the purposes of discharging all and any costs or expenses to be incurred in connection with the cessation of the Fund when determining the Net Asset Value and, in the event that any such provision or allowance proves to be greater than required, the Manager may (subject to the Act) distribute the excess assets pro rata to the Shareholders in question and such shall be deemed to be a proportionate increase in the Redemption Price.

The Shares held by individual Shareholders may also be compulsorily redeemed in circumstances where they could be compulsorily transferred, as described in the section of this document entitled "**Status of the Fund – Information Requests and Compulsory Transfers and Redemptions of Shares**".

In the event of any redemption under the foregoing provisions, the provisions of the Articles (as summarised above) shall apply as if such redemption had been made at the request of the holder of the Shares in question.

### **Currency of Payment and Foreign Exchange Transactions**

Where payments in respect of any subscription or redemption of Shares are tendered, or requested, in a freely transferable currency other than Pounds Sterling, the necessary foreign exchange transaction will be arranged by the Manager for the account, and at the risk and expense, of the applicant, or recipient, at the time the application is received and accepted, or at the time of transmission (as the case may be). The Manager takes no responsibility for any exchange rate obtained.

### **Transfers of Shares**

Shares are transferable subject to the restrictions described in the section of this document entitled "**Status of the Fund – Voluntary Transfers**". Shares may be compulsorily transferred in circumstances described in the section of this document entitled "**Status of the Fund – Information Requests and Compulsory Transfers and Redemptions of Shares**".

# Net Asset Value and Pricing of Shares

## ***Determination of the Net Asset Value***

Except when the determination of the Net Asset Value is suspended, as described below, the value of the net assets of the Fund will be determined as soon as is practicable as at each such Valuation Day and shall be the value as at such Valuation Day of all the assets of the Fund less all the liabilities of the Fund calculated in accordance with the provisions of the Articles.

The Net Asset Value will be expressed in Pounds Sterling by ascertaining the value of the assets of the Fund (including, subject to any specific provisions in relation to the Fund that may be specified in the terms of issue of the Shares, interest and dividends accrued, the value of all investments, prepaid expenses and the unamortised portion of any expense (including, without limitation, those such as preliminary expenses) that the Directors have determined shall be amortised over a specified period of time) and deducting from such amount the liabilities of the Fund accruing up to such Valuation Day (including, without limitation, all accrued fees payable to the Directors and functionaries, commissions, marketing expenses, estimated realisation costs and other associated costs, excluding amounts paid up on any Shares), with the assets and liabilities being valued in accordance with the following principles:

- The value of any cash in hand or on deposit, bills, demands, bonds and promissory notes and accounts receivable, prepaid expenses, unamortised expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is the full amount thereof unless the Manager determines that any such deposit, bill, demand, bond or promissory note or account receivable or other amount is not worth the full amount thereof or such does not reflect the value thereof, in which event the value thereof shall be deemed to be such value as the Manager shall deem to be reasonable.
- The value of any investment in real property is determined by a Member or Fellow of the Royal Institution of Chartered Surveyors appointed by the Manager for the purpose of such valuation, which shall be carried out in accordance with the current edition of the Royal Institution of Chartered Surveyors Valuation and Appraisal Standards.
- The value of any investment which is listed and regularly dealt in, or traded on, a major international market on a daily basis in reasonable amounts is determined by reference to the most recent mid-market price as at the close of business on the relevant Valuation Day quoted by a recognised and respectable daily financial publication covering the relevant Market such as (but without limitation) the Bloomberg System, Reuters, the Financial Times for United Kingdom investments and the Wall Street Journal for United States Investments, provided that where such Investment is quoted in, or traded on, more than one Market or publication the Manager at its discretion may determine which quotation shall prevail and provided also that the Manager, at its absolute discretion, may permit some other reasonable method of valuation to be used or adjust this valuation if it considers that such alternative or adjusted valuation better reflects the fair value of the investment or if the investment ceases to be quoted. Factors that the Manager may take into account are the liquidity of the investment, the size of the holding and other factors which may distort the price.
- For other publicly quoted or regularly traded investments the market value is (save for funds, as described below) determined by reference to the mid-market price as at the close of business on the relevant Valuation Day provided by a broker who has dealt in that specific stock or another financial institution or who has specific experience in trading investments similar in nature to the investment being valued, provided that the Manager will, where possible, try to obtain prices from two or more such brokers (who shall be sourced on a consistent basis) and shall take the average of the prices obtained and provided also that the Manager, at its absolute discretion, may permit some other reasonable method of valuation to be used or adjust this valuation if it considers that such alternative or adjusted valuation better reflects the fair value of the investment or if the Investment ceases to be quoted.
- Investments which are dealt in, or traded through, a clearing firm or an exchange or through a financial institution are (save for funds, as described below) valued by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution.

If there is no such price, then the average will be taken between the lowest offer price and the highest bid price at the close of business on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in, or traded on, more than one market, the Manager may determine at its discretion which markets shall prevail.

- Investments which are not dealt in, or traded through, a clearing firm or an exchange or through a financial institution will be valued on the basis of the latest available valuation provided by the relevant counterparty.
- Investments in funds or other collective investment schemes in which the Fund invests will generally be valued by reference to the net asset value supplied by the administrator of such fund provided that the Manager may make adjustments to such valuations by reason of illiquidity of the assets underlying such funds and other factors.
- Deposits will be valued at their cost plus accrued interest.
- In circumstances where the Fund has established or acquired a wholly-owned subsidiary for the purposes of holding or trading investments the Manager may determine that the assets of such subsidiary, rather than the ownership interests in that subsidiary, shall be treated as the assets of the Fund for the purposes of calculating Net Asset Value.

Notwithstanding the foregoing, where at the time of any valuation, any investment has been realised or contracted to be realised, there shall be included in the assets in lieu of such asset the net amount receivable by the Fund in respect thereof, provided that if such amount is not then known exactly, then its value shall be the net amount estimated by the Manager as receivable by the Fund provided that if the net amount receivable is not payable until some future time after the Valuation Day, the Manager shall make such allowance as they consider appropriate to reflect the true current value thereof.

Assets will be valued, and liabilities shall be calculated, in Pounds Sterling and (if not initially expressed in Pounds Sterling) after taking into account such rate of exchange as the Manager shall consider appropriate.

In determining the amount of the liabilities, the Manager may take account of all accrued liabilities and estimated fees earned and all or any other fees, charges or administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions on a day-to-day basis over any such period.

Save as set out in the Articles or as disclosed herein, in determining the Net Asset Value, the assets and liabilities thereof shall be determined on the basis of the Accounting Standards consistently applied under the accrual method of accounting.

The determination of the Net Asset Value by the Manager is binding and conclusive on all parties except in the case of manifest error and in no event will the Directors or the Manager incur any individual liability or responsibility for any determination made or other action taken or omitted by them in the absence of any manifest error or bad faith. Notwithstanding any other provision of the Articles, the Manager may, at its discretion (but with the approval of the Auditor), permit other methods of valuation to be used if they consider that such method of valuation better reflects the value or is in accordance with good accounting practice; and where more than one method of valuation might apply, the Manager may select the method to be used in its discretion.

The value of any investment in real property, whether it is held directly by the Fund or indirectly by one of its subsidiaries, will be valued bi-annually from the completion date of the purchase of the relevant property using the valuation principles described above. If either the Manager or the Property Manager becomes aware of any matter that appears likely to affect the outcome of a valuation of a property, that property will be valued on the basis of a full annual valuation with full inspection instead of a review of the last full valuation. The Net Asset Value of the Fund as at 2 January 2026, being the most recent Valuation Day prior to the date of this Offering Document, was £130,954,718.77. The Net Asset Value per Share of each Class at the same date was as below.

A (Income) Class	£1.1272
B (Accumulation) Class	£1.5485
C (Accumulation) Class	£1.4922

## **Share Prices**

Shares of the Fund are priced in Pounds Sterling. The Initial Offer Price per Share of the A (Income) Class was £1.00.

Shares of each Class may be issued under the Continuing Offer on a Subscription Day for a Subscription Price determined by the Manager in Pounds Sterling in accordance with the relevant provisions of the Articles and the relevant investments terms as set out in the Offering Document. Subject to the provisions of the Articles, Shares of each Class will be redeemed on a Redemption Day for a Redemption Price determined by the Manager in Pounds Sterling in accordance with the relevant provisions of the Articles and the relevant investment terms as set out in the Offering Document.

In summary, and subject to any applicable Initial Charge, the Articles provide for both Subscription and Redemptions Prices to be determined by:

- assessing the amount standing to the credit of the Proportion Account maintained for the relevant Class of Shares immediately following its adjustment (as described below in the section of this document entitled "**Net Asset Value and Pricing of Shares - Proportion Accounts**") to reflect the Net Asset Value of the Fund on the most recent Valuation Day;
- dividing the amount calculated under the point above in respect of the relevant Class by the number of Shares of the relevant Class then in issue or deemed to be in issue and making such adjustments as may be necessary to reflect the terms of issue of the Shares of that Class; and
- adding thereto such a sum as the Manager may consider represents the appropriate provision for duties and charges arising in connection with the issuing or redemption of the Shares of that Class as appropriate.

Both Subscription and Redemption Prices will generally be calculated to four decimal places and fractions of Shares will be issued accordingly.

## **Suspension of Valuations**

The Manager may declare a suspension of the determination of the Net Asset Value when it is reasonable to do for the whole of any part of any period:

- during which any market or money or foreign exchange market is closed, other than customary weekend or holiday closing;
- during which trading on any such market or money or foreign exchange market is closed, other than customary weekend and holiday closing;
- during which trading on any such market or money or foreign exchange markets is restricted;
- during which a breakdown occurs in any of the means normally employed by the Manager in ascertaining the values of the investments of the Fund or for any other reason the values of the investments of the Fund or the Net Asset Value or the Subscription or Redemption Prices cannot in the opinion of the Manager reasonably be ascertained;
- when circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable for the Fund to realise any of the Fund's investments (including investments held via the Fund's subsidiaries) or to receive remittances arising from realisation of such Investments either at all or without undue delay or at normal rates of exchange; or
- it is, in the opinion of the Manager, advisable, prudent or otherwise in the interests of the Shareholders so to do as a result of any enactment, legislation or other event or circumstances whatsoever.

Any such period of suspension will take effect at such time as the Manager may specify but not later than the close of business on the Business Day next following the declaration, and thereafter there shall be no determination of the Net Asset Value and no subscriptions or redemptions of Shares until the Manager has declared the period of suspension at an end. Whenever the Manager declares a period of suspension, then as soon as may be reasonably practicable after any such declaration, the Manager will cause a notice to be sent to the Shareholders stating that such declaration has been

made and, at the end of any period of suspension, the Manager will cause another notice to be sent to the holders of such Shares stating that the period of suspension has ended.

### **Proportion Accounts**

If more than one Class of Share is in issue, the proportionate interests of each Class in the assets and income of the Fund shall be ascertained as set out in the Articles, the relevant provisions being set out as follows:

A notional account will be maintained for each Class, and each account is referred to as a "**Proportion Account**". The word "**proportion**" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to all the Proportion Accounts of the Fund at that time. The proportionate interest of a Class of shares in the assets and income of the Fund is its "proportion".

There will be credited to a Proportion Account:

- the subscription money or assets contributed in lieu thereof (excluding any Initial Charge or any charge levied on the conversion of Shares from one Class to Shares of another Class) for the issue of Shares of the relevant Class;
- the amount arising on the conversion Shares of another Class into Shares of the relevant Class (as described in the section of this document entitled "**Characteristics of Shares and Permitted Investors**");
- that Class' proportion of the amount by which the most recent Net Asset Value of the Fund exceeds the previous Net Asset Value of the Fund (if any);
- that Class' proportion of the Fund's income received and receivable;
- that Class' proportion of any Distribution which is declared by the Directors and credited as a capital contribution (as described in the section of this document entitled "**Characteristics of Shares and Permitted Investors**");
- that Class' share of any asset acquired in respect of that Class and one or more other Classes, but not in respect of the Fund as a whole; and
- any notional tax benefit, as explained below.

There will be debited to a Proportion Account:

- the redemption payment for any redemption of Shares of the relevant Class;
- the amount arising on the conversion of Share of the relevant Class into Shares of another Class (as described in the section of this document entitled "**Characteristics of Shares and Permitted Investors**");
- that Class' proportion of the amount by which the most recent Net Asset Value of the Fund falls short of the previous Net Asset Value of the Fund (if any);
- all Distributions which are declared by the Directors and paid by way of dividend to holders of Shares of that Class;
- all costs, charges and expenses incurred solely in respect of that Class of Shares;
- that Class' share of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole;
- that Class' share of the costs, charges and expenses incurred in respect of that Class and one or more other Classes of Shares, but not in respect of the Fund as a whole; and
- any notional tax liability, as explained below.

Any tax liability in respect of the Fund and any tax benefit received or receivable in respect of the Fund will be allocated between Classes of Shares in order to achieve, so far as possible, the same result as not materially to prejudice any Class of Shares. The allocation will be carried out by the Manager after consultation with the Auditor.

Conversions between any currencies required in order to maintain the Proportion Accounts shall be at such rate or rates of exchange decided by the Manager, in its absolute discretion, as being the

rate or rates that are not likely to result in any material prejudice to the interests of holders of any Class of Shares.

The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Fund to holders of Shares or the other way round.

Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Class of Shares' proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.

When Shares are issued thereafter each Share shall represent the same proportionate interest in the property of the Fund as each other Share of the Class of Shares then in issue.

Where any asset is required to be valued in order to maintain a Proportion Account the principles set out in the section of this document entitled "**Determination of the Net Asset Value**" shall apply.

Upon the creation of Side-Pockets (as explained on page 64 of this document), the Directors shall instruct the Manager to maintain Proportion Accounts for each Class of shares in the Side-Pocket, to which the provisions of above shall apply as if references therein to Shares were references to Shares in the Side-Pocket and as if references to the Net Asset Value of the Fund were references to the Net Asset Value of the Side-Pocket.

# Characteristics of Shares and Permitted Investors

## Share Capital Authorised for Allotment

The Directors are authorised to allot and issue 200 Management Shares and an unlimited number of Shares. The types of shares available for issue in the capital of the Fund and their characteristics are described below.

### Shares

Shares may be issued in respect of the Fund on the terms and conditions set out in the Offering Document. Subject to any modified or additional rights or restrictions attached at the time of issue and set out in the Offering Document, the Shares of each Class are participating redeemable preference shares which confer the right to a proportionate share in the investment of the assets of the Fund as other Shares of the same Class and to distributions as declared from the profits of the Fund. The Directors may create and issue separate Classes of Shares with different terms of issue if they determine that it is appropriate. At Shareholder meetings, Shareholders will be entitled to attend, but no holder of a Share will be entitled to vote. The Shares only carry the right to vote on a class resolution of the holders of each respective Class of Shares relating to the variation, or deemed variation, of the class rights attaching to Shares of that Class or on a resolution to wind up the Fund. On a winding up, Shares carry the right to repayment of the nominal amounts paid up on them, and, after the nominal amounts have been repaid on the Management Shares, to distribution of the Fund's surplus assets. An unlimited number of Shares may be issued and the Manager is authorised to allot and issue Shares in such numbers, at such times, at such price and to such persons as it sees fit. The Shares confer no rights of pre-emption on Shareholders (whether by statute, under the Articles or otherwise), either in respect of new issues or in respect of transfers of Shares.

### Management Shares

The only class of shares in the capital of the Fund other than Shares currently in existence are the Management Shares, which are non-participating non-redeemable voting management shares with a nominal value of £1.00 each. Only 200 Management Shares may be issued. All 200 Management Shares have been issued fully paid at their nominal value of £1.00 each and are held (legally and beneficially) by the Manager. The Management Shares are not offered to investors. Save as described above, the Management Shares carry the only rights to vote on resolutions of the Fund. The Management Shares carry no right to participate in the profits or surplus assets of the Fund. On a winding up, Management Shares entitle their holders to repayment of the nominal amounts paid up on the Management Shares after the repayment of the nominal amounts paid up on Shares. Management Shares carry the right to vote at members' meetings of the Fund.

### Variation of Class Rights

The rights attaching to any Class of shares may only be varied with the consent in writing of the holders of three-fourths of the issued shares of that Class, or with the sanction of a Special Resolution passed at a separate Class meeting of the holders of the shares of that Class. To every such separate general meeting the provisions of the Articles relating to general meetings apply in similar fashion.

Subject to modified or additional rights or restrictions attached at the time of issue and set out in the Offering Document, the rights attached to Shares of any Class are deemed to be varied by:

- the creation or issue of any Shares ranking in priority to or *pari passu* with the Shares as respects rights in a winding up or reduction of capital or rights to dividends;
- any merger or consolidation of the Fund with other companies under the Companies Act;
- any arrangement entered into by the Fund under the Companies Act;

- the discontinuance of the Fund in the Isle of Man in accordance with the Companies Act;
- any reduction of the share capital of the Fund, save by way of permitted distribution or dividend or redemption or purchase of Shares or a cancellation of shares in Side-Pocket (as explained on page 48 of this document);
- a material variation of the objectives, policies and restrictions of the Fund; or
- any increase in the Maximum Permitted Level of the Initial Charge or of the Management Charge.

Subject to modified or additional rights or restrictions attached at the time of issue and set out in the Offering Document, the rights conferred upon the Shareholders of the Shares will not be deemed to be varied by:

- the creation or issue of further Shares of any Class;
- the creation or issue of Management Shares;
- the creation of a Side Pocket;
- the amendment of the Articles in a manner that does not adversely affect Shareholders and which is in order to reflect or comply with any provision of the Act, CISA or any other legislation, regulation or rule.

## **Issue of Shares**

The Manager is authorised to allot and issue Shares of any Class at any time without reserving preferential subscription rights to existing Shareholders. Fractions of Shares may be issued, transferred and redeemed at the discretion of the Manager if it appears that this is in the interests of Shareholders. If it is decided not to issue fractions of Shares, any subscription monies representing less than one Share will not be returned to the subscriber but will be retained for the benefit of the Fund.

## **Conversion of Shares**

The Directors may in their absolute discretion, and on a case-by-case basis, permit a Shareholder to convert Shares of one Class into Shares of another Class (subject any terms of issue of the Shares in question and the provisions of the Articles). Any conversion of Shares would take place at a rate based upon the relative values of the prevailing Redemption Price of the existing Shares and the prevailing Subscription Price of the new Shares in accordance with the Articles. A conversion request, if permitted by the Directors, is subject to broadly the same procedural requirements, and may be deferred or suspended in the same circumstances, as redemption requests.

## **Register of Shareholders**

The Register is available for inspection at the registered office of the Manager, details of which appear in the **“Directory”**. The Fund shall register Shares jointly in the names of not more than four holders should they so require, but notices to be sent to an address appearing in the Register will only be sent to the first-named holder.

## **Winding Up**

The procedure for winding up the Fund is described in the section of this document entitled **“Status of the Fund”**.

## **US Persons and Prohibited Persons**

Only Permitted Investors who are not US Persons may acquire Shares. A Prohibited Person is not a Permitted Investor and may not acquire Shares; all applicants for Shares are required to warrant, *inter alia*, that they are not Prohibited Persons and not US Persons.

A US Person will not be a Permitted Investor unless otherwise determined by the Directors on a case by case basis; all applicants for Shares are ordinarily required to warrant, *inter alia*, that they are not US Persons.

Should a pre-existing investor become resident in the US, any US tax reporting obligations will be the responsibility of the investor.

## **Investor Certification Requirements**

Any prospective investor in the Fund, either by subscription or transfer, will only be accepted if (among other things) he/she/it has completed and signed the Part 1 Certification required under the Regulations and set out in the Application Form and (in certain circumstances if the applicant is investing on behalf of another person or is a life insurance company investing assets comprised within its long term business fund) the relevant Part 2 Certification required under the Regulations and also set out in the Application Form.

# Regulation

## Isle of Man

The Fund is an “open-ended investment company” as defined in the CISA and constitutes a single “collective investment scheme” in accordance with the CISA. By virtue of being incorporated in the Isle of Man, the Fund is regarded as “established in the Isle of Man” for the purposes of the CISA and therefore must comply with the requirements imposed by or pursuant to the CISA. Accordingly, the Fund has been established as a Regulated Fund in accordance with the Regulations, the key provisions of which are described below.

## Governing Body

The governing body of the Fund for the purposes of the Regulations is the Fund’s board of directors for the time being. Under the Regulations, the Board must include at least one natural person as a non-executive director who is resident in the Isle of Man. Each Director must be fit and proper to act as such. Under the Regulations, each Director must have submitted himself/herself to vetting by the IOMFSA before being appointed. A proposed appointee may not be appointed as a Director if the IOMFSA objects. Under the Regulations, the Board are responsible, *inter alia*, for ensuring that:

- (a) the requirements of the Regulations are complied with;
- (b) the Offering Documents and the Articles are accurate and comply in all respects with the requirements of the CISA and the Regulations;
- (c) the Fund is, and continues to be, managed and operated in accordance with the Offering Document and the Articles;
- (d) the Offering Document accurately sets out all material information which, as at the date thereof, is within the knowledge of the Board (or which any Director would have been able to obtain at that time by making reasonable enquiries) which is relevant for the purposes making an informed judgment about the merits of participating in the Fund;
- (e) no Offering Document is issued to Shareholders or potential investors unless, as at the date of issue, it is up to date in accordance with paragraph (d) above;
- (f) the Manager is notified of all changes to the Fund and its arrangements and provided with copies of the amended Offering Document and constitutional documents without delay;
- (g) Shareholders are informed in a timely manner of any material changes to the Fund and the anticipated impact thereof;
- (h) within 6 months of the Fund’s financial year end or the launch of the Fund (and prior to the cessation of the Fund) an annual compliance declaration is signed by or on behalf of the Board and submitted to the IOMFSA confirming, *inter alia*, that, during the period covered by the declaration, the Fund has complied with the CISA and the Regulations and been managed and operated in accordance with the Offering Document and the Articles and the Offering Document has accurately set out all material information to enable an informed investment decision to be made;
- (i) the Manager discharges its responsibilities under the Regulations, as described below;
- (j) an appropriate minimum subscription amount is determined; and
- (k) the provisions which will apply if the initial subscription value for the launch of the Fund is not successful.

A form of responsibility statement must be signed by or on behalf of the Board in relation to the Offering Document and each amendment thereof and submitted to the IOMFSA prior to the launch of the Fund or the issue of the amended document (as the case may be). Where any Director ceases to hold office as such he/she must notify the IOM FSA in writing of that fact and the reasons therefor. The Board also have certain responsibilities in relation to the selection of any investment advisers or managers, the promoter and any sub-custodians, as described below.

## **Manager**

Under the Regulations, the Fund must appoint a Manager which is independent of the Board and which is the holder of a licence issued by the IOMFSA which permits it to act as manager of Regulated Funds. The person appointed to fulfil this role as at the date of this document is the Manager, which is the holder of an appropriate licence issued in accordance with the FSA.

The appointment of any manager of a Regulated Fund must be approved in advance by the IOMFSA. The matters considered by the IOMFSA in granting approval in such circumstances in described in the "**Isle of Man Regulatory Fund Risk Warning**" section of the "**Important Notice**" at the beginning of this document. Either the cessation of the Manager's appointment or the appointment of a new Manager must be approved by the IOMFSA. Furthermore, the continuation of the IOMFSA's approval of the Manager's appointment must be reviewed by the IOMFSA prior to the implementation of any change in the membership of the Board, any change in the identity

of, or appointment or removal of, a functionary of the Fund or any material change to the Fund's Articles, Offering Document or material agreements.

Under the Regulations, the Manager has a number of responsibilities, some of which overlap with those of the Board:

- (a) satisfy itself that the Fund is being managed and operated in accordance with the provisions of the Articles and the Offering Document;
- (b) ensure that adequate procedures and controls have been implemented which are appropriate for the Fund and include procedures and controls relating to the Fund's corporate governance arrangements, the compliance arrangements for the Fund and services provided to the Fund by the Manager, the accuracy of determining the Net Asset Value and the Subscription and Redemption Prices, the monitoring of investment and borrowing powers and restrictions, the monitoring of the Fund's liquidity profile, the maintenance of the Register, the application and redemption procedures, the issue of contract notes, complaints procedures, the maintenance of a breaches register and a pricing errors log, the issue of annual and (where appropriate) interim financial statements for the Fund, the accuracy of fees and expenses charged to the Fund, the updating of the Offering Document, the arrangements for advertising the Fund and notifying the Fiduciary Custodian without delay of any material breaches or pricing errors;
- (c) notifying the IOMFSA without delay if it determines that the Fund has not been managed or operated in accordance with the provisions of the Articles or the Offering Document, if it becomes aware that any of the requirements in the Regulations have not been complied with, if it becomes aware that Director has been removed, resigned or not reappointed at the end of their term of office, if it becomes aware that Auditor has been removed, resigned or has not been reappointed at the end of its term of office, if it determines that redemptions of Shares will be suspended and if it becomes clear that the initial subscription value for the launch of the Fund has not succeeded;
- (d) notifying the IOMFSA as soon as reasonably practicable after receiving either an audit report on a Fund's financial statements that has been qualified by the Auditor or contains an emphasis of matter or a management letter (or equivalent) in relation to the Fund's audit which notes significant issues, together with a copy and details of any remedial action proposed by the Board;
- (e) notifying the IOMFSA within 10 working days, where the Fund's audited annual financial statements have not been distributed in accordance with the Regulations of that fact and every four weeks thereafter until they have been issued and distributed, in each case giving details of the issues giving rise to the delay, setting out a revised timetable for distribution of the audited annual financial statements and a copy of any Shareholder communication regarding the delay or (if no Shareholder communication has been issued) the reasons for, and the written consent of the Fiduciary Custodian to, not issuing such a communication;
- (f) notifying the Fiduciary Custodian without delay of any material lapses in the implementation of the procedures and controls in sub-paragraph (b);
- (g) sending copies of any revised Offering Document and any IOMFSA notification documents required by the Regulations to the Fiduciary Custodian;

- (h) satisfying itself that prospective investors in the Fund have completed an Application Form and, where entry criteria has been imposed by the Fund, that they have signed to confirm that they meet those criteria;
- (i) completing and signing the relevant part of the annual compliance declaration referred to above;
- (j) supplying certain statistical information to the IOMFSA within 15 working days of each calendar quarter end; and
- (k) ensuring the suitability and accuracy of promotional material and advertisements and the compliance of the same with the Regulations or, where a separate promoter is appointed, overseeing the promotion of the Fund by the promoter.

## **Fiduciary Custodian**

Under the Regulations, the Fund must appoint a fiduciary custodian which is a different person from the Manager and is the holder of a licence issued by the IOMFSA in the Isle of Man, or by the regulatory authority in another acceptable jurisdiction, which permits it to act as fiduciary custodian of funds such as Regulated Funds. The person appointed to fulfil this role as at the date of this document is the Fiduciary Custodian, which is the holder of an appropriate licence issued by the Jersey Financial Services Commission.

Any change in the identity of the Fiduciary Custodian would invoke a requirement upon the Manager to obtain the consent of the IOMFSA to the continuation of its appointment to act as Manager of the Fund.

Under the Regulations, the Fiduciary Custodian has a number of responsibilities, including:

- (a) implementing appropriate procedures and controls in order to satisfy itself that the Fund is being managed and operated in accordance with the provisions of the Articles and the Offering Document;
- (b) having all the property of the Fund in its custody or placed with a Sub-Custodian (see "**Sub-Custodians**" below);
- (c) having the right to give and carry out instructions in respect of the Fund's assets where it has reasonable grounds to believe that the investment and borrowing limitations in the Offering Document are not being complied with;
- (d) notifying the IOMFSA without delay if it determines that the Fund has not been managed and operated in accordance with the provisions of the Articles or Offering Document, if it becomes aware that any of the requirements of the Regulations have not been complied with or if it becomes aware of breaches (which have not been corrected within 20 working days of discovery) by the Manager, of the obligations imposed on the Manager by the Constitutional documents and Offering Document.

## **Sub-Custodians**

Under the Regulations and the Custody Agreement, the Fiduciary Custodian is permitted to appoint a Sub-Custodian to act as custodian of certain assets of a Class. Under the Regulations, any Sub-Custodian must be licensed by an appropriate regulatory body to provide such custody services. Before appointing any Sub-Custodian and on an ongoing basis, the Board and the Fiduciary Custodian must ensure that the proposed appointee is competent to undertake the function and is appropriately experienced in providing services to the class of assets for which it will act as Sub-Custodian. In doing so, they must consider the suitability of the domicile and the regulatory framework for the provision of custody services in the jurisdiction in which the Sub-Custodian is regulated. The Board and the Fiduciary Custodian must also obtain the Manager's approval of the appointment. The Manager must notify the Board and the Fiduciary Custodian without delay if it becomes aware of anything which it reasonably believes is relevant to assessing a Sub-Custodian's ongoing suitability as aforesaid.

## **Asset Management**

The Fund must ensure that it receives relevant advisory or discretionary management services in relation to the investment and re-investment of the assets of the Fund. Before making an appointment of this nature, and on an ongoing basis, the Board must ensure that any proposed or appointed asset manager or investment adviser is suitable to act in that capacity, taking into account the regulatory status of the asset manager or investment adviser and of any person providing investment services to the asset manager or investment adviser and any guidance issued by the IOMFSA. The Manager must notify the Board without delay if it becomes aware of anything which it believes is relevant to this assessment. The Board are satisfied that the Asset Manager is regulated and suitable to act as such. In accordance with the Regulations, the Asset Manager has established a policy for the spreading of investment risk for the Fund and a risk management process including monitoring any relevant restrictions on hedging, gearing (using derivatives and similar instruments) and borrowing and the liquidity of the Fund. Where a regulated asset manager is not appointed, responsibility for oversight of these policies and processes rests with the Manager.

## **Promotion**

Under the Regulations, the Fund must appoint a promoter who is responsible for promotion of the Fund and the suitability and accuracy of promotional materials and advertisements issued in connection with the Fund. The promoter must be either the Manager or a person whom the Board has assessed as being suitable to act as such, taking into account the regulatory status, experience and track record of the proposed appointee and any guidance issued by the IOMFSA. Where the Manager does not act as the promoter, the Manager must notify the Board without delay if it becomes aware of anything which it believes is relevant to the ongoing suitability of the promoter to act as such. The promoter is required to ensure that the marketing of the Fund is consistent with the Articles and the Offering Document and that all advertisements and marketing materials issued in connection with the Fund contain the statements prescribed by, and are prepared in accordance with, the Regulations, are consistent with the Offering Document and do not contain misleading statements or unsubstantiated claims.

## **Investor Requirements**

The Regulations requires that the Fund may only accept investments:

- (a) where the Minimum Initial Investment is met for the Fund; and
- (b) the investor has certified his/her/its status in accordance with the relevant certification requirements, as set out in the Regulations, and the requirements imposed by the Fund, as described in the section of this document entitled "**Characteristics of Shares and Permitted Investors**".

In summary, an investor investing in the Fund for his/her/its own account must certify that he/she/it is not a Prohibited Person, is sufficiently experienced to understand the features and risks of an investment in the Fund, has read and understood the Offering Document, accepts the risks associated with an investment in the Fund and (if appropriate) has taken independent advice on the suitability of the investment within his/her/its overall investment portfolio.

## **Investment Restrictions**

Under the Regulations, the Fund must have a policy for spreading investment risk, including any restrictions on the amount of property that may be invested in securities issued by one issuer or the amount which may be invested in illiquid or unquoted investment or derivatives, that should take effect within 6 months after the Initial Offer Closing Date. If no such restrictions are imposed or if they would permit more than 10 per cent of the value of the Class to be so invested, then the attendant risks must be clearly disclosed.

Where it is proposed that leverage in excess of 25 per cent of the Net Asset Value be undertaken using derivatives, then the leverage policy and the associated risks must form part of the investment policy and be clearly disclosed and such leverage may not exceed 100 per cent of the Net Asset Value. Where it is proposed that leverage in excess of 25 per cent of the Net Asset Value be

undertaken using borrowing, then the borrowing policy and the associated risks must form part of the investment policy and be clearly disclosed and such leverage may not exceed 50 per cent of the Net Asset Value. Where the combined leverage may exceed 25 per cent of the Net Asset Value, the combined leverage policy and the associated risks must form part of the investment policy and be clearly disclosed and the combined leverage may not in any case exceed 100 per cent of the Net Asset Value.

## **Valuation and Pricing**

Under the Regulations, the assets of the Fund must normally be valued at least once in each month unless the terms of the valuation and dealing policy, and associated risks, are clearly disclosed. The Board and the Manager must be satisfied that the pricing of Shares achieves a reasonable balance between the interests of subscribing and redeeming Shareholders

## **Offering Document and Application Form**

Under the Regulations, the Fund is required to have an offering document which accurately sets out all material information which, as at the date thereof, is within the knowledge of the Board (or which any Director would have been able to obtain at that time by making reasonable enquiries) which is relevant for the purposes of making an informed judgment about the merits of participating in the Fund, which complies with the requirements of the CISA and contains certain information prescribed by the Regulations. This document is the offering document of the Fund for the purposes of the Regulations as at the date hereof. Under the Regulations, the Fund is required to have an application form that must contain certain certifications, as referred to above.

## **Financial Statements and Audit**

Under the Regulations the Fund must appoint an "appropriate auditor". An appropriate auditor must have a permanent place of business in the Isle of Man, must have professional indemnity insurance of not less than £20 million, must be a member, or member firm, of one of certain specified professional bodies and must be independent of the Fund having regard to the auditing standards and code of ethics of the relevant professional body. The Auditor is the appropriate auditor of the Fund as at the date of this document. The Auditor has its principal place of business at the address set out in the "**Directory**" and is a member firm of the body named in the "**Directory**", which is one of the professional bodies specified in the Regulations; the Auditor has confirmed to the Board that it is independent of the Fund for the purposes of the auditing standards and code of ethics of the Institute of Chartered Accountants in England & Wales and that, as at the date of this document, it maintains professional indemnity insurance of not less than £20 million. The Auditor has undertaken to the Fund to notify the Board should it at any time cease, or become aware that it is likely to cease, to comply with the requirements for appointment as an appropriate auditor.

The Regulations require that the annual financial statements of the Fund must be audited by the appropriate auditor in accordance with one of the approved standard and distributed to investors no later than 6 months after the Fund's financial year end. The Auditor has agreed under their engagement letter, subject to the terms thereof, to report on the annual financial statements of the Fund in accordance with the requirements of the Regulations. In the event of the Auditor ceasing to hold office as such, the Manager is required to notify the IOMFSA of that fact and the Auditor is required to provide a signed statement directly to the IOMFSA stating either that there are no circumstances connected with it ceasing to hold office which it considers should be brought to the attention of the IOMFSA or, if it considers that there are such circumstances, details thereof.

## **No Compensation Arrangements**

Shareholders are not protected by any statutory compensation arrangements in the event of the Fund's failure.

## **Powers of Intervention in the Isle of Man**

Under the CISA, the manager of a fund must satisfy itself regarding certain matters relating to the fund and both the manager and the auditor of the fund are required to make notifications to the IOMFSA in relation to a fund in certain circumstances. The IOMFSA has certain powers of intervention in relation to funds under the CISA and the Court may make orders relating to such funds. The powers of the IOMFSA include the power (in circumstances where, *inter alia*, they consider it to be in the interests of participants or potential participants in the scheme) to direct the manager to cease the issue and/or redemption of units or to wind up the scheme. The IOMFSA may apply to the Court for an inspector or manager to be appointed in relation to a scheme and the Court may make an order to that effect if it satisfied that it is in the interests of participants to do so or that the matter is of public concern. Under the Companies Act 1931, the Court has the power to wind up a company, including the Fund, compulsorily if, *inter alia*, it is satisfied that it would be just and equitable to do so.

# Taxation

## General

The statements on taxation below are intended to be a general summary of certain aspects of Isle of Man and UK tax which may apply to the Fund. The statements are based on the law and practice in force in the relevant jurisdiction at the date of this document. There can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely.

**Prospective investors 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 investor of acquiring, holding, redeeming or disposing of shares will depend upon the relevant laws of any jurisdiction to which the investor is subject. Investors and prospective investors in the Fund should seek their own professional advice as to this, as well as to any relevant exchange control or other laws and regulations.**

Taxation law and practice and the levels and bases of and reliefs from taxation relating to the Fund and to Shareholders may change from time to time.

Amounts payable to the Fund in respect of its underlying investments may be subject to withholding and other taxes of the jurisdictions where those investments are made.

## Fund

### *Isle of Man*

The following information summarises the taxation position of the Fund under current tax law and practice in the Isle of Man. There can be no certainty that this tax regime will persist.

The Fund will be liable to Manx income tax at the standard rate for companies of zero per cent. (A 20 per cent corporate income tax rate applies to income from Isle of Man land and property and a 10 per cent corporate income tax rate applies to certain banking income, but the Fund is not expected to be in receipt of income from such sources).

The Fund will not be required to withhold tax from the payments of dividends to Shareholders.

Shareholders resident outside the Isle of Man will have no liability to Manx income tax on dividends received from the Fund.

There is no Capital Gains Tax (CGT), Stamp Duty or Stamp Duty Reserve Tax in the Isle of Man. No taxes are payable on the transfer of shares in the Fund. There are no current exchange control restrictions applicable in the Isle of Man.

The fees of the Manager are exempt from Value Added Tax (VAT), but certain other fees, charges and expenses (such as directors' fees) may be subject to VAT, where applicable.

### *United Kingdom*

The Directors intend for the Fund to be managed and controlled so that it does not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Fund does not carry on a trade or business in the UK through a permanent establishment situated therein, the Fund will not be subject to UK Corporation Tax on its worldwide income and capital gains. The Directors intend that the affairs of the Fund are to be conducted so that no such taxable permanent establishment will arise insofar as this is within their control. However, it cannot be guaranteed that the conditions necessary to prevent any such taxable permanent establishment coming into being will at all times be satisfied.

Notwithstanding the above, net rental income received by the Fund which has a UK source was subject to income taxes in the UK up to 5 April 2020. From 6 April 2020 this income source will be subject to UK corporation tax. Whilst changes to UK tax legislation mean that technically the Fund is subject to UK Corporation Tax on gains made on UK land and property, the Fund applied for an

exemption election on 7 May 2021, with the election becoming active on this date. This exemption election exempts the Fund and its subsidiaries from being subject to UK Corporation Tax on the disposal of UK land and property.

## Shareholders

It is expected that Shareholders may be resident for tax purposes in a number of different countries. Consequently, no attempt is made in this document to provide detailed guidance on the actual taxation consequences for each investor of subscribing for, buying, holding, transferring, redeeming, selling or otherwise acquiring or disposing of Shares in the Fund. A very brief introduction is given in the paragraphs below. **Investors should consult their own tax advisors regarding the possible implications of this legislation on their investment and the entities through which they hold their investment.**

### *United Kingdom tax residents*

The UK tax treatment of any disposal of Shares is subject to the application of the provisions contained in the United Kingdom's Taxation of Chargeable Gains Act 1992, Income Tax Act 2007 and Part 8 of the Taxation (International and Other Provisions) Act 2010, supplemented by regulations contained in the Offshore Funds (Tax) Regulations 2009, concerning the taxation of investments in offshore funds, and the status of the Fund under those provisions. The Finance Bill 2019 introduced a number of substantial changes for the calculation of CGT for non-UK resident investors.

Shareholders subject to UK tax should note that the Fund is a "non-reporting fund", and accordingly, gains arising to a Shareholder on a disposal of Shares may be subject to tax as income and not as a capital gain, depending on the availability of any exemption or relief.

UK resident individuals and entities must report any disposals to HM Revenue and Customs (HMRC) within their normal annual tax filings (i.e. for individuals the disposal will be reported in their annual Self-Assessment tax return and for corporates the disposal will be reported in their annual UK Corporation Tax return). No further notification is required for UK resident individuals and entities which already submit annual tax returns to HMRC.

### *United Kingdom taxation on investors not resident in United Kingdom*

Non-corporate investors are potentially liable to CGT on any capital gains made on the disposal of Shares in the Fund, rebased to their 5 April 2019 market value. The applicable CGT rate for an individual will depend upon their personal income tax rate. To the extent that any gains fall within their basic rate income tax band, the CGT rate is 10%. Otherwise, CGT is charged at the 20% rate. For Trusts, the CGT rate is 20%. Investors should benefit from the annual CGT exemption, whether UK resident or non-resident. The annual exempt amount is utilised against all capital gains that are subject to CGT on the investor, and not just the gains realised on the disposal of Shares of the Fund.

This includes all redemptions of Shares made by an investor in the Fund, including quarterly redemptions made by certain classes of Shareholders required to cover management and adviser charges deducted from the investors account, should the gain be liable to CGT.

Investors may be able to take advantage of specific double tax treaty agreements between the UK and their respective country of residence. Investments held through trusts will also be potentially liable to UK CGT on any capital gains made on disposals, rebased to the 5 April 2019 market value, although trusts may also benefit from the UK capital gains annual exempt amount.

Corporate investors are potentially liable to UK Corporation Tax on any chargeable gains made on disposals, rebased to the 5 April 2019 market value. Corporate investors would have to notify HMRC of their chargeability to UK Corporation Tax if they make a relevant disposal within 3 months of the disposal, with the Corporation Tax return being due 12 months after the disposal. Corporate investors should note that the date any potential payment could be due depends on the level of gains made and therefore as with any other investors they should seek their own professional advice to clarify their position

Investments held via an institutional corporate entity are potentially liable to UK Corporation Tax on any capital gains made on disposals, rebased to the 5 April 2019 market value. This includes all redemptions of Shares made by an institutional corporate investor in the Fund, including quarterly

redemptions made by certain classes of Shareholders required to cover management and adviser charges from the investors account.

For institutional pooled/nominee accounts, as the registered owner of the account, it is the responsibility of the nominee account holder to confirm any capital gain to the underlying beneficial owner of the shares.

It should be noted that a "disposal" for UK taxation purposes may include a conversion between Classes.

**Non-UK resident individual investors and non-UK resident trust investors disposals in the Fund must be reported to HMRC via the "CGT on UK property" service within 60 days of the date of any disposal of shares in the Fund in order to avoid late filing penalties. Payment of any tax liability is also due 60 days after the disposal.**

**Non-UK resident corporate investors would have to notify HMRC of their chargeability to UK Corporation Tax within 3 months of the disposal if they make a relevant disposal, with the Corporation Tax return being due 12 months after the disposal. Any potential payment due date will depend on the quantum of gains made and therefore as with any other disposal investors should seek their own professional advice to clarify their position if necessary.**

**As an individual, corporate or trust investor you will need to decide what you believe is appropriate and reasonable given your specific circumstances and separate individual independent tax advice may be required.**

**Please note that it is the responsibility of the investor, or the trustees (as applicable) to ensure that any necessary returns have been filed prior to the submission deadlines.**

#### *South Africa tax residents*

In terms of the South African Income Tax Act of 1962, Shareholders that are resident for tax in South Africa may be subject to income tax on dividends earned from the Fund, as well as to CGT on the disposal of Shares, amongst others. This is in addition to any potential CGT liability in the United Kingdom, as explained above. Investors should consult their own tax advisers regarding the possible implications of the relevant legislation on their investment and the entities through which they hold their investment.

### **Inter-jurisdictional reporting**

The Isle of Man Government has signed agreements with the US Government (the Foreign Account Tax Compliance Act ("FATCA")) under which details of Isle of Man assets and income of US citizens will be forwarded to the Isle of Man Assessor of Income Tax by financial institutions in the Isle of Man. They will, in turn, forward this information to the US Inland Revenue Service.

In addition, the Isle of Man Government has also signed agreements with participating jurisdictions for the Common Reporting Standards "CRS", which follows a similar process to FATCA but on a more global scale. Over 100 jurisdictions have made a commitment to comply with the CRS regulations, with many more expected to commit in the near future. Where Shareholders are tax resident in one or more of the Reportable Jurisdictions, reports will be made in line with the requirements.

The Directors will need to comply with FATCA in respect of US citizens and with CRS for taxpayers in reportable jurisdictions.

# Status of the Fund

The following description is a summary of the status of the Fund, the jurisdiction in which it is established, the principal provisions of the Companies Act as it applies to the Fund, and a summary of the Articles, a copy of which is available from the Fund on request. This summary is qualified in its entirety by the information appearing in the Articles.

## Jurisdiction

The Isle of Man is a British crown dependency which does not form part of the United Kingdom. The Isle of Man is a self-governing parliamentary democracy with its laws comprising Isle of Man statutes (passed by the insular legislature, Tynwald), Isle of Man common law, and certain statutes passed by the UK Parliament which are applicable to the Isle of Man either by extension or inference.

## Companies Act

The Fund is incorporated in the Isle of Man under the Companies Act as a company limited by shares. The Companies Act allows for the incorporation of a simplified corporate vehicle limited by shares designed for international business (a "**2006 Act Company**"). Details of the date of incorporation, company number and registered office of the Fund are set out in the section of this document entitled "**Directory**". The Fund is a limited company under the Companies Act and an open-ended investment company under the CISA.

## Corporate Personality

The Fund is a legal entity in its own right, separate from its members, and will continue in existence until it is dissolved.

## Registered Office and Registered Agent

The Fund is required at all times to have a registered office in the Isle of Man. The Fund is also required at all times to have a registered agent in the Isle of Man who must hold a licence granted by the IOMFSA which does not exclude acting as registered agent. The Manager has been appointed to act as registered agent of the Fund.

## Capacity and Powers of the Fund

The doctrine of *ultra vires* does not apply to the Fund. The Companies Act states that, notwithstanding any provision to the contrary included in its memorandum or articles of association, the Fund has unlimited capacity to carry on or undertake any business or activity, to do, or be subject to, any act or to enter into any transaction, irrespective of corporate benefit and irrespective of whether or not it is in the best interests of the company to do so.

## Directors

Each Director is subject to Isle of Man common law duties such as the duty to act bona fide in the interests of the Fund, and Isle of Man statutory duties such as the requirement to disclose any conflicts of interest. In addition, each Director is in a position of trust and as such owes various fiduciary duties to the Fund. The duties owed by the Directors are owed primarily to the Fund rather than individual Shareholders, employees or creditors.

Any individual or (subject to the requirements below) any body corporate may be a director of a 2006 Act Company. A body corporate may be a director of a 2006 Act Company if it, or another body corporate of which it is a subsidiary, holds a licence granted by the IOMFSA which does not exclude acting as such. A 2006 Act Company is permitted to have a sole director under the Companies Act, but the Articles provide (in compliance with guidance issued by the IOMFSA and the requirements of the Regulations) that the Fund must have at least two directors, of whom one must be a natural person resident in the Isle of Man.

## **Members**

The Fund is required to have at least one Shareholder at all times and is required to maintain a register of members recording, *inter alia*, the name and business or residential address of the persons who hold shares in the company. The entry of a person's name in the register of members as the holder of a share is *prima facie* evidence that legal title to that share vests in that person.

## **Shares**

A share in the Fund is the personal property of the Shareholder. The liability of an investor to the Fund, as a Shareholder, is limited to (a) the amount unpaid on any Shares held by that member, (b) any liability to repay all or any part of a Distribution made to that member (see below for a definition of "**Distribution**"), (c) any liability for calls made on the Shareholder by the Fund and (d) any other liability expressly provided for in the Memorandum and Articles. The Fund has no power to issue bearer shares, convert a share into a bearer share or exchange a share for a bearer share.

## **Rights of Members under the Companies Act**

The Directors are required to call a meeting of the Fund to consider a resolution if requested in writing to do so by a member or members holding at least 10 per cent of the voting rights in relation thereto.

The members may also resolve to remove any Director, notwithstanding anything in the memorandum and articles or any agreement between the Director and the Fund. If the Fund or a Director engages in conduct that contravenes the Companies Act or the Memorandum or Articles a Shareholder or Director may apply to the Court for a direction restraining the Fund or the Director (as appropriate) from such conduct.

A Shareholder may bring an action against the Fund for breach of duty owed by the Fund to such member in that capacity. In addition, a Shareholder who considers that the affairs of the Fund are being conducted in a manner likely to be oppressive to such member may apply to the Court for relief. The Court has the power to make such order or orders as it thinks fit including, *inter alia*, the payment of compensation, the regulation of the future conduct of the Fund, the appointment of a receiver of the Fund, the rectification of the records of the Fund or requiring the Fund or any other person to acquire that Shareholder's Shares.

## **Winding Up**

The winding up of the Fund can be achieved in three ways:

- by the Court;
- voluntarily; or
- voluntarily, subject to the supervision of the Court.

The Fund may be wound up by the Court if the Fund passes a resolution to that effect. The Fund may also be wound up by the Court if, *inter alia*, the Fund is unable to pay its debts, the company suspends its business for a whole year, or the Court is of the opinion that it is otherwise just and equitable that the Fund be wound up.

If it so resolves, the Fund may be wound up voluntarily. If, prior to a resolution for voluntary winding up, a majority of the Directors make a statutory declaration to the effect that they have made a full enquiry into the affairs of the Fund, and having done so, they have formed the opinion that the Fund will be able to pay its debts in full within a period, not exceeding 12 months, from the commencement of the winding up the winding up will proceed as a members' voluntary winding up; where no such declaration has been made the winding up will be a creditors' voluntary winding up.

Under a members' voluntary winding up the Fund is entitled to appoint liquidators to wind up the affairs and distribute the assets of the Fund, whereas under a creditors' winding up the creditors are entitled to appoint liquidators in preference to any liquidators appointed by the Fund. In

circumstances where the Fund has passed a resolution for voluntary winding up the Court may make an order that the voluntary winding up shall continue subject to the supervision of the Court.

The rights of Shareholders to participate in the assets of the Fund on its winding up are summarised in the section of this document entitled "**Characteristics of Shares and Permitted Investors**".

## **Accounting Records**

The Companies Act requires the Fund to keep reliable accounting records which (i) correctly explain the transactions of the Fund, (ii) enable the financial position of the Fund to be determined with reasonable accuracy at any time; and (iii) allow financial statements to be prepared.

## **Statutory Books**

Under the Companies Act originals or copies (as appropriate) of various documents, including the constitutional documents, statutory books and accounting records of the Fund, are required to be kept at the office of the registered agent.

## **Articles**

Various provisions of the Articles (including those relating to the issue, redemption, conversion and transfer of Shares, the share capital of the Fund, the rights attaching to the various classes of shares in the Fund and variations of class rights) are summarised elsewhere in this document. The Articles also contain provisions, *inter alia*, to the following effect:

### *Alteration of Share Capital*

The Fund may, by a resolution of the Shareholders (in relation to which only the holders of Management Shares would be entitled to vote, subject to any variation of class rights), alter the Fund's share capital in any way and, in particular, may:

- consolidate and divide all or any shares into shares of a larger amount;
- re-denominate all or any shares as shares with a par value denominated in another currency on such basis as the Directors see fit; or
- sub-divide all or any shares into shares of smaller amount.

### *Shareholders' Meetings*

The Directors may convene meetings of the Shareholders or any class of Shareholders at such times and in such manner and places within or outside the Isle of Man as they consider appropriate. There must be an annual members' meeting of the Fund. All general meetings of Shareholders will be held in the Isle of Man unless otherwise notified and will be convened by not less than 14 days' notice to those Shareholders who are entitled to vote at the meeting.

The holders of Management Shares have the right to receive notice of and attend and to vote at members' meetings of the Fund. The rights of the Shareholders to vote are as set out in the section of this document entitled "**Characteristics of Shares and Permitted Investors**".

A meeting of Shareholders or Class of Shareholders is duly constituted and quorate if, at the commencement of the meeting, there are present any two Shareholders or a Shareholder or Shareholders holding at least 10 per cent of the voting rights entitled to be exercised at the meeting. If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened at the request of Shareholders, shall be dissolved; in any other case, it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the Directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting any Shareholder or Shareholders, those present shall constitute a quorum but otherwise the meeting shall be dissolved.

Any action that may be taken by the Shareholders or a Class of Shareholders at a meeting (whether by Ordinary Resolution or Special Resolution) may also be taken by a resolution consented to in writing by the Board and a Shareholder or Shareholders or the member or members of a Class of

Shareholders holding more than 75 per cent of the voting rights exercisable in relation thereto, provided that a copy of the proposed resolution is sent to all of the persons entitled to consent to it.

#### *Notices*

Any notice, information or written statement may be sent to a Shareholder by electronic communication, delivered by personal service or sent by mail to the registered address of the Shareholder appearing in the Register. A Shareholder who provides an e-mail address to the Fund is deemed (unless and until the Manager receives notice to the contrary) to have consented to the provision of any notice, information or written statement by electronic communication sent to that e-mail address. For these purposes, due notice of any notice, information or written statement is deemed to have been given if it is attached to an electronic communication or posted to a website that is referred to in an electronic communication.

In the case of joint owners of a Share, all notices shall be given to the senior joint owner and seniority shall be determined by the order in which the names of the owners stand in the Register and such notice constitutes sufficient notice to all the joint owners. Proof that an envelope containing any communication was properly addressed, pre-paid and posted shall be conclusive evidence that it was given by mail. Any notice, information or written statement shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of any notice, information or written statement given by electronic communication, at the expiration of 48 hours after the time it was sent (irrespective of whether the Fund receives notification of any delivery problem).

Any person, such as a personal representative of a deceased Shareholder, who becomes entitled to a Share will be bound by any notice in respect of that Share which, before its name is entered in the Register, has been duly given to the person from whom he/she/it derives title.

#### *Voluntary Transfers of Shares*

Shares are not generally transferable, but the Manager may in its discretion permit a transfer to be made if it is made in such form as the Manager may prescribe for that purpose for the time being and signed by the Shareholder, or by one of such Shareholders in the case of joint holders, or (in the discretion of the Manager) by a person whose authority to act on behalf of such person has been evidenced to the satisfaction of the Manager, if the Shareholder has provided any updated or further due diligence information that may be requested by the Manager and if:

- it is to a person whom the Directors are satisfied is a Permitted Investor;
- it is to a person who has duly completed, signed and submitted an appropriate Application Form;
- it is to a person who has provided all requested due diligence information;
- it is in respect of Shares equivalent to the relevant Minimum Transaction;
- if the transferee is not already a holder of Shares, the transfer is in respect of Shares equivalent to the Minimum Initial Investment; and
- upon the proposed transfer becoming effective, both the transferee and (unless the transfer is in respect of the transferor's entire holding of Shares) the transferor will be the holders of Shares equivalent to the relevant Minimum Holding.

#### *Information Requests and Compulsory Transfers and Redemptions of Shares*

The Directors may, by notice in writing, require any Shareholder to provide such information or documents and/or make such declarations as the Directors may reasonably require in order to determine whether or not to invoke the compulsory transfer powers conferred upon them by the Articles. The compulsory transfer provisions of the Articles state that if the Directors reasonably believe that any Share is held by, or for the benefit of, any person who:

- is a Prohibited Person or a US Person or otherwise not a Permitted Investor; or
- by virtue of the holding concerned, gives rise to a regulatory, pecuniary, legal or taxation or material administrative disadvantage or adverse consequence to the Fund or its Shareholders; or

- by virtue of the holding concerned, could result in adverse tax or regulatory consequences to the Fund or its Shareholders or require the Fund to comply with any registration or filing requirement in any jurisdiction with which it would not otherwise be required to comply; or
- has failed to provide any information, document or declaration required within 21 days of being requested to do so,

then the Directors may serve a notice on the holder of the Share in question requiring him/her to transfer such Shares as the Directors may specify in such notice to a Permitted Investor (subject to the requirements summarised above in relation to voluntary transfers) within 21 days of the date of such notice. In default of compliance with any such notice the Directors are authorised (at their discretion) either (i) to deem the relevant Shareholder to have submitted a Redemption Request in respect of such Shares or (ii) to sell and transfer such Shares (on such terms as the Directors may see fit) to such person or persons as they may in their absolute discretion determine and under the Articles each Shareholder appoints each Director for the time being to act (jointly or singly) as his/her lawful attorney and to do all things and sign and execute on his/her behalf as may be necessary or desirable in connection with any such sale or transfer. The Directors will procure that the proceeds of any such sale shall be held in a segregated account on trust for the holder of the Share in question.

#### *Transmission of Shares*

A person becoming entitled to a share in consequence of the death, bankruptcy or winding up of a Shareholder may, upon producing such evidence as the Directors may reasonably require, elect either to become the registered holder of the share by giving notice to the Fund to that effect or have some other person registered as the transferee by executing an instrument of transfer even though such person is not a Shareholder at the time of the transfer. Any transfer of such share must be in accordance with the provisions of the Articles and the provisions of the Regulations. A person becoming entitled to a share in consequence of the death, bankruptcy or winding up of a Shareholder shall have the rights to which such person would be entitled if that person were the registered holder of the share, except that such person shall not, before being registered as the holder of the share, be entitled to receive notice of, to attend or to vote at any meeting of the Shareholders, or any Class of Shareholders, of the Fund.

#### *Borrowing Powers of the Fund*

The Directors may exercise all the powers of the Fund to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Fund or of any third party and may grant security for such borrowings and each Shareholder agrees and consent to any such borrowings and the granting of security over the assets of the Fund as aforesaid.

#### *Appointment of Directors*

The Directors may be appointed by Ordinary Resolution of the Shareholders or by a resolution of the Directors, subject to no objection from the IOMFSA. There is no fixed term for the appointment of a Director and no age limit for retirement. A Director may be removed from office by a Special Resolution of the Shareholders.

#### *Directors' Interests*

If a Director becomes aware of the fact that he is interested in a transaction entered into or to be entered into by the Fund, he is required by the Articles and the Companies Act to disclose such interest to the Board. Subject to the Articles, a Director who is interested in a transaction entered into or to be entered into by the Fund may:

- vote on a matter relating to the transaction;
- attend a meeting of the Directors at which a matter relating to the transaction arises and be included among the Directors present at the meeting for the purposes of a quorum; and
- sign a document on behalf of the Fund, or do any other thing in that person's capacity as a Director, that relates to the transaction.

Provided that a Director has disclosed any interest in accordance with the Articles and the Companies Act, a Director, notwithstanding his office:

- may be a party to, or otherwise interested in, any transaction or arrangement with the Fund or in which the Fund is otherwise interested;
- may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Fund or in which the Fund is otherwise interested; and
- shall not by reason of his or her office, be accountable to the Fund for any benefit which such Director derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

#### *Indemnities*

The Fund may indemnify against all expenses (including legal fees) and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

- is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a Director; or
- is or was, at the request of the Fund, serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise.

The indemnity set out in the above paragraph will only apply if such person acted honestly and in good faith with a view to the best interests of the Fund and, in the case of criminal proceedings, the person had no reasonable cause to believe that his conduct was unlawful. The decision of the Directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Fund and as to whether the person had no reasonable cause to believe that such person's conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles unless a question of law is involved.

#### *Insurance*

The Fund may purchase and maintain insurance in relation to any person who is or was a Director, officer or liquidator of the Fund, or who at the request of the Fund is or was serving as a director, officer or liquidator of, or

in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against that person and incurred by that person in that capacity, whether or not the Fund has or would have had the power to indemnify the person against the liability as provided in the Articles

#### *Dividends, Distributions and the Solvency Test*

The Articles provide that a "**Distribution**" means the direct or indirect transfer of the Fund's assets to or for the benefit of a member or the incurring of a debt to or for the benefit of a member in relation to shares held by that member, whether by means of the purchase of an asset, the purchase, redemption or other acquisition of shares or a transfer or assignment of indebtedness, or otherwise, and includes a dividend.

Subject to the Act and the Articles, the Fund may, by a resolution of the Directors, declare a Distribution:

- which shall be paid to the holders of Income Shares of any Class by way of dividend in money, shares or other property at such time and of such amount as the Directors think fit; and
- which shall be credited as a capital contribution of such amount as the Directors think fit to the Proportion Account maintained for the Accumulation Shares of any Class

if the Directors are satisfied, on reasonable grounds, that the Fund will, immediately thereafter, satisfy the Solvency Test.

Where a Distribution has been made to a Shareholder and the Fund did not, immediately after the Distribution, satisfy the Solvency Test, the Distribution (or the value thereof) may be recovered by

the Fund from the Shareholder in accordance with section 51 of the Companies Act. The holders of Management Shares are not entitled to receive dividends in respect of the assets of the Fund.

The Directors may, in their discretion, satisfy any dividend or other Distribution due to Shareholders in whole or in part by distributing to them in specie any of the assets of the Fund, and in particular any shares or securities of other companies to which the Fund is entitled. The Directors may also satisfy any dividend or other Distribution by the issue of Shares as bonus shares, or by applying the same in subscribing for any such Shares credited as fully paid. When exercising such powers, the Directors may (but are not obliged to) afford the affected Shareholders the opportunity to elect in what manner to receive such Distribution (either as regards a particular Distribution or Distributions generally) and may allow Shareholders to vary such election and may specify what treatment will be adopted in default of any such election. Any dividend unclaimed after 12 years from the date when it first became payable shall be forfeited automatically.

#### *Reduction of Capital*

The Fund may, by a Special Resolution (in relation to which only the holders of Management Shares would be entitled to vote, subject to any variation of class rights), reduce its share capital in any way provided that the Directors are satisfied, on reasonable grounds, that the Fund will, immediately after such reduction, satisfy the Solvency Test. For the avoidance of doubt, neither the making of a Distribution (including by way of dividend) by the Company nor a purchase or redemption by the Fund of any of its shares in accordance with the Articles will constitute a reduction of capital for these purposes.

#### *Side-Pockets*

The Directors may resolve to allocate one or more investments of the Fund to a Side-Pocket if they determine that it is in the interests of the Shareholders to do so because, *inter alia*, of the illiquidity of such investments. The process may be reversed if the Directors consider that it is permissible due to a change in the circumstances affecting that investment.

Upon the creation of a Side-Pocket, a number of the Shares of each affected Shareholder will be converted to shares in the Side-Pocket. When the process is reversed, a number of those shares will be cancelled, and each affected Shareholder will be allotted bonus Shares of the same Class from which the conversion took place. The conversion, cancellation and allotment of shares in connection with a Side-Pocket is proportionate to the number of Shares held by an affected Shareholder prior to conversion, the number of shares held by that Shareholder in the Side-Pocket following conversion, and the respective Net Asset Values of the Side-Pocket and of the Fund.

Shares in a Side-Pocket may not be redeemed by Shareholders or be converted to shares of another Class, they carry no voting rights and, on a winding-up, they are entitled only to participate in the surplus assets of that Side-Pocket.

#### *Amendment of the Articles*

The Memorandum or Articles of Association of the Fund may be amended either by a Special Resolution (in relation to which only the holders of Management Shares would be entitled to vote, subject to any variation of class rights) or by a resolution of the Directors (provided that that such amendment does not vary the rights attaching to any Class of shares or, to the extent that it does, such variation has been approved by the members of that Class in accordance with the Articles and provided further that Shareholders must be given at least thirty clear days' notice

of any such amendments becoming effective if such amendments are not determined by resolution of Directors to be immaterial.

#### *Winding Up*

The rights of members to participate in the assets of the Fund on a winding up are described under **"Characteristics of Shares and Permitted Investors"**.

If the Fund is being wound up, the liquidator may, with the sanction of a Special Resolution of the Shareholders, divide among the Shareholders in specie the whole or any part of the assets of the Fund and may, for that purpose, value any assets and determine how the division shall be carried out as between Shareholders or the Shareholders of different Classes of Share.

The liquidator may, with the sanction of a Special Resolution of the Shareholders, vest the whole or any part of the assets of the Fund in trustees upon such trusts for the benefit of the Shareholders

as the liquidator with the like sanction determines, but no Shareholder shall be compelled to accept any assets upon which there is a liability.

# Investor Due Diligence

## Countering Money Laundering and Terrorist Financing

As part of the Fund's responsibility for countering money laundering and terrorist financing ("CMLTF"), the Fund and the Manager must establish an investor's identity, any beneficial owner underlying or controlling the investment, the source of the investor's subscription payment and the source of the investor's wealth. The Manager is generally required to verify this information in accordance with the CMLTF Rules and reserves the right to request such documentation and supporting information as they deem necessary to verify such matters. Further information on these procedures is set out in the Application Form. In the event of delay or failure by the subscriber to produce any documentation or information required for verification purposes, the Fund may refuse to accept a subscription or process a transfer or may compulsorily transfer or redeem such person's Shares and/or payment of any amount by or on behalf of the Fund may be delayed, and none of the Fund, the Directors or the Manager shall be liable to any applicant, subscriber or Shareholder where an application for Shares or transfer is not processed or where Shares are compulsorily transferred or redeemed in such circumstances. The Fund, by written notice to any Shareholder, may suspend the payment of any amount payable to such person if it reasonably deems it necessary to do so to comply with the CMLTF Rules applicable to the Fund, the Manager or any of the Fund's other service providers.

Each subscriber and Shareholder is required to make such representations to the Fund as the Fund or the Manager shall require in connection with the CMLTF Rules applicable anti-money laundering/terrorist financing requirements, including, without limitation, representations to the Fund that such subscriber or Shareholder is not a prohibited country, territory, individual or entity listed on any list maintained by any organ of the Isle of Man government or any other body specified from time to time by the Manager, and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on any such list or prohibited by any sanctions programs. Each subscriber or Shareholder must also represent to the Fund that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene any laws and regulations, including, without limitation, the CMLTF Rules.

If any person resident in the Isle of Man knows or suspects that another person is engaged in money laundering or terrorist financing and the information for that knowledge or suspicion came to his attention in the course of his trade, profession, business or employment, he is required to report such belief or suspicion to the relevant authorities pursuant to Isle of Man law, and such report is not to be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise. The Fund may impose additional requirements at any time to comply with the CMLTF Rules.

# Data Protection

## ***General Data Protection Regulations***

By signing the Application Form, you are consenting to the Fund and the Manager, as data controllers, and the Manager, as the Fund's data processor, holding personal data in relation to you. This personal data will consist of both information provided by you directly to the Fund and the Manager and data that they have obtained in relation to you by use of internet and other sources. The Fund and the Manager will securely hold and process this data to enable them to verify your identity and manage your investment in the Fund.

The Fund and the Manager have an obligation only to hold information that is

- Processed lawfully, fairly and in a transparent manner;
- Collected for specified, explicit and legitimate purposes and not further processed in a manner incompatible with those purposes;
- Adequate, relevant and limited to what is necessary;
- Accurate and, where necessary, kept up to date;
- Kept in a form that permits identification of data subjects for no longer than is necessary;
- Processed in a manner that ensures appropriate security of the personal data including protection against unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures.

The Fund and the Manager will not reveal your personal data to any third party unless required to by law or as necessary in the operation of the Fund.

All personal data will be held by the Fund and the Manager for 6 years following the date on which you cease to be a Shareholder. However, during the time from when you first become a Shareholder and the initial secure retention of your data to the end of the retention period you have rights under Isle of Man law, within certain parameters, as follows:

- Right of access – should you ask the Fund and the Manager in writing, they will provide you with a copy of all personal data held in relation to you.
- Right to rectification – If you believe the personal data relating to you is inaccurate you can apply to have it amended.
- Right of erasure (right to be forgotten) – you can apply to have your data with the Fund and the Manager erased, once you cease to be a Shareholder under certain circumstances as long as it does not conflict with any of the Fund's and the Manager's compliance under Isle of Man law.
- Right to restriction of processing – you may restrict the way in which the Fund and the Manager use your data under certain circumstances.
- Right of data portability – you can request that the Fund and the Manager provide your personal data, or aspects of it, to a third party nominated by you.
- Right to object to processing – you can object to automated profiling (note this is not used by the Fund or the Manager).
- Right to complain – you have the right, should you believe that your personal data has not been handled correctly to complain to either the Manager's Data Protection Officer at [enquiries@fim.co.im](mailto:enquiries@fim.co.im) telephone +44 (0) 1624 681250 or by post to: 55 Athol Street, Douglas, Isle of Man, IM1 1LA or directly to the supervisory authority, The Information Commissioner at First Floor, Prospect House, Prospect Hill, Douglas, Isle of Man, IM1 1ET.

Should you wish to exercise any of your rights please contact the Manager's Data Protection Officer, ideally in writing (including electronic formats) with details. Equally the Fund and the Manager have the right under Isle of Man law to refuse a request from you where it is deemed excessive or unmerited; if this is the case the Manager's Data Protection Officer will respond to you in writing justifying the decision.

The Fund and the Manager endeavour to hold all data securely and the Manager has systems, both manual and computerised to ensure that all information relating to you are held as securely as possible.

# Additional Information

## Reports and Financial Statements

Under the Fund's current financial reporting schedule, financial periods of the Fund end on the Accounting Date in each year. The annual report containing the audited financial statements of the Fund will generally be sent to all Shareholders within six months of the end of the relevant financial year. The financial statements of the Fund will be prepared in accordance with the Accounting Standards. It is intended that the annual audited report and accounts of the Fund will be prepared in compliance with Article 22 of the AIFM Directive.

## Material Contracts

### **Management Agreement**

The Fund has entered into a management agreement dated 26 February 2015 with the Manager whereby the Manager has agreed to act as manager, asset manager and promoter of the Fund for the purposes of the Regulations. Under the Management Agreement, the powers and discretions of the Directors have (subject to the overall control of the Directors and any specific restrictions they may impose) been delegated to the Manager. In its capacity as the Asset Manager of the Fund, the Manager has the power to initiate investment transactions on behalf of the Fund, subject to the investment policy and restriction applicable to the Fund for the time being. The agreement also imposes certain obligations on the Manager including, *inter alia*, the obligation to establish and operate a risk management process for the Fund. This agreement is terminable by 90 days' notice by either the Fund or the Manager and may be terminated on lesser periods of notice in certain circumstances. It should be noted that notwithstanding the terms of the management agreement, the termination of the appointment of the Manager (save upon the cessation of the Fund) requires the prior consent of the IOMFSA under the Regulations. This agreement contains indemnities in favour of the Manager which generally apply in the absence of gross negligence, fraud or wilful default on its part; any provision purporting to exempt the Manager from liability for a failure to exercise due care and diligence in the discharge of its duties is void under Isle of Man law by virtue of the CISA. The arrangements in relation to the fees and expenses of the Manager are set out above in the section entitled "**Charges and Expenses**".

Prior notice of any changes to the terms of appointment of the Manager will be given to any Shareholders thereby affected. If the termination or appointment of any Manager is proposed, or if any proposed changes to the terms of appointment of the Manager are not determined by resolution of Directors to be immaterial, the Shareholders thereby affected will be given at least thirty clear days' notice before such changes take effect.

### **Custody Agreement**

The Fund has entered into a Custody Agreement dated 14 September 2016 with the Fiduciary Custodian whereby the Fiduciary Custodian agrees to act as fiduciary custodian of the Fund. Under the Custody Agreement, certain powers of the Directors have been delegated to the Fiduciary Custodian. The Custodian Agreement is terminable by six months' notice by either the Fund or the Fiduciary Custodian and may be terminated by lesser periods of notice in certain circumstances; it should be noted that, separately from the terms of the Custodian Agreement, the termination of the appointment of the Fiduciary Custodian (save upon the cessation of the Fund) would require the Manager to seek consent from the IOMFSA to its continuing to act as Manager. The Custody Agreement contains certain indemnities and exclusions in favour of the Fiduciary Custodian, which generally apply in the absence of gross negligence, fraud or wilful default on its part; any provision purporting to exempt the Fiduciary Custodian from liability for a failure to exercise due care and diligence in the discharge of its duties is void under Isle of Man law by virtue of the CISA. The arrangements in relation to the fees and expenses of the Fiduciary Custodian are set out above in the section entitled "**Charges and Expenses**".

Prior notice of any changes to the terms of appointment of the Fiduciary Custodian will be given to any Shareholders thereby affected. If the termination or appointment of any Fiduciary Custodian is proposed, or if any proposed changes to the terms of appointment of the Fiduciary Custodian are

not determined by resolution of Directors to be immaterial, the Shareholders thereby affected will be given at least thirty clear days' notice before such changes take effect.

### **Property Management**

The Fund has entered into a property management agreement dated 1 March 2023 with the Property Manager whereby the Property Manager has agreed to assist with the procurement and management of property for the Fund. This agreement replaces the previous agreement dated 5 November 2013, as amended and restated on 26 February 2015, with Sequel Property Investments (Pty) Ltd which was terminated by mutual agreement. It contains indemnities in favour of the Property Manager which generally apply in the absence of fraud, negligence or default on the part of the Property Manager. The arrangements in relation to the expenses of the Fund under the Property Management Agreement are set out above in the section entitled "**Charges and Expenses**".

### **Listing Sponsor**

The Fund has appointed the Listing Sponsor to advise and assist the Fund in complying with the listing rules of the Exchange on the terms of the Listing Sponsor's engagement letter with the Fund dated 13 May 2025, the Listing Sponsor's terms of business and a sponsor agreement between the Listing Sponsor and the Fund dated 6 January 2026. The terms under which the Listing Sponsor was appointed contain indemnities in favour of the Listing Sponsor which generally apply in the absence of fraud, gross negligence or wilful default on the part of the Listing Sponsor. The arrangements in relation to the expenses of the Fund under the letter of engagement are set out above in the section entitled "**Charges and Expenses**".

### **Legal Proceedings**

There are no legal or arbitration proceedings (including such proceedings which are threatened of which the Directors are aware) which may have or have had in the recent past (covering at least the previous 12 months) a significant effect on the Fund's financial position.

### **Documents Available for Inspection**

Copies of the following documents may be inspected during normal business hours in the Isle of Man on any weekday (except on public holidays in the Isle of Man) at the registered office of the Manager, details of which appear in the "**Directory**":

- (a) the Memorandum and Articles of Association of the Fund;
- (b) the current Offering Document;
- (c) the Register;
- (d) the material contracts entered into by the Fund; and (e) the latest reports and accounts of the Fund, when available.

# Definitions and Interpretation

References to time in this Offering Document are to the time in the Isle of Man.

Certain words and expressions used in this document are defined in the text and, unless the context otherwise requires, such definitions shall apply throughout this document. Unless otherwise specified in this document, the following additional words and expressions shall bear the following meanings when used in this document, unless the context otherwise requires:

<b>"Accounting Date"</b>	means 31 August or such other date as may be adopted by the Board (with the approval of the Auditor) as the accounting date of the Company;
<b>"Accounting Standards"</b>	means the standard specified as such in the <b>"Directory"</b> or such other accounting standards as may be permitted by the Regulations and adopted (with the approval of the Auditor) for the preparation and audit of the financial statements of the Fund;
<b>"Accumulation Shares"</b>	means a Class of Share which accumulates the income arising in respect of that Share so that it is reflected in the value of that Share;
<b>"Acquisition Costs"</b>	means all costs, charges, expenses and liabilities of any nature whatsoever arising pursuant to or in connection with the acquisition of a property by the Fund or by one of its subsidiaries, including, without prejudice to the generality of the foregoing, stamp duty land tax;
<b>"AIFM Directive"</b>	Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers and its implementing measures;
<b>"Application Form"</b>	means the form of application for Shares prepared in accordance with the Regulations, as amended from time to time;
<b>"Articles"</b>	means the Memorandum and Articles of Association of the Fund, as amended from time to time;
<b>"Asset Manager"</b>	means the person named in the <b>"Directory"</b> as the Asset Manager or such other person as is appointed as asset manager by the Fund for the time being in accordance with the Regulations;
<b>"Associate"</b>	means: (a) in relation to an individual: (i) the father, mother, wife, husband, son, stepson, daughter, stepdaughter, brother or sister of the individual; (ii) a body corporate of which that individual is a director; and (iii) a partner or employee of that individual; (b) in relation to a body corporate: (i) a subsidiary of that body corporate; and (ii) an employee of any such subsidiary;
<b>"Audit, Risk and Compliance Committee"</b>	means the committee appointed by the Board to review audit, risk and compliance related matters.
<b>"Auditor"</b>	means the person named in the <b>"Directory"</b> as the Auditor or such other person as is appointed as auditor of the Fund for the time being;

<b>"Board"</b>	means the board of directors of the Fund acting as a board, and includes any duly constituted committee thereof;
<b>"Business Day"</b>	means any day on which banks are open for business in London and the Isle of Man;
<b>"CISA"</b>	means the Isle of Man Collective Investment Schemes Act 2008;
<b>"Class"</b>	means a class of Shares in the Fund, including without prejudice to the generality of the foregoing, Income Shares and Accumulation Shares;
<b>"CMLTF Rules "</b>	means the Isle of Man Anti-Terrorism and Crime Act 2003, the Proceeds of Crime Act 2008, Terrorism and other Crime (Financial Restrictions) Act 2014, the Anti-Money Laundering and Countering the Financing of Terrorism Code 2019 and all other delegated legislation made thereunder, all equivalent laws and regulations of any other applicable jurisdiction and all relevant guidance issued thereunder by the IOMFSA or any other relevant regulatory or government agency or body
<b>"Companies Act"</b>	means the Isle of Man Companies Act 2006;
<b>"Continuing Offer"</b>	means the continuing private offer of Shares of each Class for subscription at the prevailing Subscription Price contained in, and subject to the terms and conditions set out in, the Offering Document (as the same may be amended, supplemented or replaced from time to time);
<b>"Court"</b>	means the High Court of Justice of the Isle of Man; means the agreement relating to custody of the assets of the Fund made between the Fund and the Fiduciary Custodian (as the same may be amended, supplemented or replaced from time to time);
<b>"Custody Agreement"</b>	
<b>"Director"</b>	means a director of the Fund for the time being;
<b>"Distribution"</b>	has the meaning given on page 52 of this Offering Document;
<b>"Exchange"</b>	means The International Stock Exchange Limited;
<b>"Exemption Regulations"</b>	means the Collective Investment Schemes (Promotion of Schemes Other Than Authorised and Recognised Schemes) (Exemption) Regulations 2010;
<b>"Fiduciary Custodian"</b>	means the person named in the <b>"Directory"</b> as the Fiduciary Custodian or such other person as is appointed as fiduciary custodian of the Fund for the time being in accordance with the Regulations;
<b>"FSA"</b>	means the Isle of Man Financial Services Act 2008;
<b>"Fund"</b>	means First World Hybrid Real Estate PLC;
<b>"Gross Asset Value" or "GAV"</b>	means the value of the assets of the Fund (as determined in accordance with the Articles) without deducting therefrom the liabilities of the Fund;
<b>"IOMFSA"</b>	means the Isle of Man Financial Services Authority;
<b>"Income Share"</b>	means a Class of Share which distributes its income;
<b>"Initial Charge"</b>	means the amount (if any) that will be deducted by way of initial charge from the Subscription Price for such Shares, as specified in the section of this document entitled <b>"Investment Terms"</b> ;

<b>"Initial Offer"</b>	means the initial private offer of Shares of the A (Income) Class for subscription at the Initial Offer Price contained in, and subject to the terms and conditions set out in, this document (as the same may be amended, supplemented or replaced from time to time);
<b>"Initial Offer Closing Date"</b>	5.00 p.m. on 12 December 2013;
<b>"Initial Offer Price"</b>	£1 per Share;
<b>"Investment Committee"</b>	means the committee appointed by the Board to review investment related matters.
<b>"Listing Sponsor"</b>	means the person named in the <b>"Directory"</b> as the Listing Sponsor or such other person as is appointed as listing sponsor by the Fund for the time being;
<b>"Institutional Investor"</b>	means an entity which pools money to purchase securities, real property and other investment assets and whose ordinary business or professional activity includes acquiring, underwriting, managing, holding or disposing of investments, whether as principal or agent;
<b>"Manager"</b>	means the person named in the <b>"Directory"</b> as the Manager or such other person as is appointed as manager by the Fund for the time being in accordance with the Regulations;
<b>"Management Agreement"</b>	means the agreement relating to the management of the Fund made between the Fund and the Manager (as the same may be amended, supplemented or replaced from time to time);
<b>"Management Charge"</b>	means the amount of the periodic charge payable by the Fund to the Manager (excluding any Initial Charge);
<b>"Management Shares"</b>	means the non-redeemable non-participating management shares of £1.00 nominal value each in the capital of the Fund having the rights and restrictions attached thereto in the Articles;
<b>"Maximum Permitted Level"</b>	means the maximum level of the Initial Charge or the Management Charge (as the case may be) beyond which any increase requires the sanction of a Special Resolution of the Shareholders in accordance with the Articles;
<b>"Maximum Permitted Redemption Percentage"</b>	means 5%, being the maximum percentage of Shares in issue which the Fund may be required (subject to the Articles) to redeem on any Redemption Day;
<b>"Minimum Holding"</b>	means £10,000, being the minimum value of Shares of a Class that any holder of Shares must maintain (save where the Manager permits in its discretion) in the Fund;
<b>"Minimum Initial Investment"</b>	means £10,000, being the minimum Subscription Price that any new investor in the Fund must acquire in Shares of a Class;
<b>"Minimum NAV"</b>	means £3,000,000;
<b>"Minimum NAV Testing Period"</b>	means any three month period;
<b>"Money Market Instrument"</b>	a short or ultra-short debt security with an original maturity of one year, often considerably less. Such investments can be bought and sold directly or through an open-ended, regulated investment fund which also improves diversification. Typical features include a high credit rating, good liquidity, and a competitive rate of interest;
<b>"Net Acquisition Cost"</b>	means the purchase price paid for a property by the Fund or by one of its subsidiaries net of all Acquisition Costs;

<b>“Net Asset Value”</b>	means, in relation to the Fund or to a Side-Pocket, the net asset value, being the value of the total assets less the total liabilities attributable thereto (as determined in accordance with the Articles);
<b>“Non-Institutional Investor”</b>	means an investor or a potential investor in the Fund who is not an Institutional Investor;
<b>“Offering Document”</b>	means this document as the same may be amended, supplemented or replaced from time to time;
<b>“Ordinary Resolution”</b>	means a resolution of the Company passed in members' meeting by a Shareholder or Shareholders holding more than 50 per cent of the voting rights exercised in relation thereto or a resolution of the Shareholders of a Class of shares passed at a separate Class meeting by a Shareholder or Shareholder holding more than 50 per cent of the voting rights exercised in relation thereto (as the context requires);
<b>“Permitted Investor”</b>	means a person who is: (a) not a Prohibited Person; and (b) unless otherwise determined by the Directors on a case by case basis, not a US Person;
<b>“£” or “GBP” or “Pounds Sterling”</b>	means pounds sterling, the lawful currency of the UK;
<b>“Prohibited Person”</b>	means: (i) any natural person under the age of 18; (ii) any person or persons in breach of the law or requirements of any country or governmental authority; (iii) a prohibited country, territory, individual or entity listed on any list maintained by any organ of the Isle of Man government or any other body specified from time to time by the Directors or a person directly or indirectly affiliated with any country, territory, individual or entity named on such a list or prohibited by any sanctions programme; or (iv) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstance appearing to the Directors to be relevant) which in the opinion of the Directors might result in the Fund incurring any liability to taxation or suffering any other pecuniary, fiscal or regulatory disadvantage which the Fund might not otherwise have incurred or suffered;
<b>“Property Manager”</b>	means the person named in the <b>“Directory”</b> as the Property Manager or such other person as is appointed as property manager by the Fund for the time being;
<b>“Proportion Account”</b>	has the meaning given on page 33 of this Offering Document;
<b>“Real Estate Investment Trust”</b>	means a company which owns and manages property on behalf of its shareholders;
<b>“Regulated Fund”</b>	means a “regulated fund” within the meaning of the Regulations;
<b>“Redemption Day”</b>	generally means the first Business Day in each week and any other Business Day as the Directors shall from time to time in their absolute discretion appoint as a day upon which Shares may (subject to the Articles) be redeemed;
<b>“Redemption Price”</b>	means the price at which Shares of each Class are redeemed from time to time;
<b>“Register”</b>	means the register of members of the Fund maintained in accordance with the Act and the Articles, including the names, addresses and Shares held by the Shareholders from time to time;

<b>"Registered Agent"</b>	means the person named in the <b>"Directory"</b> as the registered agent or such other person who is acting as the registered agent of the Fund for the time being in accordance with the Companies Act;
<b>"Registrar"</b>	means the Manager or such other person who is responsible for maintaining the Register for the time being;
<b>"Regulations"</b>	means the Isle of Man Collective Investment Schemes (Regulated Fund) Regulations 2017;
<b>"Rule Book"</b>	means the Isle of Man Financial Services Rule Book issued by the IOMFSA for the time being;
<b>"Settlement Period"</b>	means 15 Business Days following a Subscription Day or Redemption Day within which confirmation of an investment, or payment of the proceeds in respect of any accepted redemption request (as the case may be), relating to Shares will be despatched;
<b>"Shareholder"</b>	means the person recorded in the books and records of the Fund as a registered holder of Shares;
<b>"Shares"</b>	means participating redeemable preference shares of each Class having a nominal value of £0.01 each and having the rights and restrictions attached thereto in, or pursuant to, the Articles;
<b>"Side Pocket"</b>	means a Class of shares in the Fund created under the Articles to which the Directors may resolve to allocate one or more investments of the Fund if they determine that it is in the interests of the Shareholders to do so because, <i>inter alia</i> , of the illiquidity of certain of such investments;
<b>"Solvency Test"</b>	means the solvency test referred to in section 49 of the Companies Act which the Fund will satisfy if it is able to pay its debts as they become due in the normal course of the Fund's business and the value of its assets exceeds the value of its liabilities;
<b>"Special Resolution"</b>	means a resolution of the Fund passed in members' meeting by a majority of at least three-quarters of the voting rights exercised or a resolution of the Shareholders of a Class of shares passed at a separate Class meeting by a majority of at least three-quarters of the voting rights exercised (as the context requires) or a written resolution consented to by the Fund and by members or Shareholders of the relevant Class (as the case may be) holding shares carrying more than 75 per cent of the voting rights entitled to be exercised in relation thereto;
<b>"Sub-Custodian"</b>	means a person appointed by the Fiduciary Custodian (other than the Fiduciary Custodian's own nominee) to act as custodian for certain of the assets of the Fund;
<b>"Subscription Day"</b>	generally means the first Business Day in each week and any other Business Day as the Directors shall from time to time in their absolute discretion appoint as a day upon which Shares may be subscribed for;
<b>"Subscription Price"</b>	means the price at which Shares of each Class are subscribed for, from time to time;
<b>"UCITS"</b>	means Undertakings for The Collective Investment in Transferable Securities;
<b>"UK"</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>"US"</b>	means the United States of America (including the States and the District of Columbia), its territories and possessions and all areas subject to its jurisdiction;

**"US Person"**

has the meaning ascribed thereto in Regulation S promulgated under the US Securities Act of 1933 and includes (1) an individual citizen or resident of the US, (2) a corporation or other entity treated as a corporation that is created or organised under the laws of the US or any political sub-division thereof, (3) an estate the income of which is subject to US federal income taxation without regard to its source and (4) a trust if either (a) a US court is able to exercise primary supervision over administration of the trust and one or more US Persons have the authority to control all substantial decision of the trust or (b) the trust has made a valid election under applicable US Treasury Regulations to be treated as a US trust; and

**"Valuation Day"**

generally means the last Business Day of each week and such other Business Days as the Directors shall from time to time in their absolute discretion appoint for the purposes of calculating the Net Asset Value.