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Luxembourg, le 2018-08-29

Commission de Surveillance du Secteur Financier



PENDRAGON FUND SICAV-SIF S.C.A.

(Investment Fund with variable share capital – Specialised Investment Fund)
Société d'Investissement à Capital Variable – Fonds d'investissement Spécialisé

OFFERING MEMORANDUM

September 2018

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1. STRUCTURE OF THE FUND

1. **PENDRAGON FUND SICAV-SIF S.C.A.** (the “*Fund*”) is a société d’investissement à capital variable (“*SICAV*”) with multiple-sub-funds, under the form of a partnership limited by shares (“*société en commandite par actions*”). The Fund qualifies as a specialized investment fund within the meaning of the Law of 13 February 2007 as amended from time to time (the “*SIF Law*”) and as an Alternative Investment Fund Manager (the “*AIFM*”) in accordance with the Law of 12 July 2013 on alternative investment fund managers transposing the directive 2011/61/EU of the European Parliament and the Council (the “*Law of 12 July 2013*” or the “*AIFM Law*”). Furthermore, the Fund is eligible for registration within the meaning of the article 3. of the AIFM Law and is internally managed within the meaning of the article 4. of the AIFM Law.
2. The Fund was incorporated under Luxembourg law by notarised deed on 21st June 2010 for an unlimited period. Given its legal form, the Fund is composed of two different types of shareholders (jointly, “*Shareholders*”):
 - a) a General Partner (“*associé gérant commandité*”), responsible for the management of the Fund and jointly and severally liable for all liabilities which cannot be paid out of the asset of the Fund. The General Partner holds management shares (the “*Management Shares*”) in the Fund and may also subscribe Ordinary Shares (as defined below).
 - b) the Limited Shareholders (“*associés commanditaires*”), who take no part in the conduct or management of the Fund or to vote on matter relating to the Fund and whose liability is limited to the amount of their investment in the Fund. The Limited Shareholders will have to comply with the status of eligible investor (“*Eligible Investor*”), as defined at the paragraph 6.2 of the Offering Memorandum (also defined “*Prospectus*”), and will hold ordinary shares (the “*Ordinary Shares*”) in the Fund.
3. The Articles of associations of the Fund (the “*Articles*”) are published in the “*Mémorial C, Recueil des Sociétés et Associations*” (the “*Mémorial*”) of 30 August 2010 and have been filed with the Luxembourg Register of Commerce.
4. The Fund has been set up as a “multiple compartment investment Fund” (each compartment defined hereinafter as a “*Sub-Fund*” and collectively as the “*Sub-Funds*”), pursuant to article 71 of the SIF Law, and the General Partner will have the possibility to create additional Sub-Funds, in accordance with the provisions of the Law and the Articles.

At the date of this Prospectus there are the following Sub-Funds:

“PENDRAGON FUND SICAV SIF – REAL ESTATE FUND ONE”.

“PENDRAGON FUND SICAV SIF – PRIVATE EQUITY FUND TWO”

The General Partner may, at any time, create additional classes of Ordinary Shares whose features may differ from the existing classes and additional Sub-Funds whose investment objectives may differ from those of the Sub-Fund then existing. Upon creation of new Sub-Funds or classes, the Prospectus will be updated or supplemented accordingly.

2. USEFUL INFORMATION

- 1.** The Board of Directors of the General Partner (the “Board of Directors”) has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein. The General Partner accepts responsibility accordingly.
- 2.** No person is authorized to give any information or to make any representations other than those contained in the Prospectus and in the documents referred to therein.
- 3.** The registration of the Fund as a SIF does not beforehand require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus or the assets held in the Fund. Any representations to the contrary are unauthorized and unlawful. In particular, the Commission de Surveillance du Secteur Financier (CSSF) assumes no responsibilities for the content of this Prospectus and has not, in any way, considered the investment merits of any of the sub-funds.
- 4.** The shares of the Fund (the “Shares”) have not been registered under the United States Securities Act of 1933 as amended nor has the Fund been registered under the Investment Fund Act of 1940, as amended. Consequently, Shares of the Fund may not be publicly offered or sold in the United States of America or in any of its territories subject to its jurisdiction and may not be offered to or for the benefit of, or purchased by, U.S. Persons (as defined in the Articles). Applicants may be required to declare that they are not U.S. Persons and are not applying for Shares on behalf of any U.S. Person.
- 5.** The “Foreign Account Tax Compliance Act” (FATCA) is a set of rules intended to reduce the levels of tax avoidance by U.S. citizens and entities through Foreign Financial Institutions (FFIs). FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. persons’ direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information

will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

The basic terms of FATCA currently appear to include the Fund as a FFI, such that in order to comply, the General Partner may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation.

Despite anything else herein contained and as far as permitted by Luxembourg laws, the Fund shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Fund;
- require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Fund in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority;
- withhold the payment of any dividend or redemption proceeds to a Shareholder until the Fund holds sufficient information to enable it to determine the correct amount to be withheld.

In view of this, prospective investors should inform themselves as to the taxes applicable to the acquisition, holding and to disposition of shares of the Fund and to distributions in respect thereof under the laws of the countries of their citizenship, residence or domicile. For the purposes of FATCA, the Fund is has been registered with IRS as Reporting FFI under IGA Model 1.

- 6. The value of the Shares may fall as well as rise and a Shareholder, upon redemption of Shares may not get back the amount he initially invested. Income from the Shares may fluctuate in money terms and changes in rates of exchange may cause the value of the Shares to go up or down.** The levels and basis of, and relief from, taxation may change. There can be no assurance that the investment objectives of the Fund will be achieved.
- 7. Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, if applicable, or disposal of the Shares of the Fund.**

8. All references in the Prospectus to "EUR" are to the legal currency of the European Monetary Union (reference currency of the Fund).

3. FUND OVERVIEW

GENERAL PARTNER of the FUND	PENDRAGON MANAGEMENT COMPANY S.A. 23, rue Beaumont L-1219 Luxembourg
BOARD OF DIRECTORS of the GENERAL PARTNER	Mr. Andrea TIRELLI (Chairman) Mr. Claude GEIBEN Mr. Stefano CRESPI Mr. Cristian CARUSO
REGISTERED OFFICE of the FUND	11-13, Boulevard de la Foire L-1528 Luxembourg
ACTIVES SUB-FUNDS	“PENDRAGON FUND SICAV SIF – REAL ESTATE FUND ONE” “PENDRAGON FUND SICAV SIF – PRIVATE EQUITY FUND TWO
CENTRAL ADMINISTRATION (Administrative, Domiciliary, Registrar and Transfer Agent)	AMICORP LUXEMBOURG S.A. 11-13, Boulevard de la Foire L-1528 Luxembourg
DEPOSITARY BANK	ING BANK S.A. 26, place de la Gare L-1616 Luxembourg
EXTERNAL AUDITOR	MAZARS LUXEMBOURG SA. 10a rue Henri M. Schnadt L-2530 Luxembourg
SWISS LEGAL REPRESENTATIVE (for the distribution of the Real Estate Fund One Sub-Fund)	Please see Appendix 1
SWISS PAYING AGENT (for the for the distribution of the Real Estate Fund One Sub-Fund)	Please see Appendix 1

4. DURATION

The Fund has been incorporated for an unlimited duration. Nonetheless, each Sub-Fund of the Fund may have a limited duration, as mentioned in the relevant Appendix.

5. MANAGEMENT AND ADMINISTRATION

5.1 The General Partner and its Board of Directors

The General Partner of the Fund is **PENDRAGON MANAGEMENT COMPANY S.A.**, a public company limited by shares “société anonyme” incorporated on 29th April 2010, under

the law of the Grand-Duchy of Luxembourg and with registered office at Luxembourg City. The General Partner has its registered office at 23, rue Beaumont, L-1219 Luxembourg.

Pursuant to the Articles, as holder of the General Partner Share, the General Partner has responsibility for managing the Fund in accordance with the Placement Memorandum and the Articles, Luxembourg law and other relevant legal requirements.

The General Partner is responsible for implementing the investment policy of the Fund and its Sub-Funds, subject to the risk diversification rules and investment restrictions set out in this Placement Memorandum.

The General Partner is entitled to enter into all types of agreements and contracts including the delegation of investment advisory and management that it may deem necessary, useful or advisable.

The General Partner is also responsible for selecting the Depositary, the Domiciliary and Corporate Agent, the Administration Agent, the Registrar and Transfer Agent and other such agents as are appropriate.

The Board of Managers reserves the right to amend the Prospectus, subject to the prior approval of the CSSF:

- modifications that do not have a material impact on the Shareholders shall only be brought to the attention of the Shareholders by means of a notice;
- modifications that have a material impact on the Shareholders (this includes, but is not limited to amendments relating to the strategy and investment policy of each Sub-Fund and the fees) shall be brought to the attention of the Shareholders by means of a 30 (thirty) days' previous notice before any amendment is implemented. Shareholders who do not agree with the amendments brought to their attention may ask for the redemption of their Shares, free of charges and expenses.

5.2 The Depositary and Paying Agent

ING BANK S.A. ("ING" or the "Depositary"), with registered office in 26, place de la Gare, L-1616 Luxembourg has been appointed, pursuant a depositary bank and services agreement dated July 7th, 2010, as depositary for the safekeeping of all the assets, including the securities, cash and other assets deposits of the Fund that will be held either directly or, under its responsibility, through nominees, agents or delegates of the Depositary and the supervision of all assets of the Fund that are not held in safe custody by the Depositary. All cash, securities and other assets constituting the assets of the Fund shall be held under the control of the Depositary on behalf of the Fund and its Shareholders. The Depositary shall perform its functions and assume its responsibilities in accordance with the SIF Law.

The Depositary may entrust all or part of the assets of the Fund, in particular securities traded abroad or listed on a foreign stock exchange or admitted to a clearing system, to such clearing system or to such correspondent banks as may be determined by the Depositary from time to time. The Depositary's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to such a third party.

The Depositary will have no decision-making discretion relating to the Fund's investments. The Depositary is a service provider to the Fund and is not responsible for the preparation of this document and therefore accepts no responsibility for the accuracy of any information contained in this document.

– Paying Agent

In addition, ING has been appointed as the Fund's principal paying agent (the "*Paying Agent*"). The Paying Agent is responsible for receiving payments for subscriptions of Fund and depositing such payments in the relevant Fund's bank accounts opened with the Depositary and distributing income and distributions to relevant shareholders of the Fund. The Paying Agent shall make payment of proceeds from the repurchase of the shares of the Fund from time to time.

The Fund will not use the services of one or more prime brokers.

The Depositary's fees and costs are charged to the Fund and conform to standard practice in Luxembourg.

5.3 The Central Administration Agent and Domiciliary Agent

Amicorp Luxembourg S.A. having its registered office at 11-13, boulevard de la Foire, L-1528 Luxembourg has been appointed by the Fund to act as Administration Agent (the "*Administrative Agent*"), Domiciliary Agent and registrar and transfer agent (the "*Registrar and Transfer Agent*") of the Fund, with effect as of 31 March 2016 pursuant to a central administration agreement (the "*Central Administration Agreement*").

In its capacity as:

- Registrar and Transfer Agent, Amicorp Luxembourg S.A. is primarily responsible for ensuring the issue, conversion and redemption of shares, maintaining the register of shareholders of the Fund and assisting the General Partner in verifying that Investors qualify as Eligible Investors under the SIF Law.
- Administrative Agent, Amicorp Luxembourg S.A. is also responsible for keeping the accounts of the Fund, calculating and publishing the net asset value of the shares of each sub-fund pursuant to the applicable Laws and the articles of association of the Fund and for performing administrative and accounting services for the Fund as necessary.

- Domiciliary Agent, Amicorp Luxembourg S.A. is primarily responsible for receiving and keeping safely any and all notices, correspondence, telephonic advice or other representations and communications received for the account of the Fund, as well as for providing such other facilities as may from time to time be necessary in the course of the day-to-day administration of the Fund.

The Administrative Agent shall receive an annual fee calculated in accordance with its customary schedule of fees and is also entitled to be reimbursed for all out of pocket expenses properly incurred in performing its duties as Administrative Agent of the Fund.

Under the Central Administration Agreement, the Fund will indemnify and hold the Administrative Agent harmless from and against (i) all expenses, claims, damages, losses, commitments, costs, disbursements, taxes and other liabilities incurred or suffered by the Administrative Agent resulting directly or indirectly from the Administrative Agent carrying out its obligations under the central Administration Agreement, except in the case of a gross negligence (*faute lourde*) or wilful misconduct committed by the Administrative Agent, its relevant director(s) or officer(s); and (ii) all claims, losses or commitments resulting from a breach by the Fund or the General Partner of the representations and warranties made in the Central Administration Agreement.

The Central Administration Agreement is made for an unlimited duration and may be terminated by either party giving a minimum 90 calendar days written notice.

5.4 The Investment Manager(s) and Investment Advisor(s)

As represented to the paragraph 3.1, the Board of Directors is responsible for the administration and the management of the Fund as well as the determination of the investment objectives and policy to be followed in each Sub-Fund.

In defining the investment policy and in the day-to-day management of the assets of the Sub-Funds, the Board of Directors may be assisted by one or several investment advisors (The “Investment Advisor”). In this respect the Investment Advisor will act in a purely advisory capacity and may not deal, on a discretionary basis, on behalf of the Fund and its Sub-Fund.

Furthermore, the Board of Directors may, under its control and responsibility, delegate the execution of the day to day management of the assets of the Sub-Funds to one or several persons or to third entities (the “Investment Manager”), duly authorized by the competent Supervision Authorities. Such subjects shall have the powers and duties given to them by the Board of Directors.

The appointment of an Investment Advisor or an Investment Manager shall be subject to the prior approval of the CSSF and the costs shall be borne by the General Partner.

In case an Investment Advisor or an Investment Manager is appointed, the relevant details shall be found in Appendix to this Prospectus.

5.5 The Investment Committee

An investment committee may be set up for individual Sub-Funds to advise the Board of Directors on its investment activity. In the event that an investment committee is appointed, this will be mentioned for the Sub-Fund in question in Appendix of this Prospectus. Particulars relating to the investment committee, its powers and mode of operation will be set out in rules of procedure adopted by the investment committee.

5.6 The Auditor

The accounts of the Fund will be audited by Mazars Luxembourg SA, having its registered office at 10a rue Henri M. Schnadt, L-2530 Luxembourg which will carry out the function of Auditor in accordance with the terms of the Law of 2007.

6. INVESTMENT POLICIES AND OBJECTIVES

The object of the Fund is the collective investments of its assets in order to spread the investment risks and to provide to the investors the benefit of the result of the management of its assets. The Investment policies and the objectives of each Sub-Fund are more detailed set out in the Appendices to this Prospectus.

Unless otherwise indicated in a more restrictive manner in the Appendices to this Prospectus and in accordance with CSSF Circular 07/309:

- Each Sub-Fund may not invest more than 30 per cent of its asset or commitments to subscribe in securities of the same nature issued by the same issuer. The restriction state above is not applicable to: i) investment in securities issued or guaranteed by a member State of the OECD or their local authorities or public international bodies with EU, regional or worldwide scope; ii) investment in undertaking
- collective investment schemes (UCI) that are subject to risk diversifications requirements that are equivalent to those applicable to Fund's;
- short sale may not result in a Sub-Fund holding open positions on securities of the same nature issued by the same issuer representing more than 30 per cent of its assets;

when using derivative financial instruments, a Sub-Fund will ensure risk-spreading comparable to the above paragraph using an appropriate diversification of such derivatives' underlying assets. With the same objective, counterparty risk in OTC transactions will, as the case may be, be limited in consideration of the relevant counterparty's quality and status. However any Sub-

Fund may have at any time more than 30% of its assets in a single OTC transaction provided that the underlying assets are sufficiently diversified (in full compliance with the above mentioned diversification rule set by the SIF Law), liquid and traded in regulated markets.

For the time being, the Sub-Funds will not enter into repurchase transactions, securities or commodities lending and securities or commodities borrowings, buy-sell back transactions or sell-buy back transactions nor into margin lending transactions. Should any Sub-Funds use such techniques and instruments in the future, the Fund will comply with the applicable regulations and in particular Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse. The Prospectus will be updated prior to the use of any such techniques and instruments.

7. GENERAL RISKS CONSIDERATIONS

An investment in the Sub-Funds is speculative and involves certain risks relating to the particular Fund structure and investment policies and objectives which investors should evaluate before investing. Although the Board of Directors for each Sub-Fund will attempt to manage those risks through careful research and portfolio management, there can be no assurance that it will do so successfully. The following is a brief description of certain factors which should be considered along with other matters discussed elsewhere in this Prospectus. The following however, does not purport to be a comprehensive summary of all the risks associated with any Sub-Fund.

7.1 Risks linked to the investment objectives and policies

Importance of market judgment: market judgement and experience still remain very important elements of strategic investment decisions even if these are supported by the use of quantitative valuation models. Therefore the outcome of any strategy is not the simple result of the application of quantitative (both proprietary and third party) models and therefore the greater the importance of subjective factors, the more unpredictable a strategy and its outcome are.

Risks linked to debt investments: a Sub-Fund may be exposed to credit risk including default risk and credit spread risk. Furthermore the Sub-Fund may be exposed to the integrity of the issuer's management, its commitment to repay the loan, its qualification, its operating record, its emphasis in strategic direction, financial philosophy, operational management and control systems as well as to its capacity and ability to generate cash flow to repay its debt obligations. A Sub-Fund may invest in debt, which are issued without any guarantee, letter of credit, debt insurance or collateral including junior debt.

Risks linked to equity investments: the Sub-Fund may be exposed to equity risk including failures of the issuer and substantial declines in value at any stage. Investments in stock-listed equities made by the Sub-Fund depend for a large part of the evolution of the stock markets, and there will be little or no collateral to protect an investment once made. Sales of equity may not always be possible, and could therefore have to be made at substantial discounts. Equity holders have in general an inferior rank towards debt holders and so are exposed to higher risks.

Risks linked to investments in structured financial instruments: structured financial instruments are backed by, or representing interests in, the underlying investments of various natures. The cash flow on the underlying investments may be apportioned among the newly issued structured financial instruments to create securities with different investment characteristics such as varying maturities, payment priorities or interest rate provisions, and the extent of the payments made with respect to structured investments depends on the amount of the cash flow on the underlying investments. Structured financial instruments may embed leverage and so investments in structured financial instruments may be exposed to higher volatility as direct investments.

Risks linked to the lack of liquidity and marketability as well as due duration: the Sub-Fund may invest in assets which have not an access to financial markets. Consequently the asset may represent a low level of liquidity and marketability involving that selling of the asset in the market may only be possible with high discounts or not possible at all in certain market circumstances. Furthermore the Sub-Fund generally takes long-term positions. Due to fact that there may be a prevalence of longer-term over shorter term investments, the valuation of illiquidity premiums is important and may contribute to change significantly the performance of a relevant Sub-Fund.

Risks linked to investments in assets exposed to emerging market risk and political risk: the Sub-Fund may invest in securities issued in emerging markets as well as in assets produced, extracted, traded or stocked in emerging markets. Certain issues are more prevalent in emerging markets than in other markets, such as high inflation making valuations problematic, macroeconomic volatility, capital restrictions and controls, and political risks. Furthermore there can be no assurance that the political and economic evolution in these countries will continue on a business friendly path. The political system of these countries is vulnerable to the population's dissatisfaction and exposed to internal pressure exercised by groups of influence with reforms, social unrest and changes in governmental policies, any of which could indirectly have a material adverse effect on the performance of the Fund.

Risks of possible concentration of investments: the Sub-Fund may hold a few relatively large investments in relation to its capital. Consequently a loss in a single investment could result in a relatively higher reduction in the Fund's capital than if such capital had been spread among a wider number of investments. Although a Sub-Fund may be well diversified within a relevant

asset class, it may be exposed to the evolution of this specific asset class and so be exposed to substantial losses if this specific asset class suffers relevant decline.

Risk of early liquidation: in the event of the early liquidation of a Sub-Fund, the funds would have to be distributed to the Limited Shareholders pro-rata with their interest in the assets of the Sub-Fund. The Sub-Fund's investments would have to be sold by the Fund or distributed to the Limited Shareholders. It is possible that at the time of such sale or redemption certain investments held by the Sub-Fund may be worth less than the initial cost of the investment, resulting in a loss to the Sub-Fund and to its Limited Shareholders. Moreover, in the event the Sub-Fund terminates prior to the complete amortisation of organisational expenses, any non amortised portion of such expenses will be accelerated and will be debited (and thereby reduce) amounts otherwise available for distribution to Limited Shareholders.

Risks due to foreign exchanges and currency risk: the Sub-Fund may invest its assets in equity and debt denominated in a wide range of currencies. The Net Asset Value of each class expressed in its respective unit currency will fluctuate in accordance with the changes in foreign exchange rate between its unit currency, the reference currency of the Fund and the currencies in which the Fund's investments are denominated.

7.2 Risks of using special investment techniques

Risks linked to trading on futures, options and other derivatives dealt or traded on a regular market: futures, options and other derivatives are volatile and involve a high degree of leverage. The profitability of the Sub-Fund will depend also on the ability of the Board of Directors to make a correct analysis of the market trends, influenced by governmental policies and plans, international political and economical events, changing supply and demand relationships, acts of governments and changes in interest rates. In addition, governments may from time to time intervene on certain markets, particularly currency markets. Such interventions may directly or indirectly influence the market. Given that only a small amount of margin or a low amount of premium may be required or paid to trade on futures and option markets, the operations of the portion of the Sub-Fund will be characterised by a high degree of leverage. As a consequence, a relatively small variation of the price of the derivative may result in substantial losses for the Sub-Fund and a correlated reduction of the Net Asset Value of the Sub-Fund.

Risks linked to entering into a forward, swaps, OTC options or any other OTC derivatives: the Sub-Fund may enter into one or more forward rate agreements, forwards, swaps, OTC derivatives in connection either with a hedge or an exposure. OTC derivatives are not traded on exchanges but rather banks and dealers act as principals by entering into an agreement to pay and receive certain cash flow over a certain time period, as specified in the OTC derivative. Consequently, the Sub-Fund is subject to the risk of the counterparty's inability

or refusal to perform according to the terms of the OTC derivative. The OTC derivative market is generally unregulated by any governmental authority. To mitigate the counterparty risk resulting from such transactions, the Sub-Fund will enter into such transactions only with highly rated, first class financial institutions with which it has established ISDA agreements. The use of credit derivative such as credit default swaps can be subject to higher risk than direct investment in securities. The market for credit derivative may from time to time be less liquid than the markets for transferable securities. In relation to credit default swaps where the Sub-Fund buys protection, the Sub-Fund is subject to the risk of the counterparty of the credit default swaps defaulting. To mitigate the counterparty risk resulting from credit default swap transactions, the Sub-Fund will only enter into credit default swaps with highly rated financial institutions specialised in this type of transaction and in accordance with the standard terms laid down by the ISDA.

The Sub-Fund may have credit exposure to one or more counterparties by virtue of its investment positions. To the extent that a counterpart defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Such risks will increase where the Sub-Fund uses only a limited number of counterparties. Participants to such markets are not protected against defaulting counterparties in their transactions because such contracts are not guaranteed by a clearinghouse.

Risks linked to counterparties: The Fund is allowed to enter in contractual relationships with all type of counterparties. To the extent that the Sub-Fund invests in derivatives as mentioned in the previous paragraph, the Sub-Fund may bear substantial credit risk and risk of settlement default. These risks might be larger than those born in exchange-traded negotiations where the function of the settlement and clearing house is to face such risks. Transactions entered directly between two counterparties do not benefit of the same level of security and pledge then those entered with a settlement and clearing house.

Risks linked to market participants: the institutions, including brokerage firms and banks, with which the Fund executes trades or enters in transaction may encounter financial difficulties that impair the operational capabilities or the capital position of such counterpart. The Fund will have no control whatsoever over the counterparties or brokers used by the companies or entities it is invested in.

Risks related to lending and borrowing of securities: the Sub-Fund may borrow and lend securities as part of its investment strategy. In case of borrowing, a relevant Sub-Fund may have access to “hard-to-borrow” securities whose costs have to be borne by the Sub-Fund and which may have an impact on the performance of the Sub-Fund. Securities lending may have a positive impact on the performance of the Sub-Fund in terms of yield enhancement. However, third parties that borrow securities from the Sub-Fund may not be able to return these securities on first demand which may cause the Sub-Fund to default on its obligation to other counterparties.

Risks due to short sales: the Sub-Fund may be allowed to take short positions on securities. In such a case the Sub-Fund may be exposed to price movements in an opposite way as the expected one which may involve that the Fund is not able to cover the short position. As a result, the Sub-Fund may theoretically face an unlimited loss. The availability in the market of the borrowed securities cannot be ensured when necessary to cover such short position.

Risks linked to use of leverage: the Sub-Fund may make use of leverage, i.e. a borrowing facility for purchasing securities and assets in excess of the equity value which is available for the Sub-Fund. If the cost of borrowing is lower than the net return earned on the purchased asset, the Sub-Fund may increase its performance. However, if the use of leverage exposes the Sub-Fund to additional risks such as but not limited to (i) greater potential losses on the investment purchase by using the leverage; (ii) greater interest costs and lower debt coverage in case of increasing interest rates and/or (iii) premature margin calls which may force the liquidation of some Sub-Fund's investments (which may occur at a moment where the investments have been under pressure by the markets involving the liquidation at prices below the acquisition prices).

Risks linked to the use of a Depositary and Prime Broker (if any): it is expected that all securities and other assets of each Sub-Fund will be deposited with the Depositary and/or all or part of a relevant Sub-Fund with a Prime Broker (with the consent of the Depositary). Therefore such securities and assets will be clearly identified as belonging to the Sub-Fund. In case of default of the Depositary or of the Prime Broker, there might be problems in achieving the segregation of the Sub-Fund assets from those of other parties. This might create substantial losses for the Sub-Fund Shareholders. Due to the fact that part or all of a relevant Sub-Fund's assets are in custody with a Prime Broker, a relevant Sub-Fund may become one of the Prime Broker's unsecured creditors. In the event of insolvency of the Prime Broker, the Sub-Fund may not be able to fully or partially recover the assets under custody. Furthermore, the Sub-Fund's cash and cash equivalents may not be segregated towards the Depositary or the Prime Broker's cash and cash equivalents. Cash and cash equivalents may be used in its ordinary course of business. Hence a relevant Sub-Fund may become an unsecured creditor of the Depositary and the Prime Broker in relation thereto.

7.3 Specific risks associated with the structure of the Fund

Risks due to changes in applicable law: the Fund must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Fund, the legal requirement to which the Fund may be subject, could differ materially from current requirements.

8. SPECIAL PURPOSE VEHICLES (SPV)

In order to implement the investment policy and strategy each Sub-Funds as detail in the appendices may use special purpose vehicle for investments as well as may invest in securities issued by special purpose vehicles. In such case, the Sub-Funds will have a majority interest of at least 51% in the SPV. With a view to ensuring the control of the investments in the underlying assets of the SPVs, it is envisaged that (i) the Sub-Fund shall seek to have a controlling participation or majority voting rights in the SPV, (ii) the board of directors/managers of the SPV shall be predominantly composed of the same members as the Board of Managers of the General Partner, (iii) the auditor of the SPV shall belong to the same group as the auditor of the Fund, (iv) the SPV shall have the same financial year as the Fund (for consolidation purposes) and (v) the SPV shall have no operational function but shall merely hold the investment of the particular Sub-Fund.

9. THE SHARES

9.1 The Share Capital

The initial share capital of the Fund at the time of the incorporation is Euro 32.000 divided into 15.999 Ordinary Shares held by the Limited Shareholder and 1 Management Share held by the General Partner. The minimum share capital, as set by the SIF Law (Euro 1.250.000), will reach within a period of 12 months following its authorization by the CSSF.

The share capital of the Fund will be equal, at any time, to the total value of the net assets of the Fund.

As above mentioned, the Fund has been set up as a "multiple compartment investment Fund" which means that the Fund may be composed of several Sub-Funds with each Sub-Fund constituting a separate portfolio of assets and liabilities. Each Sub-Fund is treated as a separate entity and operates independently and as between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

The following provisions shall apply to each Sub-Fund established by the Directors:

- separate records and accounts shall be maintained for each Sub-Fund as the Board of Directors and the Depositary shall from time to time determine;
- the proceeds from the issue of Shares in each Sub-Fund shall be recorded in the accounts of the Sub-Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions of this Prospectus; and
- where any asset is derived from any other asset, such derivative asset shall be applied in the records and accounts of the Fund to the same Sub-Fund as the asset from which it

was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Sub- Fund.

Within each Sub-Fund, several classes of Shares (also “*Share Classes*”) may be issued.

Shares are issued in registered form only. Confirmations of holding will be issued upon subscription of Shares. Share certificates will only be issued upon formal request and a correspondent charge will be payable.

Shares are freely transferable to Eligible Investors except to U.S. Persons or nominees.

All Shares must be fully paid-up; they are of no par value and carry no preferential or preemptive rights. Each Share of the Fund, irrespective of its Sub-Fund, is entitled to one vote at any general meeting of Shareholders, in compliance with Luxembourg law and the Articles.

However, the Fund may decline to accept the vote of any U.S. Person, as referred here above and provided in the Articles.

9.2 Eligible Investors

In accordance with the SIF Law, subscription for Shares in the Fund is exclusively limited to institutional investors, professional investors or any other investor that complies with the status of “*Well-Informed Investor*” as defined by the SIF Law.

A Well-Informed Investor is defined as being an investor who

- i. adheres in writing to the status of well-informed investor and
- ii.
 - a) either invests a minimum of Euro 125,000 in the Fund or a Sub-Fund or benefits from a certificate delivered by a credit institution within the meaning of Directive 2006/48/EC or
 - b) an investment firm within the meaning of Directive 2004/39/EC or a management company within the meaning of Directive 2001/107/EC certifying his expertise, his experience and his knowledge in adequately apprising an investment in the Fund.

The Board of Directors or any duly authorized entity may restrict or object to the ownership of Shares in the Fund by any person that does not comply with the requirements set out above.

For this purpose the Board of Directors or any duly authorized entity may:

- refuse to issue Shares and to register the transfer of Shares when it appears that this issue or transfer would, or could, result in the ownership of Shares by any Person not qualifying as a Well- Informed Investor;
- proceed with the compulsory redemption of all or some of the Shares if it appears that a Person is not a Well-Informed Investor.

The compliance with requirements of the status of Well-Informed Investor is verified by Amicorp Luxembourg S.A. Limited under the responsibility of the Board of Directors. The Fund reserves the right to refuse all or a part of an application for subscription. In the case of non-acceptance of an application, the amount of the subscription or the balance remaining from a partial acceptance shall be reimbursed to the applicant within five working days of the refusal either by cheque or by wire transfer, in which case all charges shall be borne by the applicant.

9.3 Issue of Shares

During the Initial Subscription Period, the Fund can offer the Shares under the terms and conditions set out in the Appendix.

After the Initial Subscription Period, the subscription price per Share (the "Subscription Price") will be equal to the Net Asset Value per Share of the relevant class of Shares of the relevant Sub-Fund increased, as the case may be, by the subscription fee as stated in the relevant Appendix.

The Subscription Price is available for inspection at the registered office of the Fund.

The Issue Price (as defined hereafter) per Share is expressed in the Reference Currency for the relevant Sub-Fund, as well as in certain other currencies as may be determined from time to time by the Board of Directors. Currency exchange transactions may delay any issue of Shares since the Administrative Agent may choose as its option to delay executing any foreign exchange transactions until cleared funds have been received.

The Fund issues registered Shares the proceeds of which are commonly invested in accordance with the specific investment policy of each Sub-Fund.

The Board of Directors may decide to issue different Share Classes in each Sub-Fund, in which case this Prospectus will be updated.

Applications for subscription must indicate the name of each relevant Sub-Fund and Class of Shares, the number of Shares applied for or the monetary amount to be subscribed, the name under which the Shares are registered and all useful information regarding the person to whom the payments should be made.

No Shares of any Sub-Fund will be issued during any period when the calculation of the Net Asset Value in such Sub-Fund is suspended by the Board of Directors, pursuant to the powers reserved to it under the Articles. In the case of suspension of dealings in Shares, the application will be dealt with on the first Valuation Day following the end of such suspension period.

The Board of Directors may impose restrictions on the frequency at which Shares shall be issued. The Board of Directors may, in particular, decide that Shares only be issued during one or more offering periods or at such other periodicity as detailed in the Appendix for each Sub-Fund.

Furthermore, the Board of Directors may impose restrictions in relation to the minimum amount of the aggregate Net Asset Value of Shares to be initially subscribed, the minimum amount of any additional investments and the minimum of any holding of Shares.

Subject to the above limitation subscriptions for Shares in each Sub-Fund can be made on any Luxembourg bank business day. Applications for subscriptions will normally be satisfied on the next Valuation Day, provided that the application is received before the cut-off time on a Luxembourg bank business day preceding the applicable Valuation Day and that subscription moneys are received by the Depositary at the latest on the third Luxembourg bank business day following the applicable Valuation Day.

Specific cut-off times for each Sub-Fund are detailed in the Appendix.

In the absence of a specific request for Share certificates, each Shareholder will receive written confirmation of the number of Shares held in each Sub-Fund and in each Class of Shares. Upon request, a Shareholder may receive without any charge, a registered certificate in respect of the Shares held. The certificates delivered by the Fund are signed by two Directors of the General Partner (the two signatures may be either hand-written, printed or appended with a signature stamp) or by one Director and another person authorized by the General Partner for the purpose of authenticating certificates (in which case, the signature must be hand-written).

In the event that a Share certificate has been misplaced, damaged or destroyed, a duplicate may be issued upon request and proper justification, subject to the conditions and guarantees that the Board of Directors may determine. As soon as the new certificate is issued (bearing mention that it is a duplicate), the original certificate will have no value. The Fund may in its absolute discretion charge the Shareholder for the cost of the duplicate or the new certificate as well as any expense in relation with the registration in the Shares' register and as the case may be, with the destruction of the original certificate.

Subscription in kind

The Board of Directors may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Sub-fund, pursuant to its investment policy and restrictions. Any such contribution in kind will be made at the net asset value of the assets contributed calculated in accordance with the rules set out in section 7 “The determination of the Net asset value” and according to the Luxembourg Law. The Board of Directors shall require an auditor’s report drawn up in accordance with the requirements of Luxembourg law. Any costs incurred will be borne by the relevant investor.

Restriction of the holding of shares

The Board of Directors may restrict or prevent the holding of Shares by any individual or legal entity if such holding is considered as detrimental to the Fund or to its Shareholders. The Board of Directors may also prevent the ownership of Shares by U.S. Persons. All subscriptions shall be made directly to the Sub-Fund's account with the Depositary. The Board of Directors may also limit the distribution of Shares of a given Sub-Fund to specific countries.

Market Timing

The repeated purchase and sale of shares designed to take advantage of pricing inefficiencies in the Fund - also known as "Market Timing" - may disrupt portfolio investment strategies and increase the Fund's expenses and adversely affect the interests of the Fund's long term Shareholders. To deter such practice, the Board of Directors reserves the right, in case of reasonable doubt and whenever an investment is suspected to be related to Market Timing, which the Board of Directors shall be free to appreciate, to suspend, revoke or cancel any subscription order placed by Shareholder who have been identified as doing frequent in and out trades within the Fund.

The Board of Directors, as safeguard of the fair treatment of all Shareholders, takes necessary measures to ensure that:

- the exposure of the Fund to Market Timing activities is adequately assessed on an ongoing basis, and
- sufficient procedures and controls are implemented to minimize the risks of Market Timing in the Fund. These functions are delegated to the transfer agent.

9.4 Conversion of Shares

Conversion of Shares between different Sub-Funds is not allowed.

9.5 Redemption of Shares

Redemption requests (the "*Redemption notice*") should contain the following information: the identity and address of the Shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Sub-Fund, the relevant class of Shares including the concerned ISIN Code, the name in which such Shares are registered. All necessary documents to complete the redemption should be enclosed with such request.

A redemption fee as a percentage of the Net Asset Value of the Shares to be redeemed may be charged. Please refer to the details of every Sub-Fund in the Appendix.

Redemption payments will be made in the reference currency of the relevant Sub-Fund at the latest 60 days starting with the date set for redemption, as long as the Shares Certificates, if any and all transfer documents have been received by the Fund.

The Board of Directors may limit the total number of Shares in a Sub-Fund which may be redeemed for any Valuation Day to a number representing 10% (ten per cent) of the Net Asset Value of a Sub-Fund. Further limitations, if any, will be detailed in the Appendix for each Sub-Fund.

The limitation will be applied to the Shareholders that presented their Shares for redemption as described for each Sub-Fund in the Appendix.

Any Shares which, by virtue of this limitation, are not redeemed on a particular Valuation Day shall be carried forward for redemption on the next following Valuation Day for the relevant Sub-Fund.

Requests for redemption which have been carried forward from an earlier Valuation Day shall (subject always to the foregoing limits) be complied with in priority to later requests.

Redemption of Shares of a given Sub-Fund shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund is suspended by the Fund.

The “Redemption Price” per Share of each Sub-Fund is equal to the Net Asset Value per Share (as defined under “Net Asset Value”) of the relevant Sub-Fund expressed with four decimals and rounded up or down to the nearest unit of the Reference Currency. The Redemption Price per Share is calculated on the Calculation Day by the Administrative Agent for each relevant Valuation Day of the Sub-Fund.

Unless otherwise specified in the Appendix of the Sub-Fund, a Shareholder may not withdraw his request for redemption of Shares of any Sub-Fund except in the event of a suspension of the calculation of the Net Asset Value of the Shares of such Sub-Fund and, in such event, a withdrawal will be effective only if written notification is received by the Transfer Agent before the termination of the period of suspension. If the request is not withdrawn, the Fund shall proceed to redemption on the first applicable Valuation Day following the end of the suspension of the determination of the Net Asset Value of the Shares of the relevant Sub-Fund.

– **Redemption rights at the initiative of the Board**

The Articles provide that the Board of Directors, on behalf of any Sub-Fund, may compulsorily redeem the Shares held by any person, firm or corporate body, if in the opinion of the Board of Directors such holding may be detrimental to the Sub-Fund, if it may result in a breach of any law or regulation whether Luxembourg or foreign, or if as a result thereof the Sub-Fund may become subject to laws other than those of the Grand Duchy of Luxembourg (including but without limitation tax laws); specifically but without limitation the Sub-Fund may compulsorily redeem Shares held by any U.S. Person or a person who is not an Eligible Investor.

– Redemption in kind

The Fund may, at the discretion of the Board of Directors and with the consent of the relevant Shareholders, satisfy any application for redemption of Shares in whole or in part by the transfer to those Shareholders of assets of the Fund or the relevant Sub-Fund in kind to which the following provisions shall apply.

Subject as hereinafter provided, the Fund shall transfer to each relevant Shareholder that proportion of the assets of the Fund or the Sub-Fund which is then equivalent in value to the shareholding of the Shareholders then requesting the redemption of their Shares but adjusted as the Board of Directors may determine to reflect the liabilities of the Fund provided always that the nature of the assets and the type of assets to be transferred to each Shareholder shall be determined by the Board of Directors on such basis as the Board of Directors (or their delegate) in their sole discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders holding Shares, and for the foregoing purposes the value of assets shall be determined on the same basis as used in calculating the Net Asset Value per Share of the Shares being so redeemed.

However, at the request and expense of the relevant Shareholder, the Fund will sell the assets and instead give cash proceeds to the Shareholder.

Such redemption will be subject to a special audit report from the Fund's Auditor confirming the number, the denomination and the value of the redeemed Shares. The audit report will also confirm the way of determining the value of the assets which will have to be identical to the procedure of determining the net asset value of the Shares.

The Shares redeemed by the Fund will be cancelled.

Specific cut-off times for each Sub-Fund are detailed in the Appendix.

9.6 Anti-money laundering and privacy

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of November 12, 2004 as from time to time amended and supplemented, on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must ascertain the identity of the investors. Accordingly, the Central Administrative Agent may require, pursuant to its risks based approach, investors to provide proof of identity. In any case, the Central Administrative Agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorized persons.

In case of delay or failure by an investor to provide the documents required, the application for subscription may not be accepted and in case of redemption request, the payment of the redemption proceeds and/or dividends may not be processed. Neither the Fund, the Board of Directors nor the Central Administrative Agent have any liability for delays or failure to process deals as a result of the investor providing no or only incomplete documentation.

Shareholders may be, pursuant to the Central Administrative Agent's risks based approach, requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

10. THE DETERMINATION OF THE NET ASSET VALUE

10.1 Calculation and Publication

The valuation of the assets of the Sub-Fund is based on the fair value. The Net Asset Value of the Shares of each Sub-Fund is determined in its reference currency. It shall be determined on each Valuation Day by dividing the net assets attributable to each Sub-Fund by the number of Shares of such Sub-Fund then outstanding. The net assets of each Sub-Fund are made up of the value of the assets attributable to such Sub-Fund less the total liabilities attributable to such Sub-Fund calculated at such time as the Board of Directors shall have set for such purpose.

The Net Asset Value per Share may be rounded up or down to the nearest currency unit.

The value of the assets of the Fund shall be determined as follows:

- a) Debt instruments not listed or dealt in on any stock exchange or any other regulated market that operates regularly, is recognized and open to the public will be valued at the nominal value plus accrued interest. Such value will be adjusted, if appropriate, to reflect e.g. major fluctuations in interest rates in the relevant markets or the appraisal of an adviser on the creditworthiness of the relevant debt instrument. The Board of Directors will use its best endeavours to continually assess this method of valuation and recommend changes, where necessary, to ensure that debt instruments will be valued at their fair value as determined in good faith by the Board of Directors. If the Board of Directors believes that a deviation from this method of valuation may result in material dilution or other unfair results to shareholders, the Board of Directors will take such corrective action, if any, as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.

- b) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.
- c) The value of assets which are listed or dealt in on any stock exchange is based on the last available price on the stock exchange which is normally the principal market for such assets.
- d) The value of assets dealt in on any other regulated market is based on the last available price.
- e) The value of units or shares in undertakings for collective investment is based on their last-stated net asset value. Other valuation methods may be used to adjust the price of these units or shares if, in the opinion of the Board of Directors, there have been changes in the value since the net asset value has been calculated.

For the purpose of determining the value of the assets of the Fund, Amicorp Luxembourg S.A. having due regards to the standard of care and due diligence in this respect, may, when calculating the Net Asset Value, completely and exclusively rely, unless there is manifest error or gross negligence on its part, upon the valuations provided (i) by various pricing sources available on the market such as pricing agencies (i.e. Bloomberg, Reuters etc.) or fund administrators, (ii) by brokers, or (iii) by (a) specialist duly authorized to that effect by the Board of Directors. Finally, (iv) in the cases no prices are found or when the valuation may not correctly and rapidly be assessed, the Administrative Agent may rely upon the valuation of the Board of Directors.

In circumstances where (i) one or more pricing sources fail(s) to provide valuations to the accounting agent, which could have a significant impact on the net asset value, or where (ii) the value of any asset(s) may not be determined as rapidly and accurately as required, the accounting agent is authorized to postpone the net asset value calculation and as a result may be unable to determine subscription and redemption prices. The Board of Directors shall be informed immediately by the accounting agent should the situation arise. The Board of Directors may then decide to suspend the calculation of the Net Asset Value.

In the event that, for any assets, the price as determined pursuant to sub-paragraph (a), (c) or (d) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.

The value of all assets and liabilities not expressed in the reference currency of a Sub-Fund will be converted into the reference currency of such Sub-Fund at the rate of exchange ruling in Luxembourg on the relevant Valuation Day. If such quotations are not available, the rate of

exchange will be determined in good faith by or under procedures established by the Board of Directors.

The Board of Directors, or any appointed agent, in its discretion, may permit some other method of valuation to be used, if it considers that such valuation better reflects the fair value of any asset of the Fund.

The Net Asset Value per Share of each Sub-Fund and the issue and redemption prices thereof are available at the registered office of the Fund.

10.2 Temporary Suspension of Issues and Redemptions

The Board of Director may take the decision to suspend the determination of the Net Asset Value of one or more Classes and the issue, redemption and conversion of Shares of such Class(es):

- a) during any period when any one of the stock exchanges or other principal markets on which a substantial portion of the assets of the Fund attributable to the Sub-Fund concerned, from time to time, is quoted or dealt in is closed (otherwise than for ordinary holidays) or during which dealings therein are restricted or suspended provided that such restriction or suspension affects the valuation of the investments of the Fund attributable to such Sub-Fund quoted thereon; or
- b) military or monetary events or any circumstances outside the control, responsibility and power of the Board of Directors, or the existence of any state of affairs which constitutes an emergency in
- c) the opinion of the Board of Directors, disposal or valuation of the assets held by the Fund attributable to the Sub-Fund concerned is not reasonably practicable without this being seriously detrimental to the interests of shareholders, or if in the opinion of the Board of Directors the issue and, if applicable, redemption prices cannot fairly be calculated; or
- d) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of the Fund attributable to the Sub-Fund concerned or the current prices or values on any stock exchanges or other markets in respect of the assets attributable to such Sub-Fund; or
- e) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares of the Sub- Fund concerned or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares of such Sub-Fund cannot, in the opinion of the Board of Directors, be effected at normal rates of

- exchange; or
- f) from the time of publication of a notice convening an extraordinary general meeting of shareholders for the purpose of winding up the Fund or any Sub-Fund(s), or merging the Fund or any Sub-Fund(s), or informing the shareholders of the decision of the Board of Directors to terminate or merge any Sub-Fund(s); or
 - g) when for any other reason, the prices of any investments owned by the Fund attributable to the Sub-Fund concerned cannot be promptly or accurately ascertained.

Notice of the beginning and of the end of any period of suspension shall be given by the Fund to all the shareholders affected, i.e. having made an application for subscription, redemption or conversion of shares for which the calculation of the net asset value has been suspended.

Any application for subscription, redemption or conversion of Shares is irrevocable except in case of suspension of the calculation of the net asset value of the relevant Sub-Fund or Class, in which case shareholders may give notice that they wish to withdraw their application. If no such notice is received by the Fund, such application will be dealt with on the first applicable Valuation Day following the end of the period of suspension.

11. DISTRIBUTION POLICY

The operating plan in general does not contemplate payment of dividends to Shareholders.

Shares Classes currently in issue are accumulating shares, which mean that income and capital gains arising in each Sub-Fund in relation to such Share Classes shall be reinvested in such Sub-Fund and the value of such Share will reflect the capitalization of income and gains. The Board of Directors may however decide to declare payment of dividends on its own discretion within the limits of the Luxembourg law on commercial companies. In this case, should payment of a dividend in respect of any such Share Class be considered to be appropriate, the Directors will propose to the general meeting of Shareholders that a dividend be declared out of the net investment income attributable to such Share Classes and available for distribution and/or realized capital gains after deduction of realized capital losses and unrealized capital gains after deduction of unrealized capital losses.

12. CHARGES AND EXPENSES

12.1 Operational costs and formation expenses

The Fund bears its operational costs including but not limited to the cost of buying and selling assets, governmental fees, taxes, fees and out-of-pocket expenses of its directors, legal, risk, valuers and auditing fees, publishing and printing expenses, financial reports and other documents for the Shareholder, postage, telephone and telex.

The Fund also pays advertising expenses and the costs of the preparation of this Prospectus and any other, registration fees. All expenses are taken into account in the determination of the Net Asset Value of the Shares of each Sub-Fund.

Establishment costs of the Fund, currently (as at the date of this Prospectus) estimated at about EUR 50.000 will be amortised over a period of 5 (five) years. These expenses will be divided in equal parts between the Sub-Funds in existence.

In the event that any additional Sub-Fund is set up within the Fund, then the following amortization rules shall apply: (i) the costs and expenses for setting-up such additional Sub-Fund shall be borne by all Sub-Funds and will be written off over a period of five years and (ii) the additional Sub-Fund shall bear a pro rata of the costs and expenses incurred in connection with the creation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the additional Sub-Fund.

12.2 Management Fees

The General Partner is entitled to receive from each Sub-Fund management fees of a percentage of the net assets of the Sub-Fund, as described in the Appendix for each relevant Sub-Fund (the "*Management Fee*").

In addition, the General Partner will be entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and to receive reimbursement for the fees charged to it by any service providers or agent duly appointed.

12.3 Investment Management Fees

In case an Investment Manager is appointed, it may be entitled to receive from each Sub-Fund investment management fees of a percentage of the net assets of the Sub-Fund, as described in the Appendix for each relevant Sub-Fund (the "*Investment Management Fee*").

In addition, the Investment Manager may be entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and to receive reimbursement for the fees charged to it by any service providers or agent duly appointed.

12.4 Performance Fees

The General Partner or the Investment Manager (in case an Investment Manager is appointed) may be entitled to the payment of performance fees (the "*Performance Fee*"), the details of which (where applicable) will be disclosed in the Appendix for each relevant Sub-Fund.

12.5 Fees of the Depositary and Paying Agent, fees of the Central Administration, Corporate and Domiciliary Agent and of Registrar Agent

The Depositary and Paying Agent, the Central Administration, Corporate and Domiciliary Agent and the Registrar Agent are entitled to receive out of the assets of each Sub-Fund fees

calculated, in accordance with customary banking practice in Luxembourg, as an annual percentage of the average total net assets and are payable quarterly or monthly in arrears pursuant to their respective agreement signed with the Fund. They are also determined partly on a transaction basis and partly as a fixed sum. In addition, the Depositary as well as the Central Administration and the Registrar Agent are entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and to receive reimbursement for the fees charged to it by any service providers or agent duly appointed.

12.6 Subscription fees

The General Partner may be entitled to the payment of subscription fees (the "*Subscription Fee*"), the details of which (where applicable) will be disclosed in the Appendix for each relevant Sub-Fund.

The Board of Directors may waive or reduce this subscription fee at its own discretion.

13. MEETINGS AND REPORTS TO SHAREHOLDERS

13.1 Annual General Meeting

Any regularly constituted meeting of Shareholders shall represent the entire body of Shareholders of the Fund. The general meetings of the Shareholders (the "*General Meeting*") shall deliberate only on the matters which are not reserved to the General Partner by the Articles or by the law. General Meetings shall be called by the General Partner, or by Shareholders holding a minimum of ten per cent (10%) of the Fund's share capital.

The annual General Meeting of Shareholders will be held at the registered office of the Fund in Luxembourg on the first Thursday of the month of June of each year at 14.00 a.m. or, if any such day is not a bank business day in Luxembourg, on the next following bank business day. All the Shareholders shall be convened to the meeting via a notice, recorded in the register of Shareholders and sent to their addresses, at least 8 days before the date of the General Meeting. This notice shall indicate the time and place of the General Meeting, the admission conditions, the agenda and the quorum and majority requirements.

The notices will be published, in the newspaper "Wort", in any other newspapers that the Board of Directors may determine.

Each Share confers the right to one vote. The vote on the payment of a dividend on a particular Sub-Fund requires a separate majority vote from the meeting of Shareholders of the Sub-Fund concerned.

13.2 Reports and Accounts

The Fund's accounting year ends on 31 December in each year. Audited annual reports shall be published within 4 (four) months following the end of the accounting year. The annual reports shall be made available at the registered office of the Fund during ordinary office hours.

The reference currency of the Fund is the Euro. The annual report will comprise consolidated accounts of the Fund expressed in EUR as well as individual information on each Sub-Fund expressed in the reference currency of each Sub-Fund.

14. DISSOLUTION AND LIQUIDATION OF THE FUND

In the event of a dissolution of the Fund, liquidation shall be carried out by one liquidator (if a legal entity) or one or more liquidators, if physical persons, named by the general meeting of shareholders effecting such dissolution upon proposal by the Board of Directors. Such meeting shall determine their powers and their remuneration. The net proceeds may be distributed in kind to the holders of Shares.

15. MERGER OF SUB-FUND OR CLASSES OF SHARES

In the event that for any reason the value of the net assets in any Sub-Fund or Class of Shares has decreased to or has not reached an amount determined by the Board of Directors to be the minimum level for such Sub-Fund or Class of Shares to be operated in an economically efficient manner, or if a change in the economic, monetary or political situation relating to the Sub-Fund or Class of Shares concerned would have material adverse consequences on the investments of that Sub-Fund or Class of Shares or in order to proceed to an economic rationalization, the Board of Directors may decide to compulsorily redeem all the Shares issued in such Sub-Fund or Class of Shares at their net asset value (taking into account actual realization prices of investments and realization expenses), calculated on the Valuation Day at which such decision shall take effect. The Fund shall send a registered letter to the holders of Shares concerned by the compulsory redemption one month prior to the effective date for such redemption, which will indicate the reasons for, and the procedure of, the redemption operations. Unless it is otherwise decided in the interests of, or to keep equal treatment between, the shareholders of the Sub-Fund or Class of Shares concerned may continue to request redemption (if appropriate) of their Shares free of charge (but taking into account actual realisation prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, the general meeting of shareholders of any Sub-Fund or Class of Shares may, upon proposal from the Board of Directors, redeem all the Shares of such Sub-Fund or Class of Shares and refund to the shareholders the net asset value of their Shares (taking into account actual

realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of shareholders which shall decide by resolution taken by simple majority of those present or represented and voting at such meeting.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the Depositary for a period of six months thereafter; after such period, the assets will be deposited with the Caisse de Consignation on behalf of the persons entitled thereto.

Under the same circumstances as provided above, the Board of directors may decide to allocate the assets of any Sub-Fund to those of another existing Sub-Fund within the Fund or to another undertaking for collective investment or to another Sub-Fund within such other undertaking for collective investment (the "*New Sub-Fund*") and to redesignate the Shares of the Sub-Fund concerned as Shares of the new Sub-Fund (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to shareholders). Such decision will be communicated in the same manner as described in the above paragraph (and, in addition, the registered letter will contain information in relation to the new Sub-Fund), one month before the date on which the amalgamation becomes effective in order to enable shareholders to request redemption of their Shares, free of charge, during such period. After such period, the decision commits the entirety of shareholders who have not used this possibility, provided however that, if the amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type ("*fonds commun de placement*") or a foreign based undertaking for collective investment, such decision shall be binding only on the shareholders who are in favour of such amalgamation. A contribution of the assets and of the liabilities attributable to any Sub-Fund to another Sub-Fund of the Fund may be decided upon by a general meeting of the shareholders of the Sub-Fund concerned which will decide upon such an amalgamation by resolution taken with no quorum and by simple majority of those present or represented and voting at such meeting. A contribution of the assets and of the liabilities attributable to any Sub-Fund to another undertaking for collective investment referred to in the Article or to another Sub-Fund within such other undertaking for collective investment shall require a resolution of the shareholders of the Sub-Fund concerned taken with no quorum and by simple majority of those present or represented and voting at such meeting, except when such an amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type ("*fonds commun de placement*") or a foreign based undertaking for collective investment, in which case resolutions shall be binding only on such shareholders who have voted in favour of such amalgamation.

16. TAXATION

16.1 Taxation of the Fund

Under current Luxembourg applicable laws and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax (see however the European tax considerations clause as more fully described underneath).

However, the Fund is liable in Luxembourg to a “taxe d’abonnement” of 0.01 % (one hundredth per cent) per annum of its net assets, such tax being payable quarterly and calculated on the total Net Asset Value of each Sub- Fund at the end of the relevant quarter.

The “taxe d’abonnement” is not applicable in respect of assets invested (if any) in Luxembourg UCIs, which are themselves subject to such tax. No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the Fund except a tax, payable once only, of EUR 2.650. - (Two Thousand six hundred fifty Euros) paid upon incorporation.

No tax is payable in Luxembourg on realised or unrealised capital appreciation of the assets of the Fund. The regular income of the Fund from some of its securities as well as interest earned on cash deposits in certain countries may be liable to withholding taxes at varying rates, which may not be recoverable.

16.2 Taxation of the Shareholders

Under current legislation, Shareholders are not subject to any capital gains, income or withholding tax in Luxembourg (except for (i) those domiciled, resident or having a permanent establishment in Luxembourg or (ii) non- residents of Luxembourg who hold (personally or by attribution) more than 10% of the Shares of the Fund and who dispose of all or part of their holdings within 6 months from the date of acquisition or (iii) in some limited cases, some former residents of Luxembourg who hold (personally or by attribution) more than 10% of the Shares of the Fund).

It is expected that Shareholders in the Fund will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, converting (if any), holding or redeeming, if applicable, or otherwise acquiring or disposing of Shares in the Fund. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances. Shareholders non- residents of Luxembourg but in another member state of the European Union may fall under the provisions of the European Savings Directives (2003/48/EC), implemented within the Luxembourg legal framework per a Law dated 21 June 2005.

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

17. COMMON REPORTING AND DUE DILIGENCE STANDARD

The Common Reporting and Due Diligence Standard (CRS) have been developed by the OECD in order to introduce a global standard for the automatic exchange of financial account information. The CRS is a component of a global standard for automatic exchange of financial account information developed by the OECD. The CRS provides for the reporting and due diligence rules to be observed when the automatic exchange of financial account information applies.

Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the “Euro-CRS Directive”) was adopted on 9 December 2014 in order to implement the CRS among the Member States of the European Union. The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the “CRS Law”).

The CRS Law requires the financial institutions to provide the jurisdictions in which individuals and entities are resident with information on their financial accounts. Such information includes interest, dividends and similar types of income as well as capital gains and account balances. Failure to provide the requested information could lead to penalties as determined in the domestic law of the reporting financial institutions.

The automatic exchange of financial account information applies under the CRS to the countries which have signed the Multilateral Competent Authority Agreement on automatic exchange of financial account information (“MCAA”). The MCAA was signed on 29 October 2014 by Luxembourg, together with 50 other jurisdictions.

The Management Company will perform necessary due diligence and monitoring of investors and report, on an annual basis, the financial account information to the Luxembourg tax authorities, which will then transmit the information to the jurisdictions in which the individuals and entities concerned are residents. The first reporting should occur in 2017 in relation to the financial year 2016.

18. DATA PROTECTION

Investors are informed that their personal data and any information that is furnished in connection with an investment in the Fund will be collected, stored in digital form and

otherwise processed by the Fund acting as data controller in compliance with the provisions of the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the “GDPR”).

The data processed include but is not limited to the name, address, e-mail address, bank and financial data, transaction history of each investor, data concerning personal characteristics (the “Personal Data”). In case the investor is a legal person, the Fund may collect, store and process Personal Data concerning “Controlling Persons” who are natural persons exercising control over the entity investing in Shares of the Fund. Personal Data may be processed for the purposes of (i) processing subscription, conversion and redemption orders, (ii) maintaining registers of shareholders, (iii) carrying out the services of the Data Processors to the investors and (iv) complying with applicable legislations or regulations including but not limited to, anti-money laundering legislation, FATCA, CRS or similar laws and regulations at OECD or EU level.

Personal Data may also be processed by the Data Controller’s data processors (the “Data Processors”) which, in the context of the above mentioned purposes, refer to the General Partner, Depositary Bank and paying Agent, Registrar and Transfer Agent, Administrative Agent and Investment Managers or Advisors (if any), or their delegates as data processor. Information shall be disclosed to third parties where necessary for legitimate business interests only. This may include disclosure to third parties such as governmental or regulatory bodies including tax authorities, auditors, permanent representatives in place of registration or any other agents of the Data Processors who may process the personal data for carrying out their services and complying with legal obligations as described above.

Investors especially acknowledge that the Registrar and Transfer Agent, Administrative Agent and Paying Agent of the Fund may have to transmit information regarding an investor to the Luxembourg tax authorities if so required by such tax authorities in accordance with the provisions of the Luxembourg law of 31 March 2010 on the approbation of tax treaties and for the provision of the applicable procedure regarding on demand information exchange.

By subscribing or purchasing Shares of the Fund, investors consent to the processing of their information and the disclosure of their information to the parties referred to above including companies situated in countries outside of the European Economic Area which may not offer a similar level of protection as the one deriving from Luxembourg data protection laws and to answer to some mandatory questions in compliance with FATCA and CRS.

Investors acknowledge and accept that failure to provide relevant personal data requested by the Fund and/or the Administrative Agent may prevent them from maintaining their holdings in the Fund and may be reported by the Fund and/or the Administrative Agent to the relevant Luxembourg authorities.

Investors acknowledge and accept that the Fund or the Administrative Agent will report any relevant information in relation to their investments in the Fund to the Luxembourg tax

authorities which will exchange this information on an automatic basis with the competent authorities in the United States or other permitted jurisdictions as agreed in the FATCA Law, CRS at OECD and EU levels or equivalent Luxembourg legislation.

Personal data shall not be held for longer than necessary with regard to the purpose of the data processing.

Investors may (i) request access to, (ii) ask for rectification of of their Personal Data, provided to any of the parties above or stored by any of the parties above in accordance with applicable data protection legislation, (iii) object to the processing of their Personal Data, (iv) ask for erasure of their Personal Data and (v) ask for the Personal Data portability . Reasonable measures have been taken to ensure confidentiality of the personal data transmitted between the parties.

Investors may exercise the above rights by writing to the Data Controller at the registered office of the Company.

The investor also acknowledges the existence of its right to lodge a complaint with the local competent supervisory authority.

19. DOCUMENTS AVAILABLE

Copies of the following documents may be obtained during usual business hours on any Business Day at the registered office of the Fund:

- The current Prospectus;
- the Articles of the Fund;
- the latest annual audited report of the Fund;
- the Depositary Agreement concluded between ING and the Fund;
- the Central Administration Agreement concluded between Amicorp Luxembourg S.A., and the Fund;

Such documents will also be sent free of charge to prospective investors and to shareholders upon request.

The following information will be made available for inspection by Shareholders or their representatives at the registered office of the Fund:

- where available, the historical performance of each Sub-Fund;
- the latest Net Asset Value of the Shares.

20. OFFICIAL LANGUAGE

The original version of this Prospectus and of the Articles of Incorporation is in English. However, the Board of Directors may consider that these documents must be translated into the languages of the countries in which the Shares are offered and sold.

In case of any discrepancies between the English text and any other language into which the Prospectus and the Articles of Incorporation are translated, the English text will prevail.

APPENDIX 1

ADDITIONAL INFORMATION CONCERNING THE OFFERING OF SHARES OF THE PENDRAGON FUND SICAV SIF – REAL ESTATE FUND ONE IN SWITZERLAND

The Shares can be offered in Switzerland exclusively to Qualified Investors as defined by Article 10 § 3 of the Collective Investment Scheme Act (CISA) and Article 6 of the Collective Investment Scheme Ordinance (CISO) (Qualified Investors). The Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority (FINMA). This Offering Memorandum and/or any other offering materials relating to the Shares may be made available in Switzerland solely to Qualified Investors.

Information for Swiss based Qualified Investors

- The domicile of the Fund is Luxembourg
- The Representative of the Fund in Switzerland is:

OpenFunds Investment Services AG

Seefeldstrasse 35, CH-8008 Zurich

Tel +41 44 500 3108, www.open-funds.ch

The statutory documents of the Fund such as the prospectus, the key investor information document (if any), the articles of association, the annual report and/or any other legal documents as defined in Article 15 CISA in conjunction with Article 13a CISO may be obtained free of charge from the Representative.

The place of performance and jurisdiction for Shares offered or distributed in or from Switzerland are the registered office of the Representative.

- The Paying Agent in Switzerland is

Società Bancaria Ticinese SA

Piazza Collegiata 3, 6501 Bellinzona

Tel: +41 (0) 91 821 51 21, www.bancaria.ch

Subscriptions and redemptions of Shares as well as distributions may be made through the Swiss Paying Agent. A handling commission of CHF 150 per transaction will be charged by the Swiss Paying Agent and deducted from the subscription or redemption amount paid or received. If a subscription or redemption is made through the Swiss Paying Agent, instructions and money must be received by the Swiss Paying Agent at least 72 hours before the appropriate dealing cut-off time.

- Publications to Swiss investors in respect of the Shares of the Fund are effected on the electronic platform www.fundinfo.com.

The Financial Intermediaries may pay retrocessions as remuneration for distribution activity in respect of Fund units in or from Switzerland to the distributors and sales partners listed below:

- Distributors subject to authorization as defined in Article 19§ 1bis of the CISA (Swiss or foreign distributors regulated in their home jurisdiction);
- Distributors that are not required to obtain an authorization as defined under Article 19§ 1bis of the CISA and Article 8 of CISO (financial intermediaries regulated by FINMA, Banks, insurances, Fund Managers, representatives);
- Sales partners who place shares in funds/sub-funds with their customers exclusively through a written commission-based asset management mandate (Independent Asset Managers), i.e. the customer has to be transparently informed that the sales partner is receiving retrocessions from the Fund and/or Fund Manager and/or the Distributor.

This remuneration may be deemed payment for the following services in particular:

- the introduction of potential qualified investors
- the organization of road shows

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors. The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

In respect of distribution in or from Switzerland, the Financial Intermediaries do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the Fund.

Mentioning of other funds in the Offering Memorandum

OpenFunds Investment Services AG acts as Representative only to PENDRAGON FUND SICAV SIF – REAL ESTATE FUND ONE. In case there is any reference made in the Offering Memorandum to any other fund, that fund is not legally represented in Switzerland by OpenFunds Investment Services AG.

APPENDIX 2
SUB-FUNDS IN OPERATION

PENDRAGON FUND SICAV SIF – REAL ESTATE FUND ONE

Investment object and process overview	<p>The Sub-Fund aims to achieve long-term capital growth by investing directly or indirectly (through structures such as SPV, Soparfi...) in real estate properties located in central positions of major cities and principally in Europe but also around the world.</p> <p>With a view to maximizing a property's value, the Sub-Fund may also manage directly properties it acquires or invests in companies which provide facility management services for real estate properties such as renting, maintenance of the structures and outdoor areas, catering as well as recreation services.</p> <p>To achieve this objective the Sub-Fund invests, with respect of the principle of diversification set at the paragraph 4 “Investment Policy and objective”:</p> <ul style="list-style-type: none"> - at least the 70% of the its total assets (not including cash and cash equivalents) in real estate sector and - up to 30% in interest-bearing bank accounts, “triple A (or equivalent)” rated bonds of governments or assimilated public institutions, or any low risk money market instruments. <p>The Sub-Fund may also use techniques and instruments in accordance with the rules set out in CSSF Circular 08/356.</p> <p>The Sub-Fund may accessorially hold liquid assets in all currencies in which investments are effected as well as in the currency of its respective share Class(es).</p> <p>In order to achieve a minimum spread of the investment risks, and except during its start-up period (which will not extend beyond one (1) year after the date of its launch) the Sub-Fund will not invest more than thirty per cent (30%) of its assets in one single asset or real estate property.</p> <p>For the avoidance of doubt, these restrictions shall only apply at the time the relevant investment is made, and will not apply/be monitored after that date in the event of the fluctuation of value of any investments.</p> <p>In implementing the Sub-Fund’s strategy and seeking specific opportunities, the General Partner will select investments from among a set of underlying investments (such as office, residential, retail and logistics assets) after having completed a deep sourcing and a comprehensive due diligence and selection. On an ongoing basis, the General Partner will monitor and manage such selections and will refine the investment strategy to reflect its perception of relevant considerations and investment outlook.</p> <p>In order to implement this process, the General Partner will evolve its models and tools to best meet the Sub-Fund’s objectives over the long term.</p>
Sub-Fund specific risk profile	<p>No guarantee is given to shareholders in this Sub-Fund with respect to the investment objectives actually being reached. For more considerations concerning risks, Investors should refer to the Ch. 5 “Risk Considerations”.</p>

<p>Profile of typical investor</p>	<p>The Sub-Fund has been designed for seeking for main exposure to the continental European real estate market but with potentially some level of exposure to other real estate markets in the world. It is therefore ideal for investors who are looking to a diversified portfolio aimed at producing long term capital growth.</p> <p>Due to the specific nature of the real estate market in terms of economic, currency and political risks the Sub-Fund is suitable for investors with a 3 to 5 year investment horizon.</p>
<p>Valuation Currency</p>	<p>EURO</p>
<p>Form of shares</p>	<p>Registered shares</p>
<p>Type of ordinary shares</p>	<p>Accumulating shares. Shares of this Sub-fund are currently available as:</p> <ul style="list-style-type: none"> • A-Shares
<p>Management fees Performance fees Subscription and Redemption fees</p>	<p>MANAGEMENT FEES</p> <p>The General Partner is entitled to receive an annual Management Fee up to 2% of the last available Net Asset Value, payable in advance by half on the first business day of January and by half on the first business day of July of each year. The first half on the annual management fee of the initial year of operation of the Fund shall be paid on the first business day following the end of the initial Offering Period.</p> <p>The terms “<i>payable in advance</i>” above mentioned means that the amount is computed as a % on the last available NAV, as well as subscriptions received in advance and available for investment at the date of 1st of January and 1st of July, just after the NAV at 31st December and 30th of June respectively.</p> <p>PERFORMANCE FEES</p> <p>The General Partner is also entitled to Performance Fees of 35% of the difference between (i) and (ii), in case of positive difference between (i) the last available Gross Asset Value and (ii) the best past Gross Asset Value.</p> <p>SUBSCRIPTION FEES</p> <p>A Subscription fee of up to 5% can be charged in favour of the General Partner.</p> <p>REDEMPTION FEES</p> <p>A redemption fee of 3% of the NAV of the Shares that are redeemed within the first 12 months of their subscription investment date or a redemption fee of 1% for all redemptions in the subsequent periods will be paid in favour of the General Partner.</p>
<p>Valuation day</p>	<p>The Net Asset Value per Share of the Sub-Fund is calculated, under the overall responsibility of the Board of Directors, on the last Business Day of each calendar semester (Valuation Day). The Net Asset Value of the Sub-Fund will be equal to its total assets less its total liabilities as of any date of determination. The Performance Fee will not be included in these liabilities.</p> <p>However the Net Asset Value which is the closest to the last day of the Sub-Fund’s financial year may be replaced by a Net Asset Value which will be calculated on the last day of the relevant period. The Net Asset Value will be available at the registered office of the Fund and the Administrator.</p>
<p>Subscription and redemption orders. Minimum subscription amount</p>	<p>Shares are issued and redeemed at NAV.</p> <p>There is no minimum subscription amount.</p>

Lock-up period	Effective as from September 1, 2018 all new subscriptions will be subject to a lock-up period of three (3) years calculated from the date of the subscription, during which investors shall not redeem his/her subscription. The lock-up period applies whether the subscription is the first one of an investor or a subsequent one of an existing investor.
Subscription and redemption orders Cut-Off time	Applications for subscription and redemption of Shares (except during the lock-up period above mentioned) received by the Registrar and Transfer Agent of the Fund before 16.00 p.m. Luxembourg time one day prior to the relevant Valuation Day, will be dealt with on that Valuation Day at the respective subscription price or redemption price prevailing on that Valuation Day.
Redemption payment	Redemption payments will be made in the reference currency of the relevant Sub-Fund at the latest 60 days starting with the date set for redemption, as long as the Shares Certificates, if any and all transfer documents have been received by the Fund.
Listing of the shares	Shares are listed on the Euro MTF Market of the Luxembourg Stock Exchange

PENDRAGON FUND SICAV SIF – PRIVATE EQUITY FUND TWO

Investment objective	<p>The Sub-Fund aims to achieve long-term capital growth by investing directly or indirectly (through structures such as SPV in which the Sub-Fund will have a majority interest) in a diversified portfolio of private equity investments mainly issued by small and medium size innovative companies (SMEs) primarily in developed countries. The Sub-Fund will invest through equity or, in case of will of the Investment Manager to defer the acquisition, in equity related products such as but not limited to convertible bonds or options to purchase.</p> <p>The aim of the Sub-Fund is to provide capital access to SMEs in order to sustain their development and to achieve rapid growth by capitalizing on their competitive advantage in their specific line of business and on the opportunities in emerging sectors.</p> <p>The Sub-Fund intends to invest in companies in the following sectors:</p> <ul style="list-style-type: none"> - High-Technology - Manufacturing - Environmental - Leisure and tourism - Any other opportunity in sectors characterized by high innovation rates and global outreach <p>Should the General Partner deems it appropriate for the long term strategy of the Sub-Fund, the Sub-Fund may in an ancillary basis invest in debt securities such as investment grade bonds, non-investment grade bonds and unrated bonds within the same sectors as those detailed above.</p>
Investment Strategy	<p>The General Partner seeks long return on investment, capital gains deriving mainly from the sale of the assets that were acquired (disposal expected between 2 to 6 years from acquisition).</p> <p>The General Partner will carry out a rigorous stock-picking of companies with strong management, positive cash flows, attractive products with growing market share and solid organization to reach full potential.</p>
Risk spreading principles	<p>The Sub-Fund intends to invest in assets where the General Partner feels comfortable with:</p> <ul style="list-style-type: none"> - the sector risks; - the regulatory environment; - the price paid for the asset; - its capacity to add value to the asset during its life time; - its capacity to design credible exit strategies. <p>In accordance with the principle of risk spreading described at Ch. 4 of this Prospectus “Investment Policies and Objectives” the Sub-Fund will diversify its investments by sector (service, industrial or high tech companies), by market and country (with a focus on European countries) and by business cycle of the companies.</p> <p>The Sub-Fund may derogate from the above mentioned guidelines should the market environment be particularly strong and/or present particular opportunities in a specific market, sector or country.</p>
Leverage	<p>The Sub-Fund will not carry on directly the borrowing activity that will be performed by the SPVs or by the targeted companies.</p>

	Leverage shall not exceed, on a consolidated basis, 60% of the net assets of the Sub-Fund.
Profile of typical investor	The Sub-Fund has been designed for seeking for main exposure to the SMEs equity market. It is therefore ideal for investors who are looking to a diversified portfolio aimed at producing a long-term capital appreciation and can bear an illiquid investment. The Sub-Fund is suitable for investors with a 4 to 6 years investment horizon.
Specific risk consideration	No guarantee is given to shareholders in this Sub-Fund with respect to the investment objectives actually being reached. For more considerations concerning risks, Investors should refer to the Ch. 5 “Risk Considerations”.
Reference currency	EURO
Form of shares	Registered shares
Type and class of shares	Accumulating shares.
Management fees Performance fees Subscription and Redemption fees	<p>MANAGEMENT FEES</p> <p>The General Partner is entitled to receive an annual Management Fee up to 2% of the last available Net Asset Value, payable in advance by half on the first business day of January and by half on the first business day of July of each year. The first half on the annual management fee of the initial year of operation of the Fund shall be paid on the first business day following the end of the initial Offering Period</p> <p>PERFORMANCE FEES</p> <p>The General Partner is also entitled to receive Performance Fees of 35% of the difference between (i) and (ii), due in case of positive difference between (i) the last available Gross Asset Value and (ii) the best past Gross Assets Value.</p> <p>SUBSCRIPTION FEES</p> <p>A Subscription fee of up to 3% can be charged in favour of the General Partner.</p> <p>REDEMPTION FEES</p> <p>A Redemption fee of up to 3% can be charged in favour of the General Partner.</p>
Valuation day	<p>The Net Asset Value per Share of the Sub-Fund is calculated, under the overall responsibility of the Board of Directors, on the last Business Day of each calendar semester (Valuation Day) and for the first time on December 30th, 2016. The Net Asset Value of the Sub-Fund will be equal to its total assets less its total liabilities as of any date of determination.</p> <p>However the Net Asset Value which is the closest to the last day of the Sub-Fund’s financial year may be replaced by a Net Asset Value which will be calculated on the last day of the relevant period. The NAV of the Sub-Fund will be equal to its total assets less its total liabilities as of any date of determination.</p> <p>The NAV will be available at the registered office of the Fund and the Central Administration.</p>
Subscription and redemption orders. Minimum subscription amount	<p>Shares are issued and redeemed at NAV.</p> <p>There is no minimum subscription amount.</p>
Initial Offering Period	<p>Starting from April 1st, 2016 to December 30th, 2016 before 16h00 (Luxembourg time) or at any earlier date if the Board of Directors so decides.</p> <p>The General Partner might decide to close the subscription period earlier.</p>

	The initial value of the Shares will be at EUR 100, increased by the Subscription Fee, whose percentage is mentioned below.
Lock-up period	An investor shall not redeem his subscription within the first 4 (four) years calculated from the Valuation Day on which the investor made the respective subscription.
Subscription and redemption orders Cut-Off time	Applications for subscription and redemption of Shares received by the Registrar and Transfer Agent of the Fund before 16h00 Luxembourg time one day prior to the relevant Valuation Day, will be dealt with on that Valuation Day at the respective subscription price or redemption price prevailing on that Valuation Day.
Redemption payment	Redemption payments will be made in the reference currency of the relevant Sub-Fund at the latest 90 days starting with the date set for redemption as long as the Share Certificates, if any, and all the transfer documents have been received by the Fund.