

E.RE.A.S. FINANCE S.C.A. SICAV SIF

**Limited partnership by shares under the form of an investment company with variable
share capital – specialised investment fund**

**Société en commandite par actions sous la forme d'une société d'investissement à
capital variable – fonds d'investissement spécialisé**

PROSPECTUS

May 2018

NOTICE TO INVESTORS

The fund E.RE.A.S. FINANCE S.C.A. SICAV SIF (the “**Fund**”), is registered pursuant to the Luxembourg law of 13 February 2007 on specialised investment funds. The registration however does not imply approval by any Luxembourg authority of the contents of this prospectus or the portfolio of assets held by the Fund. Any representation to the contrary is unauthorised and unlawful.

The shares of the Fund have not been registered under any United States of America securities legislation and may not be directly or indirectly offered or sold in the United States of America or in any of its territories or possessions or areas subject to its jurisdiction or to or for the benefit of nationals, citizens or residents thereof or persons who are normally resident therein (including the estate of any such person or corporations or partnerships created or organised therein).

Any information or statement not contained in this prospectus or in the documents mentioned herein is to be considered as unauthorised. Neither the delivery of this prospectus nor the offer, the issue and the subscription of shares in the Fund constitute a representation that the information contained in this prospectus is at any time accurate following the date hereof. In order to take into account important changes, this prospectus shall be updated from time to time. Consequently it is recommended to potential investors to enquire at the offices of the Fund whether the Fund has published a subsequent prospectus in accordance with the law of 13 February 2007 on specialised investment funds.

The general partner of the Fund accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the general partner, who has taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

IMPORTANT: shares in the Fund are offered on the basis of the information and representations contained in this prospectus and/or the documents specified herein and which may be consulted by the investors and no other information or representation relating thereto is authorised. If you are in any doubt about the contents of this prospectus you should consult your stockbroker, bank manager, lawyer, accountant or any other professional advisor.

This prospectus does not constitute, and may not be used for the purpose of, any offer or invitation to apply to participate in the Fund by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person making such offer or invitation is not qualified to do so or to any person to whom it is illegal to make such an offer or invitation. It is the responsibility of potential investors to satisfy themselves as to full compliance with the relevant laws and regulations of any territory in connection with any application to participate in the Fund, including any requisite governmental or other consent and adhering to any other formality prescribed in such territory.

TABLE OF CONTENT

	Page
NOTICE TO INVESTORS	2
TABLE OF CONTENTS	3
DEFINITIONS	5
ORGANISATION	8
THE FUND	9
Structure	9
Umbrella fund	10
Eligible Investor	11
Prohibited investor	11
INVESTMENT STRATEGY	12
Investment strategy	12
Risks and restrictions	12
Regulatory risks	17
MANAGEMENT AND ADMINISTRATION	19
General Partner of the Fund	19
Advisors	22
Investment Advisory Committee	22
Custodian and Central Administration	24
Domiciliary agent	25
Auditor	25
Conflicts of interests	25
Indemnification	25
Co-management and pooling	26
INVESTMENT PROCESS	27
VALUATION	29
Calculation of the Net Asset Value per Share	29
Valuation policy	29
Frequency of the calculation of the Net Asset Value	31
Suspension of the calculation of the Net Asset Value and/or issue and / or redemption and/or/conversion of the Shares	32
SHARE CAPITAL	33
Shares	33
Form of the Shares	33
Issue of Ordinary Shares	34
Transfer of Ordinary Shares	37
Redemption of Ordinary Shares	38
Conversion of Ordinary Shares	39
SHAREHOLDERS' INFORMATION	40
Measures aimed at preventing money laundering and the financing of terrorism	40
General meetings of the Shareholders	41
Confidentiality	41
Distribution policy	41
Charges and fees	42
Reports and audit	43
Liquidation and merger of a Sub-Fund	44
Duration, dissolution and liquidation of the Fund	45

TAX CONSIDERATIONS	46
The Fund	46
The Shareholders	46
MISCELLANEOUS	47
APPENDIX 1	48
Sub-Fund E.RE.A.S. FINANCE FUND REAL ESTATE	48
APPENDIX 2	57
Sub-Fund E.RE.A.S. FINANCE FUND ENERGY	57

DEFINITIONS

In this prospectus a reference to the singular includes a reference to the plural and vice versa.

The following terms shall have the respective meaning set out below:

Advisor: a consultant charged from the General Partner, specialised and experienced in the asset management and the risk management. Specific Advisors may be appointed from time to time by the General Partner in order to provide the General Partner with recommendations and due diligence analyses for each Sub-Fund as to proceed to top quality investments

Appendix: terms and conditions of each Sub-Fund

Articles: E.RE.A.S. FINANCE S.C.A. SICAV SIF's updated articles of incorporation

Auditor: MAZARS LUXEMBOURG, a Luxembourg *société anonyme*, acting in its capacity as qualified independent auditor (*réviseur d'entreprises agréé*) of the Fund

Bank Business Day: each day upon which the banks are opened for business in the Grand Duchy of Luxembourg

Board: the board of managers of the General Partner

Capital Call: the decision of the General Partner to request Investor/Limited Shareholder to pay in whole or part of the remaining balance of their Subscription in respect of each share they have subscribed for

Central Administration: Moventum S.C.A., a Luxembourg public limited partnership (*société en commandite par actions*) acting in Luxembourg as the Fund's administrative agent, registrar, transfer paying agent and domiciliary agent

Class of Shares: each Class of each Sub-Fund in the capital of the Fund created and designated by the General Partner from time to time as a Class by reference to the currency in which subscription and redemption payments are to be made in accordance with the terms and conditions as the General Partner may determine. When the context so requires, the reference to Classes in this Prospectus shall mean reference to the relevant Sub-Fund and vice-versa

Closing: the date on which the Fund increases its issued share capital by the amount paid by each Investor according to the Funding Notice

Custodian: Intesa Sanpaolo Bank Luxembourg, a Luxembourg bank, acting as the Fund's custodian in Luxembourg

Central Administration Services Agreement: the agreement entered into by and between the Fund and the Central Administration

Defaulting Investor: an Investor/Limited Shareholder declared defaulting by the Fund due to the fact that it did not pay a Capital Call in its entirety within 15 (fifteen) Bank Business Days from the day of receipt of a Funding Notice

Depository Bank Agreement: the agreement entered into by and between the Fund and the Custodian

Eligible Investors: the Investors who qualify as well-informed investors in accordance with article 2 of the Law of 13 February 2007

EUR: Euro currency

Fund: E.RE.A.S. FINANCE S.C.A. SICAV SIF

Funding Notice: a notice whereby the Fund informs each Investor/ Limited Shareholder of funding and requests the relevant Investor/ Limited Shareholder to pay in to the Fund whole or part of the Subscription Price in respect of each Ordinary Share it has subscribed for

General Partner: E.RE.A.S. MANAGEMENT S.à r.l., a Luxembourg private limited company which has been appointed as sole manager of the Fund

Investment Advisory Committee: the committee created to assist the General Partner, which will consist of representatives of Shareholders of the Fund formally appointed by the General Partner in accordance with the provisions set out in the Articles and the Prospectus

Investment Advisory Committee Representative: each member of the Investment Advisory Committee

Investor: any person, firm, partnership or corporate body wishes to subscribe for Ordinary Shares

Law of 10 August 1915: the Luxembourg law of 10 August 1915 on commercial companies as amended from time to time

Law of 13 February 2007: the Luxembourg law of 13 February 2007 on specialised investment funds as amended from time to time

Limited Shareholder: the holder of Ordinary Shares and whose liability is limited to the amount of its investment in the Fund

Management Fee: the fee calculated and payable to the General Partner in accordance with the Appendix of each relevant Sub-Fund

Management Shares: the management shares held by the General Partner in the share capital of the Fund in its capacity as Unlimited Shareholder

Net Asset Value: the net asset value per Share of the Fund as determined in accordance with the Prospectus

Ordinary Shares: the ordinary shares held by the Limited Shareholders in the share capital of the Fund

Prohibited Investor: any person, firm, partnership or corporate body, if in the sole opinion of the Fund the holding of Ordinary Shares may be detrimental to the interests of the existing Shareholders or of the Fund, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the Fund may become exposed to tax disadvantages, fines or penalties that it would not have otherwise incurred; the term «*Prohibited Investor*» includes any Investor which does not meet the definition of Eligible Investors as described above in accordance with article 2 of the Law of 13 February 2007

Prospectus: the present prospectus of the Fund as may be amended from time to time

Redemption Day: each Valuation Day whilst there are Ordinary Shares outstanding (or such other day or days as the General Partner may determine from time to time on a case by case basis of generally) as at which Ordinary Shares may be redeemed

Shares: the shares in the capital of the Fund, including the Management Shares held by the General Partner and the Ordinary Shares held by the Limited Shareholders

Shareholder: the Limited Shareholder and/or the Unlimited Shareholder as the case may be

Sub-Fund: each Sub-Fund with a specific portfolio of assets and liabilities created and designed by the General Partner from time to time by reference to the investment objective

and policy of each Sub-Fund, investors approved by the General Partner, the currency by which each Sub-Fund is denominated and other applicable terms and conditions of each Sub-Fund contained in a dedicated Appendix. The assets and liabilities of each Sub-Fund are segregated from the assets and liabilities of any other Sub-Fund

SIF: specialised investment fund as defined by the Law of 13 February 2007

Subscription: a non-revocable commitment by which an Investor accepts to subscribe for a certain amount of Ordinary Shares and to settle it upon request of the Fund under the terms and conditions set forth in the Prospectus

Subscription Agreement: the agreement entered into between an Investor and the Fund by which the relevant Investor subscribes for Ordinary Shares of the Fund

Subscription Period: the period during which Ordinary Shares for relevant Sub-Fund are offered for subscription

Subscription Price: the subscription price at which the Ordinary Shares are offered on the Closing or on any other additional Closings, which will be determined and paid under the terms and conditions, indicated in this Prospectus

Unlimited Shareholder: E.RE.A.S. MANAGEMENT S.à r.l., holding Management Shares and which will be, in its capacity as unlimited shareholder, liable without any limits for any obligations that cannot be met out of the assets of the Fund

Valuation Day: a date on which the Net Asset Value is calculated; such a date is fixed on 30 June and 31 December of each calendar year and on any other Bank Business Day as the General Partner may decide

ORGANISATION

General Partner of the Fund

E.RE.A.S. MANAGEMENT S.à r.l.

Société à responsabilité limitée – subscribed share capital EUR 112,500.-

Registered office: 4-6, rue de la Boucherie - L-1247 Luxembourg

Luxembourg Trade Register B157566.

managed by its board of managers composed as follows:

- Francesco Guarnieri, chairman and Board member
lawyer residing in Lugano (Switzerland)
- Mark Azzopardi, Board member
independent director, residing in Malta
- Dominique Giannelli, Board member
independent director, residing in Roma (Italy)
- Charles Etonde, Board member
independent consultant, residing in Luxembourg

Registered office of the Fund

12, rue Eugène Ruppert L-2453 Luxembourg

Central Administration

Moventum S.C.A.

12, rue Eugène Ruppert

L-2453 Luxembourg

Custodian,

Intesa Sanpaolo Bank Luxembourg

19-21 boulevard du Prince Henri

L-1724 Luxembourg

Auditor

MAZARS LUXEMBOURG

10 A, rue Henri M. Schnadt

L-2530 Luxembourg

Legal Advisor

mohe | société d'avocats

22 avenue de la Liberté

L-1930 Luxembourg

THE FUND

Structure

The Fund is a Luxembourg specialised investment fund established under the form of a limited partnership by shares (*société en commandite par actions*) with a variable capital, qualifying as a specialised investment fund with multiple compartments (each of them referred to as a “**Sub-Fund**”) which will be governed by the laws of the Grand Duchy of Luxembourg, more in particular by the Law of 13 February 2007 and the Law of 10 August 1915. The Luxembourg financial sector supervisory commission (“**CSSF**”) keeps official lists of all the undertakings authorised in Luxembourg and subject to its supervision. The lists, including SIF, are regularly updated and are available on www.cssf.lu.

In accordance with the law of 12 July 2013 on Alternative Investment Fund Managers (the “**AIFM Law**”), the Fund qualifies as an internal AIFM and given that the assets under its management including any assets acquired through use of leverage in total do not exceed a threshold of EUR 100 Million, it is eligible for the exemptions permitted by Article 3 (3) and (4) of the AIFM Law. As a result, the Fund has applied for registration with the CSSF.

Investors hold exclusively Ordinary Shares which means that their liability is limited to their investments for Ordinary Shares and that they are not allowed to involve themselves in the management of the Fund.

The Fund is registered with Luxembourg Trade Register under the number B 184393.

The Fund is managed by its General Partner in its capacity as sole Unlimited Shareholder holding all Management Shares, which means that the General Partner has an unlimited liability toward third parties. The General Partner may also hold Ordinary Shares.

The Fund was incorporated for an unlimited duration with an initial subscribed share capital of EUR 50,000 (fifty thousand Euro) represented by 10 (ten) Management Shares and 49,990 (forty nine thousand nine hundred ninety) Ordinary Shares, without nominal value and fully paid-up, by a deed of Maître Jean-Joseph Wagner, notary residing in Sanem (Grand Duchy of Luxembourg), on 11 February 2014, published in the Mémorial C, Recueil Spécial des Sociétés et Associations n° 459 dated 20 February 2014, page 22002.

The share capital of the Fund shall at any time be equal to the net assets of the Fund as defined in the present Prospectus.

The General Partner is authorised to issue, at any time, an unlimited number of fully paid-up different Classes of Ordinary Shares without reserving to the existing Shareholders a preferential right to subscribe for the Ordinary Shares to be issued, which may be issued in one or more Classes of Shares, in registered form only.

The capital consolidation currency of the Fund is EUR.

Umbrella fund

Pursuant to article 71 of the Law of 13 February 2007, the Fund qualifies as a SIF with multiple compartments, each of them referred to as a Sub-Fund. The General Partner shall manage a separate portfolio of assets for each Sub-Fund which shall be invested and disinvested in accordance with the investment strategy applicable to the relevant Sub-Fund. Investors may subscribe for one or more Sub-Funds based on the investment strategies chosen by them. Each Sub-Fund shall be invested by the subscription of its own Classes of Shares which features shall be determined by the Articles and the Prospectus.

Assets and liabilities of each Sub-Fund are segregated from the assets and liabilities of the other Sub-Funds which means that the assets of a Sub-Fund shall only be available and used to meet the liabilities of the creditors of the Fund who are creditors of the relevant Sub-Fund and shall not be available or used to meet liabilities to the creditors of the Fund who are not creditors of the relevant Sub-Fund. Where a liability of the Fund to a person arises from a matter, or is otherwise imposed, in respect of or attributable to a particular Sub-Fund such liability shall extend only to, and that person shall, of that liability, be entitled to have recourse only to the assets of the Fund attributable to that segregated portfolio.

The Fund shall, for and on behalf of the Sub-Fund, sign and execute any agreement, contract or arrangement which is to be binding on or for the benefit of such Sub-Fund and the relevant document shall indicate that the Fund is executing the document in the name of, or by, or for the account of, such Sub-Fund. If the Fund is in breach of the foregoing requirements, the General Partner shall incur personal liability for the liabilities of the Sub-Fund pursuant to the relevant document and, unless the General Partner was fraudulent, reckless, negligent or acted in bad faith, shall have a right of indemnity with respect to such personal liability against the assets of the Sub-Fund.

The General Partner may at any time resolve to set up new Sub-Funds and/or create within each Sub-Fund one or more Classes of Shares and this Prospectus will be updated accordingly. The General Partner may also at any time resolve to close a Sub-Fund, or one or more Classes of Shares within a Sub-Fund to further subscriptions.

Eligible Investors

Each investment into the Fund is limited to Eligible Investors that are able to adequately assess the risks associated with the investment in such a vehicle.

The Ordinary Shares may only be subscribed by Eligible Investors, which term includes in accordance with article 2 of the Law of 13 February 2007:

- institutional investors; and
- professional investors, i.e. those investors who are, in accordance with Luxembourg laws and regulations, deemed to have the experience, knowledge and expertise to make their own investment decisions and adequately appraising the risk they incur; and
- any other well-informed investor who fulfils the following conditions:
 - (i) declares in writing that he adheres to the status of well-informed investor; and
 - (ii) invests a minimum of one hundred twenty five thousand Euro (EUR 125,000) in the Fund; or
 - (iii) declares in writing that he adheres to the status of well-informed investor and provides an assessment made by a credit institution within the meaning of Directive 2006/48/EC, another professional of the financial sector subject to rules of conduct within the meaning of Directive 2004/39/EC, or by a management company within the meaning of Directive 2001/107/CE, certifying his expertise and knowledge to adequately appraise the contemplated investment and the risk thereof.

The Central Administration is in charge with control of fulfilment of these conditions.

Prohibited Investor

A Prohibited Investor is any person, firm, partnership or corporate body, if in the sole opinion of the Fund the holding of Ordinary Shares may be detrimental to the interests of the existing Shareholders or of the Fund, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the Fund may become exposed to tax disadvantages, fines or penalties that it would not have otherwise incurred; the term «*Prohibited Investor*» includes any Investor which does not meet the definition of Eligible Investors as described above in accordance with the provisions of article 2 of the Law of 13 February 2007.

INVESTMENT STRATEGY

Investment in Shares being hereby offered involves a high degree of risk, including the risk of loss of the entire amount invested.

Each Investor must understand that he is making a medium to long term investment without any present or foreseeable need to consider the disposal of such investment.

Investors, prior to invest, should carefully examine the risk factors as described below and should consult their own advisor as to legal, tax, investment and related matters concerning an investment in the Fund.

Investment strategy

The investment objectives of the Fund are the investment objective of each of the Sub-Funds. The investment objectives and policies of the Sub-Funds are determined by the General Partner at the time of creation of each Sub-Fund.

The Fund's main objective is to achieve, through each Sub-Fund, long term growth in the value of the Sub-Fund's assets by investing in a wide range of investment vehicles. The investment objectives and other specific details are described individually for each Sub-Fund in the relevant Appendix to this Prospectus. Specific restrictions may apply to each Sub-Fund as more fully detailed, as the case may be, in the relevant Appendix to this Prospectus.

There can be no assurance that the Sub-Fund's investment objectives will be achieved. Investments results may substantially vary over time.

Risks and restrictions

Participation in a specialised investment fund as the Fund, involves certain special considerations and risks relating to the Fund. While participation in the Fund can offer the potential for higher than average returns, it also involves a correspondingly higher degree of risk. A participation in the Fund is appropriate only for Eligible Investors who recognize the risks involved and the private nature of the Fund and its operations.

- No assurance of profits

The Fund has no operating history. There can be no assurance that the Fund will consistently perform well during the period of its existence. An Investor may lose all of its investment or may receive upon redemption of its Shares less than it paid on subscription for such Shares.

Investments made by the Fund may carry a degree of risk including, but not limited to, the risk referred to here below. No assurance can be given that Shareholders will realise a profit on their investment. Moreover, Shareholders may lose some or a significant proportion of their investment (including the risk to lose the entire invested amount). The risks referred to here below do not purport to be exhaustive and potential Investors should review this Prospectus carefully and in its entirety and consult with their professional advisers before making an application for Shares.

- Fund's redemption right

Under the Prospectus, the General Partner has the right to initiate and proceed to a compulsory redemption of all or any Shares. The General Partner intends to exercise its discretion to compulsorily redeem any Shares which may have been acquired by Shareholders in breach of laws and/or regulations and/or otherwise where continued ownership, direct or beneficial, might have, in the sole opinion of the General Partner, adverse regulatory, tax or pecuniary consequences to the Fund or its Shareholders.

The General Partner also compulsorily redeems the Shares where it determines in its discretion that the size of the Fund makes the continuation of the Fund economically unfeasible because of the costs involved and otherwise as described in the constitutional documents. Such compulsory redemption could result in adverse tax and/or economic consequences to a Shareholder.

- Redemption in kind

The General Partner reserves the right in its absolute discretion, and with the approval of the relevant Shareholders, to proceed to part or all of any redemption payments in kind or in specie. In such event, the relevant Shareholders will receive securities (or part securities and part cash) with a value (calculated on the same basis as the Net Asset Value of the Fund), when aggregated with any cash portion of the redemption payment, equal to the redemption payment to which they are otherwise entitled.

The value of the redemption in kind will be certified by an auditor's certificate drawn up in accordance with the requirements of Luxembourg law. Any expenses incurred for redemptions in kind shall be borne by the relevant Shareholders.

- Redemption during a lock-up period

Redemption of Shares may be prohibited or partially suspended during a lock-up period or upon decision of the General Partner as defined in the Appendix of the relevant Sub-Fund.

- Limited liquidity

If the Fund incurs substantial losses as a result of its investment activities, the Fund may either have insufficient assets to pay the requested redemption payment or be restricted by law from completing redemption. Sizeable redemptions of Shares in the Fund by Shareholders may have an adverse impact on the ability of the Fund to successfully conduct its business and activities. Redemptions may be suspended by the Fund in certain circumstances as described in this Prospectus (see "*Redemptions of Shares*" and "*Suspension of the Calculation of the Net Asset Value and/or issue and/or redemption and/or conversion of the Shares*" here below).

An investment in the Fund is relatively illiquid and is not suitable for an Investor who needs liquidity.

- Effect of substantial redemptions

Despite the General Partner's ability to defer redemptions at any time where the aggregate redemption request exceeds 10% of the Net Asset Value of the Sub-Fund redeemed, substantial redemptions by Shareholders within a short period of time

could require the Fund to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of the Fund's asset and/or disrupting the investment strategy.

Reduction in the size of the Fund could make it more difficult either to generate a positive return or to recoup losses due to, among other things, reductions in the Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

- Restrictions on transfer of Shares

Shareholders should be fully aware of the restrictions on transfer of their Shares in the Fund. The Shares will not be registered under the securities laws of any jurisdiction and there will be no secondary or other ready market for the Shares. The Shares are not readily transferable and no transfer of Shares may be registered without the approval of the General Partner which may be withheld in its absolute discretion.

- Cross-Class liability

There will be no cross-liability as between Sub-Funds and the capital contributions and investments in relation thereto will be kept in separate segregated accounts.

- Investment risks

The Fund may invest in and trade instruments with significant risk features including, without limitation, risks arising from the volatility of securities, currency and interest rate markets, the potential exposure to losses resulting from counterparty defaults. There can be no assurance that a Sub-Fund's investment program will be successful or that the investment objective of a Sub-Fund will be achieved. Shares may fluctuate in price and value, and the value of the Shares may decline below the amount initially invested.

Furthermore, there can be no assurance that the past performance information will be indicative of how such investments will perform (either in terms of profitability or correlation) in the future.

Upon redemption of Shares or the liquidation of the Fund or the liquidation of Sub-Funds, Shareholders may receive less than the amount initially invested.

- Changes in investment strategy

The General Partner has the broadest discretion to expand, revise or contract the Fund's business without the consent of the Shareholders. Thus the investment strategies described herein may be altered without the prior approval of or notice to the Shareholders provided that the General Partner determines that such change is in the best interest of the Fund.

Any such decision to engage in a new activity could result in the exposure of the Fund's capital to additional risks, which may be substantial.

- General economic conditions

The success of the investment activities of the Fund may be affected by general economic conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the investments of the Fund.

Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

- Market risk

The investments of the Fund are subject to normal market fluctuations and the risks inherent in securities and similar instruments and there can be no assurance that appreciation will occur. The price of Shares can go down as well as up and Shareholders may not realise their initial investment. Although the General Partner will attempt to restrict the exposure of the Fund to market movements, there is no guarantee that this strategy will be successful.

- Liquidity risk

Investments made by the Fund may be illiquid. In particular, it may not always be possible for the Fund to execute a buy or sell order on exchanges at the desired price or to liquidate an open position due to market conditions including the operation of daily price fluctuation limits. If trading on an exchange is suspended or restricted, the Fund may not be able to execute trades or close out positions on terms which the Fund believes are desirable.

There is consequently no assurance that the liquidity of such investments will always be sufficient to meet redemption requests as and when made. Any lack of liquidity may affect the liquidity of the Shares of the Fund and the value of its investments.

For such reasons the treatment of redemption requests may be postponed or suspended in exceptional circumstances, including if a lack of liquidity results in difficulties in determining the Net Asset Value of the Shares of the Fund. This may also lead to a suspension of subscriptions.

- Small and medium capitalisation stocks

Sub-Funds may invest a substantial portion of their assets in stocks of companies with small to medium sized market capitalisations. Such stocks, particularly smaller-capitalisation stocks, involve higher risks in some respects than investments in stocks of larger companies do. For example, prices of small capitalisation and even medium-capitalisation stocks are often more volatile than prices of large capitalisation stocks and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, blue-chip companies. In addition, due to thin trading in some small-capitalisation stocks, and investment in those stocks may be considered illiquid.

- Currency fluctuations

The Fund's assets may be invested in securities and other investments and the Fund may receive income, in currencies other than the currency of the Sub-Fund subscribed. Accordingly, the Net Asset Value of that Sub-Fund and distributions in such currency, where applicable, may be adversely affected by reductions in value of other currencies relative to such reference currency, notwithstanding any efforts made to hedge such depreciations.

In addition, Investors whose assets and liabilities are primarily denominated in currencies other than reference currency of the Sub-Fund subscribed should take into account the potential risk of loss arising from fluctuations in the rate of exchange between their reference currency and such other currency. The Fund itself may utilise, or make investments in derivatives such as forwards, futures, options and other derivatives to hedge against currency fluctuations (only pursuant to the terms and conditions as defined herein), but there can be no assurance that such hedging transactions will be effective or beneficial. The Fund will incur transaction costs in connection with the conversions between these other currencies and the reference currency of the Sub-Fund subscribed.

- Reliance on the General Partner and the Advisors

The asset allocation and investment activities of the Fund will follow at their best the investment recommendations made by the Advisors (if any) and will be implemented by the General Partner.

Even though the General Partner, the Advisors (if any) carefully implement due diligence procedures on various levels, the General Partner and the Advisors (if any) can give no guarantee as to the success of investment strategies.

The bankruptcy or liquidation of the General Partner may have an adverse impact on the Fund and the value of its Shares. The performance of the Fund could be materially adversely affected if the General Partner's directors and key employees were to die, become ill or disabled or otherwise cease to be involved in the active management of the business of the Fund. In their sole capacity as Shareholders, the Shareholders have no right or power to take part in the management of the Fund. Investors must therefore rely on the judgment of the General Partner.

- Accounting and statutory standards

It may occur in some countries, where a Sub-Fund may potentially invest, that standards of accountancy, auditing and reporting are less strict than the standards applicable in more developed countries and that investment decisions have to be taken based on information less complete and accurate than that available in more developed countries.

Each Sub-Fund will comply with the following investment restrictions:

- (i.) the Sub-Fund may not invest more than 30% (thirty per cent) of its assets or commitments to subscribe securities of the same type issued by the same issuer. This restriction does not apply to (i) investments in securities issued or guaranteed by an OECD Member State or its regional or local authorities or by EU, regional or global supranational institutions and bodies; (ii) investments in target UCIs that are subject to risk-spreading requirements at least comparable to those applicable to SIFs. For the purpose of the application of this restriction, every Sub-Fund of a target umbrella UCI is to be considered as a separate issuer provided that the principle of segregation of liabilities among the various Sub-Funds vis-à-vis third parties is ensured;
- (ii.) short sales are not allowed; and
- (iii.) derivative instruments are not allowed; instruments derived from these, instruments of financial leverage, or each and any other financial instrument that may in any way compromise the investment policy of the Sub-Fund, are not allowed.

Regulatory risks

- Lack of regulatory supervision

The Fund may proceed to investments established in jurisdictions where no or limited supervision is exercised by a regulatory authority. Although the Fund may seek to ensure that safeguards are in place to protect the interest of Shareholders, such safeguards may be less effective in protecting investors supervision exercised by a regulatory authority. Furthermore, the effectiveness of any supervision or other safeguards may be affected by a lack of precise investment and risk diversification guidelines. However, in order to minimise these risks, a due diligence procedure will be used or required by the Advisor to select such investments.

- Anti-money laundering

If the General Partner or the Central Administration believes that the Fund has accepted any subscriptions for Shares by, or is otherwise holding assets of, any person or entity that is acting, directly or indirectly, in violation of any international or national laws anti-money laundering and, rules, regulations, treaties or other restrictions, or on behalf of any suspected terrorist or terrorist organisation, the General Partner or the Central Administration must inform the State Prosecutor of the Luxembourg District Court and any transaction on the assets of such person or entity invested in the Fund might be frozen.

- Other

The Fund will be subject to various other securities laws and similar laws and regulations that could limit some aspects of the Fund's activities or subject the Fund to the risk of penalties due to non-compliance.

The number and allocation of portfolio assets in each Sub-Fund should reduce the Sub-Fund's sensitivity to risks associated with a particular investment. Potential Investors should be aware of the fact that there can be no assurance that their initial investment will be preserved. Past performance is not indicative of future results.

Furthermore, additional specific risk factors for each Sub-Fund may be set out for each Sub-Fund in the Appendix relating to the relevant Sub-Fund.

Because of the risks involved, investment in the Fund is only suitable for those persons who are able to bear the economic risk of the investment, understand the high degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs, and have no need for liquidity of investment. Should any non-professional investor invest in shares of the Fund, it is advisable that only part of the sums which such an Investor intends for long term investment should be so invested.

The foregoing risk factors do not purport to be a complete account of the risks linked to investment in the Fund. Investors should read the entire Prospectus including all attachments and consult their own professional advisers before deciding to invest in the Fund.

MANAGEMENT AND ADMINISTRATION

General Partner of the Fund

- Main duties

The Fund is managed by its General Partner in its capacity as sole Unlimited Shareholder.

The General Partner of the Fund is E.RE.A.S. MANAGEMENT S.à r.l., a Luxembourg private limited liability company ("*société à responsabilité limitée*") having its registered office at 4 rue de la Boucherie L-1247 Luxembourg, incorporated on 17 December 2010 by a deed of Maître Paul Bettingen, notary residing in Niederanven (Grand Duchy of Luxembourg), published in the Mémorial C, Recueil Spécial des Sociétés et Associations n°325 page 15592 dated 17 February 2011, deed amended for the last time by a deed of Maître Jean-Joseph Wagner, notary residing in Sanem (Grand Duchy of Luxembourg), on 11 February 2014, published in the Mémorial C, Recueil Spécial des Sociétés et Associations on 20 February 2014 number 459.

The General Partner acting through its board of managers shall have the broadest powers to manage the Fund and act in any circumstances on behalf of the Fund, subject to the powers expressly assigned by laws and the Articles to the Shareholders and is responsible for the investment management and administration of the Fund.

The General Partner appoints the Auditor, the Custodian and Central Administration of the Fund.

The General Partner may appoint one or more Advisors consisting mainly in advice and recommendations on potential investments and divestments opportunities and on the implementation of the investment policy of a relevant Sub-Fund. Advisors shall be carefully selected by the General Partner based on Advisor's experience, know-how, skills and reputation in the light of the relevant Sub-Fund's investment policy. In such a case, the General Partner shall not delegate the investment decision power to the appointed Advisors which remains under the sole supervision of the General Partner.

The General Partner may from time to time decide to create further Sub-Funds; in such a case, the Prospectus will be updated and amended so as to include detailed information on the new Sub-Funds. The General Partner may also decide to create further Classes of Ordinary Shares; in that event the Prospectus will be updated and amended as to include detailed information on such new Classes.

The General Partner will on a reasonably regular basis report on the activities of and investments by the Fund and its Sub-Funds.

The Fund expressly authorises the General Partner to provide all relevant (including personal and financial) data pertaining to the Fund and its Shareholders to the Custodian, the Central administration, the Auditor, the lawyers, the Advisors under the condition that they are subject to a similar confidentiality duty and limited to the proper execution of the obligations and fulfilment of duties in connection with the direct or indirect rendering of services to the Fund.

- Details relating to the General Partner

E.RE.A.S. MANAGEMENT S.à r.l., acting as General Partner of the Fund, is managed by its Board.

The Board shall act validly only if a majority of managers are present or represented at a meeting of the Board. Decisions shall be taken by a majority vote of the managers present or represented.

The chairman of the Board shall have a casting vote.

In accordance with regulation CSSF n°12-01, the Board has implemented a conflict of interest policy and a risk management policy.

The Board is composed as follows:

- Mr. Francesco Guarnieri, Board member and chairman of the Board

Since 2008 Mr. Francesco Guarnieri is senior partner and founder of the International law firm named “Guarnieri & Partners”. He specialises in tax, banking and finance matters and his extensive professional experience has been an integral piece in numerous international operations. Mr. Guarnieri is also served as Chief Financial Officer of Agusta S.p.A. an Italian Helicopter Manufacturer. He has been Founder, Deputy Chairman and Chief Executive Officer of Capitalease S.p.a., a leasing company licenced and regulated by the Central Bank of Italy. He is currently a Board Member and Portfolio Manager of VITRUVIAN FUND SICAV IC PLC a collective investment scheme licensed by the MFSA as an alternative investment fund.

He serves also as non Executive Director of Global Capital Financial Management Limited, a Global Capital PLC company, an insurance group based in Malta and listed on Malta Stock Exchange. He holds a law degree from University of Milan and Economic Degree from University of Rome “Tor Vergata”. He has also achieved the admission to the Bar Association of Milan (Italy) and Lugano (Switzerland). He has also achieved in Italy the professional qualification of Chartered Public Accountant and Auditor. He is Italian mother tongue and fluent in English

- Mr. Mark Azzopardi, Board member

Mr. Azzopardi is a mechanical engineer with a background in senior management and environmental technologies. He also works as a consultant advising and supporting clients on issues of management, operations, environmental management, resource efficiency, project management and business development. He is the Director and co-founder of Azure Rock Partners, a boutique human resources and training firm. Mr. Azzopardi holds a number of non-executive directorships and has occupied various senior management positions in the private sector; He has been Head of Business Consultancy, PR & Environment at Malta Enterprise, Director of WasteServ Malta. He also carried out work as an environment expert for the EU Commission’s Executive Agency for Competitiveness & Innovation (EACI, now EASME). He is Maltese mother tongue and fluent in English.

- **Mr. Dominique Giannelli, Board member**

Mr. Dominique Giannelli has been an independent director of Investire Immobiliare Sgr S.p.A. (Banac Finmat Euramerica Group) an Italian asset manager duly authorized by the Central Bank of Italy. He is also a member of the advisory committee of ERACLE Fund managed by Generali Immobiliare Italia S.p.A. (Generali Assicurazioni S.p.A.). As director of the Italian asset manager, he held the position of fund manager for FIEPP Fund and for PRIMO Fund. He has also more than 10 years' experience in financial and audit fields having worked in the auditing and management consulting division of KPMG Corporate Finance. He holds a degree in economics from Il Univesità di Napoli, Federico II and has a master certification in Business Administration from FONDAZIONE CUOA. He is a member of AIAF (Financial Analyst Italian Association) and registered chartered account and official auditor in Italy. He is Italian mother tongue and fluent in English.

- **Mr. Charles Etonde, Board member**

Mr. Etonde is an independent legal consultant who serves as senior counsel in reviewing and drafting of the legal compliance documentation related to the management of the companies and funds. From 2006 to 2010 he has served as in-house lawyer for BNP Paris Securities Services (Luxembourg) and for BDO (Luxembourg).

Mr. Etonde has a large experience in structuration and approval of investment funds under CSSF supervision and unregulated investments vehicle, Corporate life of investment vehicles. In his role as in-House, Mr. Etonde has provided legal support to different departments, managing relations with Regulatory Bodies.

Ha has also achieved the full qualification as French Lawyer in 2004. Mr. Etonde also holds a Master in European and International Business Law (Valenciennes - 2002) and in Private Law with specialization in Business Law (Lille – 1999)

He is French mother tongue and fluent in English and Spanish.

▪ **Removal of the General Partner**

The General Partner may not be removed from the Fund and replaced by another General Partner except for (i) a material and serious breach of the Articles, display of gross negligence, fraud or other serious wilful misconduct, or (ii) for any illegal acts of the General Partner to the extent such illegal acts may be considered by the general meeting of Shareholders as impacting its ability or "*honorabilité*" or appropriateness to perform its functions.

The removal, solely on the grounds mentioned above, which shall be effective immediately, requires a decision of the general meeting of Shareholders with an ninety percent (90%) majority of the votes cast at such meeting. Such general meeting of the Shareholders may be held at any time and called by the General Partner upon the request of Shareholders representing at least ten per cent (10%) of the share capital of the Fund. Decisions shall be validly passed without prior approval of the General Partner.

In case of removal, the General Partner shall procure that the Management Shares held by it at the time it is removed from office are forthwith transferred to any successor General Partner that shall be appointed for the management of the Fund and shall sign all acts, contracts and deeds and in general do all things that may be necessary to implement such transfer.

Upon a decision of the general meeting of Shareholders to remove the General Partner, the Fund shall have the right to re-purchase the Management Shares at a price equal to the subscription price paid upon subscription of such Management Shares or to transfer such right to re-purchase, at the same purchase price, to the replacement General Partner, and the Management Shares shall be transferred to the Fund or to the replacement General Partner, as the case may be, and such transfer shall be registered in the register of Shareholders with effect as of the date on which the Fund is notified of such purchase.

The appointment of the replacement General Partner is subject to approval of CSSF, in accordance with the Law of 13 February 2007.

In case of removal, the Fund shall issue no break-up fee to the General Partner and the latter shall not be entitled to any transaction payment in respect of which it has acted fraudulently.

Advisors

Advisors may be engaged by the Fund pursuant to a consulting agreement to provide their services to each relevant Sub-Fund consisting mainly in advice and recommendations on potential investments and divestments opportunities and on the implementation of the investment policy.

Investment Advisory Committee

- Investment Advisory Committee Representatives

The Investment Advisory Committee consists of representatives of Shareholders of the Fund, formally appointed by the General Partner.

Each of the Shareholders whose Shares represent at least EUR 6,000,000 (six million Euro) of the issued share capital of a Sub-Fund will have the right to have one representative appointed by the General Partner as member of the Investment Advisory Committee. Each concerned Shareholder shall provide the General Partner with the details of its representative to be appointed. If at any time the holding condition is no longer met by a Shareholder, the mandate of its Investment Advisory Committee Representative shall cease immediately.

- Investment / Divestments decisions submitted to the Advisory Committee Representatives

All investments / divestments of a minimum EUR 10,000,000 (ten million Euro), with the exception of financial investments for temporary or cash management purposes, have to be submitted by the General Partner to the Investment Advisory Committee for advisory opinion, prior to the decision to be taken by the General Partner.

Moreover, the Investment Advisory Committee shall make advisory opinion and provide assistance to the General Partner on, several matters including, but not limited to, matters of conflicts of interests, the sanctions to a Defaulting Investor and on any matters where the members could potentially add value to the underlying investment of the relevant Sub-Fund.

- Convening notices

Any meeting of the Investment Advisory Committee shall be convened by the General Partner who shall attend the meeting.

The Investment Advisory Committee shall meet by phone or in-person following not less than 5 (five) Bank Business Days notice (unless waived by each Investment Advisory Committee Representative in writing) detailing the matters to be considered and discussed by the Investment Advisory Committee and, in respect of decisions on the proposed investments / divestments, receipt of a written outline setting out the main terms and conditions of such proposed meeting.

- Independent professional expert

Before any decision to be taken by the Investment Advisory Committee, the General Partner may decide to appoint, on a temporary basis, one independent professional expert for its technical knowledge and expertise on the specific field submitted for investment / divestment. One or more Investment Advisory Committee

Representatives who together hold at least of a minimum EUR 10,000,000 (ten million Euro) may also request such appointment which shall become mandatory for the General Partner. The appointed professional shall attend the Investment Advisory Committee' meeting and shall deliver an information report on the proposed investments based on its expertise and experience in the relevant sector.

- Quorum and majority

Decisions of the Investment Advisory Committee are not subject to a quorum requirement. Any decisions will be validly taken with a majority of fifty percent (50%) of the Investment Advisory Committee Representatives present or represented.

Investment Advisory Committee Representatives may appoint proxy holders to attend meetings of the Investment Advisory Committee. Each Investment Advisory Committee Representative shall have one vote.

- Effects of an Investment Advisory Committee' decision

For the avoidance of doubt, the Investment Advisory Committee shall have no other power and discretion than to produce an advisory opinion with respect to the making of or acquisition of investments, assets and rights of investments, the exercise of rights attached to any investment or the divestment of any investments, assets and rights of investments than the limited power granted to the Investment Advisory Committee.

Although the General Partner will carefully consider the advisory opinion issued by the Investment Advisory Committee, it has the sole discretion and ultimate responsibility in making any and all investments / divestments.

- **Miscellaneous**

In case the Investment Advisory Committee must meet in person, reasonable out-of-pocket expenses of Investment Advisory Committee Representatives attending Investment Advisory Committee meetings shall be paid by the Fund.

If an independent expert is appointed by the General Partner, its fees shall be paid by the Sub-Fund for which the Investment Advisory Committee has been / shall be convened.

The Investment Advisory Committee Representative appointed by a Defaulting Investor or a Shareholder having a potential conflict of interest with the Fund, shall not be entitled to vote while making advisory opinion on issues related to a Defaulting Investor and/or to conflicts of interests of a Shareholder.

Custodian

Pursuant to a services agreement signed on 10 March 2014, Intesa Sanpaolo Bank Luxembourg (formerly Société Européenne de Banque) had been appointed as the Custodian and Central Administration. This agreement was replaced by a Depositary Bank Agreement pursuant to which Intesa Sanpaolo Bank Luxembourg acts as depositary bank of the Fund.

Intesa Sanpaolo Bank Luxembourg is a bank incorporated on 2 June 1976 for an unlimited duration as a “*société anonyme*” under the laws of Luxembourg, with its registered office at 19-21, Boulevard Prince Henri L-1724 Luxembourg.

Pursuant to the Depositary Bank Agreement, the assets of the Fund shall be deposited with the Custodian and/or the correspondents duly authorised in their country, selected by the Custodian acting in good faith and under its own responsibility. Unless the Custodian has been grossly negligent in the selection and supervision of any such correspondent, the Custodian shall not be liable to the Fund for losses resulting from the bankruptcy or insolvency of such correspondent. The Custodian has no duty of supervision, including no duty to control the compliance of the Fund with its investment strategy, policy or restrictions (which is the General Partner’s responsibility), or of ensuring the accuracy of the valuations provided by relevant pricing sources.

As Custodian, Intesa Sanpaolo Bank Luxembourg shall: (a) ensure that the sale, issue, repurchase and cancellation of shares effected by or on behalf of the Fund are carried out in accordance with the Law dated 13 February 2007 and the Articles, (b) ensure that in transactions involving the assets of the Fund, the consideration is remitted to it within the usual time limits, (c) ensure that the income of the Fund is applied in accordance with the Articles.

In the case of voluntary withdrawal of the Custodian, until it is replaced, which must occur within 2 (two) months, the Custodian shall take all necessary means for the good safeguarding of the interests on the Shareholders. The Fund may terminate the appointment of the Custodian but shall not remove it unless and until a successor shall have been appointed by the Fund to act in the place thereof.

Central administration and domiciliary agent

Pursuant to the Central Administration Services Agreement dated 15 June 2015, with addendum dated 30 September 2016, Atlantic Fund Services S.A., a *société anonyme* incorporated on 21 July 2011 and which was absorbed by its sister company Moventum

S.C.A., a public limited partnership, pursuant to a of notarial deed dated 22 December 2016, published in the Recueil Electronique des Sociétés et Associations ("RESA") on 5 January 2017 number 2017_005, acts as administrative agent, registrar, transfer and paying agent as well as domiciliary agent of the Fund.

Moventum S.C.A. is responsible as the case may be, for the calculation of the Net Asset Value per share, the maintenance of records and other general administrative functions, as for example the up-dating of the corporate registers, preparation of any corporate document, annual accounts and report on accounts and financial situations as well as for controlling that investors are qualified as Eligible Investors within the meaning of article 2 of the Law of 13 February 2007.

As registrar, transfer and paying agent, Moventum S.C.A. is responsible for the issue, registration, redemption of shares in the Fund, for the settlement arrangements thereof as well as for keeping official records of the shareholders registry.

Pursuant to the same agreement, Moventum S.C.A. has been appointed as domiciliary agent and shall grant the Fund, for an indefinite period, the right to establish its registered office at the address of the agent at 12, rue Eugène Ruppert – L-2453 Luxembourg.

The Central Administration Services Agreement shall remain in effect for an unlimited term. It may be terminated at any time by and any party upon a ninety (90) days' prior written notice to the other party of the agreement. No prior notice is required in case of commitment by one of the parties of material breach of its obligations.

Auditor

MAZARS LUXEMBOURG has been appointed as Auditor of the Fund.

Conflicts of interests

Shareholders should note that the General Partner, the Custodian and Central Administration and possibly other parties may be subject to various conflicts of interest in their relationships with the Fund. The following considerations are given on a non-exhaustive basis.

Each member of the board of managers of the General Partner shall act exclusively in the best interests of the Fund.

The Custodian, in carrying out its role as depositary of the Fund, must act solely in the interest of the Shareholders.

Should the General Partner becomes aware of a material conflict of interest in a contemplated transaction, it shall use its best endeavours to settle such conflict on an arm's length basis prior to completion of such transaction.

No Shareholder will be required or expected to disclose or make available to the Fund investment opportunities it may pursue for its own account or in the capacity of a shareholder or manager or advisor of any other investment fund, including investment opportunities suitable to or under consideration by the Fund.

In the course of their regular business activities, Shareholders may possess, or come into possession of, information directly relevant to investment decisions of the Fund. No such Shareholders will be required or expected to disclose or otherwise reveal any such information to third parties, including the Fund.

Indemnification

Neither the General Partner, nor any of its affiliates, shareholders, officers, managers, agents and representatives (collectively, the “Indemnified Parties”) shall have any liability, responsibility or accountability in damages or otherwise to any Shareholder, and the Fund agrees to indemnify, pay, protect and hold harmless each Indemnified Party from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses of attorneys, defence, appeal and settlement of any and all suits, actions or proceedings instituted or threatened against the Indemnified Parties or the Fund) and all costs of investigation in connection therewith which may be imposed on, incurred by, or asserted against the Indemnified Parties, the Fund or in any way relating to or arising out of, or alleged to relate to or arise out of, any action or inaction on the part of the Fund, on the part of the Indemnified Parties when acting on behalf of the Fund or on the part of any agents when acting on behalf of the Fund; provided that the General Partner in its capacity as unlimited shareholder of the Fund shall be liable, responsible and accountable for and shall indemnify, pay, protect and hold harmless the Fund from and against, and the Fund shall not be liable to the General Partner for, any portion of such liabilities, obligations, losses, damages, penalties, actions, judgements, suits, proceedings, costs, expenses or disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses of attorneys, defence, appeal and settlement of any and all suits, actions or proceedings instituted or threatened against the Fund and all costs of investigation in connection, therewith asserted against the Fund) which result from the General Partner fraud, gross negligence, wilful misconduct or material breach of the Prospectus and the Articles.

Co-management and pooling

To ensure effective management of the Fund, the General Partner may decide to manage all or part of the assets of one or more Sub-Funds with those of other Sub-Funds in the Fund (pooling technique) or, where applicable, to co-manage all or part of the assets, except for a cash reserve, if necessary, of one or more Sub-Funds with the assets of other Luxembourg investment funds or of one or more sub-funds of other Luxembourg investment funds (hereinafter referred to as the “Party(ies) to the co-managed assets”). These assets will be managed in accordance with the respective investment policies applicable to the co-managed assets, each of which is pursuing identical or comparable objectives.

The aforementioned co-managed assets will be formed by the transfer of cash or, where applicable, other assets from each relevant Sub-Fund participating in the co-managed assets. Thereafter, the General Partner may regularly make subsequent transfers to the co-managed assets. The assets can also be transferred back to a Sub-Fund for an amount not exceeding its participation to the co-managed assets.

Dividends, interest and other distributions deriving from income generated by the co-managed assets will accrue assets of each relevant Sub-Fund in proportion to its respective investment.

Such income may be kept by the relevant Sub-Fund or reinvested in the co-managed assets.

All charges and expenses incurred in respect of the co-managed assets will be applied to these assets. Such charges and expenses will be allocated to each relevant Sub-Fund in proportion to its respective entitlement to the co-managed assets.

Shareholders must be aware of the fact that such co-managed assets are employed solely in the interests of the Fund and each relevant Sub-Fund and are held by the Custodian. Co-managed assets are not distinct legal entities and are not directly accessible to Investors. The assets and liabilities of each relevant Sub-Fund are constantly separated and identifiable.

INVESTMENT PROCESS

The Fund's investment process shall be mandatory for each Sub-Fund and can be summarised in four phases as follows:

1. Deal Generation

The General Partner will seek to generate exclusive investment opportunities through the Advisor(s) of the relevant Sub-Fund which shall operate via its broad and influential network of contacts within the relevant geographical area by proactive analysis, via ongoing contacts with sellers, key management of companies and co-investors.

2. Deal Evaluation

Evaluating a deal will be based on a series of distinct steps:

- Preliminary meetings: the General Partner and the Advisor(s) of the relevant Sub-Fund will meet together regularly to share experiences and review new deals and key issues related to the further development of deals through the investment process;
- Pre-study / deal sheet: before incurring external due diligence on an investment transaction, the General Partner will ask the Advisor(s) of the relevant Sub-Fund to carry out its due diligence including management and financial data, drivers of the value creation, strategy for exit, risks and expected returns;
- Concept clearance: on the basis of the deal sheet, the Advisor(s) of the relevant Sub-Fund will evaluate resources required to carry out due diligence on matters regarding business, financial, legal, risks and environmental issues. Advisor(s) will, at this point, be able to offer viewpoints on key strategic, operational and deal structuring issues of value;
- Due diligence: the General Partner will conduct, in good faith, the due diligence in-house as much as feasible. An advanced and verification stage of the due diligence may require external consultants from time to time.
- Business plan and investment proposal: each investment shall be made via a special purpose vehicle which may exist as a target company or has to be set up. In parallel with the due diligence process, the General Partner will work with the management of the target company, if any, on the preparation of a detailed business plan addressing major growth strategies, turn-around plans, identifiable investment needs, major strategic, financial and operational performance objectives, and how the target company plans to contribute to value creation. The General Partner shall adopt same process in case of setting up of a new special purpose vehicle except that it shall interact with future management if any.
- Investment / divestment decision: the General Partner will review each proposal for investment and shall consult the Investment Advisory Committee in order to obtain its advisory opinion. Although the General Partner will carefully consider the advisory opinion issued by the Investment Advisory Committee, it has the sole discretion and ultimate responsibility in making any and all investments. Advisor(s) of the relevant Sub-Fund shall analyse continually the progress of investments process of the relevant Sub-Fund.

3. Active ownership

At the closing of each investment, the General Partner will support the special purpose vehicle management in preparation of a plan to implement the agreed business plan by defining a high priority and focused action program. The General Partner may consult the Advisor(s) at any time. The General Partner' representation of active ownership will as a minimum include the following elements in order to:

- develop a view on the strategic situation and future direction of the invested special purpose vehicle;
- agree with other key owners and management on the establishment of challenging growth strategies, a set of key financial objectives and a focused operational improvement program;
- agree with management on appropriate financial management and reporting systems;
- align objectives of management and owners and establish appropriate incentive system, if any;
- participate proactively in building of the management team, appoint new management, if and when necessary;
- monitor implementation of plans and take corrective actions whenever required; and
- review sector trends and the invested special purpose vehicle' competitive position and adjust strategies and program as required.

4. Exit from investments

Alternative plans for exit will be developed at the time of negotiating the initial investment. Some likely alternative scenarios will be public offerings and sales to strategic investors.

Whenever a likely alternative is a strategic sale, the General Partner shall consult the Advisor(s) of the relevant Sub-Fund in order to seek various exits strategies, for i.e to negotiate a co-operative agreement whereby other shareholders of invested special purpose vehicle, if any, agree to sell jointly with the relevant Sub-Fund a majority stake in invested special purpose vehicle. When a public offering is the likely route, the General Partner will aim to enter the capital market as soon as practical for several purposes: (i) to develop liquidity in a security that can be used for further expansion; (ii) to have the invested special purpose vehicle benefit from the publicity and discipline involved; and (iii) to prepare for the final exit. Increase of leverage may also in some cases be used to enhance the pay out to Shareholders for example through redemption of Shares or, through decrease of the issued share capital of the Sub-Fund.

The General Partner will review each proposal for divestment and shall consult the Investment Advisory Committee in order to obtain its advisory opinion. Although the General Partner will carefully consider the advisory opinion issued by the Investment Advisory Committee, it has the sole discretion and ultimate responsibility in making any divestments. Investment Advisor(s) of the relevant Sub-Fund shall analyse continually the progress of divestments process of the relevant Sub-Fund.

VALUATION

Calculation of the Net Asset Value per Share

The Net Asset Value per Share, expressed in the currency of the relevant Sub-Fund, shall be calculated for each Sub-Fund by the Central Administration under the responsibility of the General Partner as of any Valuation Day.

The Net Asset Value of each Sub-Fund shall be equal to the assets less liabilities of the relevant Sub-Fund as at the Valuation Day, by dividing the Net Asset Value of the relevant Sub-Fund by the number of Shares of such Sub-Fund which are in issue at the close of business in Luxembourg as of such Valuation Day (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day) and by rounding the resulting amount obtained to the second decimal place.

The valuation of the Net Asset Value of each Sub-Fund shall be made in the manner described for each Sub-Fund in the relevant Appendix.

Valuation policy

The assets of each Sub-Fund shall include:

- a) shareholdings in invested companies held by the relevant Sub-Fund;
- b) any other securities held by the relevant Sub-Fund;
- c) all cash on hand or on deposit, including any interest accrued thereon;
- d) all stock, stock dividends, cash dividends and cash distributions receivable by the Sub-Fund to the extent information thereon is reasonably available to the relevant Sub-Fund;
- e) all interest accrued on deposits owned by the relevant Sub-Fund, except to the extent that the same is included or reflected in the principal amount of such asset;
- f) the preliminary expenses of the relevant Sub-Fund, including the cost of issuing and distributing Shares of the relevant Sub-Fund, insofar as the same have not been written off; and
- g) all other assets of any kind and nature held by the relevant Sub-Fund including expenses paid in advance.

The liabilities of each Sub-Fund shall include:

- a) all loans, borrowings, bills and accounts payable of the relevant Sub-Fund;
- b) all accrued interest on loans of the relevant Sub-Fund (including accrued fees for commitment for such loans);
- c) all accrued or payable expenses of the relevant Sub-Fund (including but not limited to administrative expenses, Management Fees, including performance fees and incentive fees, if any, custodian fees and corporate agents' fees);

- d) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the relevant Sub-Fund;
- e) an appropriate provision for future taxes based on capital and income to the Valuation Day or any other date as determined from time to time by the relevant Sub-Fund, and other reserves (if any) authorised and approved by the General Partner, as well as such amount (if any) as the General Partner may consider to be an appropriate allowance in respect of any contingent liabilities of the relevant Sub-Fund; and
- f) all other liabilities of the relevant Sub-Fund of whatsoever kind and nature reflected in accordance with generally accepted accounting principles. In determining the amount of such liabilities, the relevant Sub-Fund shall take into account all payable expenses which shall comprise formation expenses, fees payable to its General Partner, fees and expenses payable to its accountants, custodian and its correspondents, domiciliary or office renting, administrative, registrar and transfer agent and permanent representatives in places of registration, as well as any other agent employed by the relevant Sub-Fund, the remuneration of the managers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the cost of preparing, printing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements, the costs of printing share certificates and the costs of any reports to shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The relevant Sub-Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

The value of such assets shall be determined as follows:

- a) 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 it is unlikely to be received in which case the value thereof shall be arrived at after making such discount as the General Partner may consider appropriate in such case to reflect the true value thereof;
- b) the valuation of any transferable securities or money market instruments listed or traded on an official Stock Exchange or any other regulated market operating regularly, recognised and open to the public, is based on the last quotation known on the Valuation Day and, if this security is traded on several markets, on the basis of the last price known on the market considered to be main market for trading these securities. If the last price is not representative, the valuation shall be based on the probable realisation value estimated by the General Partner with prudence and in good faith;
- c) securities and/or any money market instruments not listed or traded on a stock exchange or any other regulated market, operating regularly, recognised by and open to the public shall be assessed on the basis of the probable realisation value estimated with prudence and in good faith (including without limitation on the basis of the valuation provided by the brokers);

- d) the value of money market instruments not listed or dealt in on any stock exchange or any other regulated market operating regularly, recognised and open to the public and with remaining maturity of less than twelve (12) months will be valued by the amortised cost method, which approximates the market value;
- e) open-end funds will be valued at the actual net asset value for such shares or units as of the relevant Valuation Day, or based on the market value under the condition that this valuation reflects the most adequate price. If the latter is not the case, such funds shall be valued at the estimated net asset value as of such Valuation Day, or if no such estimated net asset value is available, they shall be valued at the last available actual or estimated net asset value provided that if events have occurred which may have resulted in a material change in the net asset value of such shares or units since the date on which such actual or estimated net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the General Partner change;
- f) securities expressed in a currency other than the currency of the relevant Sub-Fund concerned shall be converted on the basis of the available rate of exchange on the Valuation Day; and
- g) all other securities and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the General Partner.

Specific valuation policy of each Sub-Fund, if any, is described in its relevant Appendix.

If events have occurred which may have resulted in a material change of the net asset value of such shares or units in other investment funds since the day on which the latest official net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the General Partner, such change of value but the General Partner will not be required to revise or recalculate the Net Asset Value per Share on the basis of which subscriptions, redemptions or conversions may have been previously accepted.

Frequency of the calculation of the Net Asset Value

The Net Asset Value per share will be determined on each Valuation Day.

Suspension of the calculation of the Net Asset Value and/or issue and/or redemption and/or conversion of the Shares

The General Partner may temporarily suspend the calculation of the Net Asset Value of one or more Sub-Funds and the issue and/or redemption and conversion of Shares, in exceptional cases where circumstances so require and provided the suspension is justified having regard to the interests of Shareholders:

- a) any period when any one of the principal markets or other stock exchanges on which a substantial portion of the assets of a Sub-Fund, are quoted is closed (otherwise than for ordinary holidays) or during which dealings therein are restricted or suspended; or
- b) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the General Partner, or the existence of any state of affairs in the property market, disposal of the assets owned by a Sub-Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders or if in the opinion of the General Partner issue, sale and/or redemption prices cannot fairly be calculated; or
- c) any breakdown in the means of communication normally employed in determining the price of any of a Sub-Fund's assets or if for any reason the value of any asset of a Sub-Fund which is material in relation to the determination of the Net Asset Value (as to which materiality the General Partner shall have sole discretion) may not be determined as rapidly and accurately as required; or
- d) any period when the value of any wholly-owned (direct or indirect) subsidiary of a Sub-Fund may not be determined accurately; or
- e) any period when any transfer of funds involved in the realization or acquisition of investments cannot in the opinion of the General Partner be effected at normal rates of exchange; or
- f) upon the sending by registered letter of a notice convening a general meeting of Shareholders for the purpose of resolving to wind up the Fund; and or
- g) when for any other reason, the prices of any investments cannot be promptly or accurately ascertained.

Notice of any suspension will be given to Shareholders by registered letter if, in the opinion of the General Partner, it is likely exceed 30 (thirty) Bank Business Days.

Suspended subscription, redemption and conversion applications that have not been withdrawn shall be processed on the first Valuation Day after a suspension is lifted.

SHARE CAPITAL

Shares

The capital of the Fund is represented by 10 (ten) issued Management Shares and Ordinary Shares which are divided into Classes of Shares.

According to the Articles, only Ordinary Shares may be issued.

The minimum share capital of the Fund is EUR 1,250,000 (one million two hundred fifty thousand Euro) or equivalent and must be achieved within 12 (twelve) months after the date on which the Fund has been authorised as a SIF under the Law of 13 February 2007.

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

The Fund is an umbrella structure and the General Partner is entitled to establish a pool of assets constituting a Sub-Fund within the meaning of article 71 of the Law of 13 February 2007 for each Class of Ordinary Shares or for 2 (two) or more Classes of Ordinary Shares in the manner described below. The Fund constitutes one single legal entity. However, by derogation to the provisions of article 2093 of the Luxembourg civil code, each pool of assets shall be invested for the exclusive benefit of the relevant Shareholders of that Sub-Fund and each Sub-Fund shall only be responsible for the liabilities which are attributable to such Sub-Fund. All the rights of investors and creditors in relation to each Sub-Fund are therefore limited to the assets of the Sub-Fund. Each Sub-Fund will be deemed to be a separate entity for the investors and creditors of the relevant Sub-Fund. The General Partner shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

The General Partner may create each Sub-Fund for an unlimited or limited period of time. In the latter case, the General Partner may, at the expiry of the initial period of time, prorogue the duration of the relevant Sub-Fund once or several times. Details in relation to the different Classes of Ordinary Shares as well as the rights in relation thereto are set out for each Sub-Fund in the relevant Appendix to the Prospectus.

Pursuant to the Law of 13 February 2007, a multiple compartment investment fund constitutes a single legal entity. However, with regard to third parties, each Sub-Fund is exclusively responsible for all the liabilities attributed to it.

Within each Sub-Fund, several Classes of Shares may be issued.

Fractions of Shares up to two (2) decimal places may be issued according to the Articles.

The General Partner may restrict or prevent the ownership of Shares as stated in the anti-money laundering regulatory risk or in accordance with the Law of 13 February 2007.

All Shares must be fully paid-up and without nominal value.

Form of the Shares

All the Shares are and will be issued in registered form only.

The inscription of the Shareholder's name in the register of Shareholders evidences its right of ownership on such registered Shares. The Fund shall normally not issue certificates for such inscription, but each Shareholder shall receive a written confirmation of his shareholding.

The Fund shall consider the person in whose name the Shares are registered as the full owner of the Shares. Towards the Fund, the Fund's Shares are indivisible, since only one owner is admitted per Share. Joint co-owners have to appoint a sole person as their representative towards the Fund.

Any transfer of Shares shall be entered into the register of Shareholders.

Shareholders entitled to receive Shares shall provide the Fund with an address to which all notices and announcements may be sent. Such address will also be entered into the register of Shareholders. A Shareholder may, at any time, change his address as entered into the register of Shareholders by means of a written notification to the Fund at its registered office, or at such other address as may be set by the Fund from time to time.

Payments of distributions, if any, will be made to Shareholders, in respect of registered Shares at their addresses indicated in the register of Shareholders.

Issue of Ordinary Shares

a) Common modalities applicable to each issue of Ordinary Shares

The General Partner is authorised to issue, at any time, an unlimited number of fully paid-up different Classes of Ordinary Shares without reserving to the existing Shareholders a preferential right to subscribe for the Ordinary Shares to be issued.

Unless otherwise decided by the General Partner and disclosed to an Investor, the Subscription Price shall be equal to the Net Asset Value for the relevant Class plus a subscription fee if any, as described in the Appendix of the subscribed Sub-Fund.

The net proceeds from the Subscriptions are invested as specified for each Sub-Fund in the relevant Appendix to the Prospectus.

Ordinary Shares may be issued in one or more Classes in each Sub-Fund by the General Partner; each Class having different features or being offered to different types of Investors, as more fully disclosed in the relevant Appendix to the Prospectus for each Sub-Fund individually.

Fractional Ordinary Shares may be issued up to 2 (two) decimals of a Share. Such fractional Ordinary Shares shall be entitled to participation in the net results and in the proceeds of liquidation on a pro rata basis. Such fractions shall be subject to and carry the corresponding fraction of liability (whether with respect to nominal or par value, premium, contribution, calls or otherwise howsoever), limitations, preferences, privileges, qualifications, restrictions, rights and other attributes of a whole Ordinary Share of that Class. Any subscription monies received representing fractions less than 1/100th of a whole Ordinary Share will be retained for the benefit of the Fund.

The General Partner may, in its absolute discretion, accept or reject any request for Subscription for Ordinary Shares. It may also restrict or prevent the ownership of Ordinary Shares by any Prohibited Investor as determined by the General Partner or require any subscriber to provide it with any information that it may consider necessary for the purpose of deciding whether or not it is, or will be a Prohibited Investor.

The General Partner may, in its absolute discretion, accept a subscription payment for any Shares in specie or in kind rather than in cash provided that contributed assets comply with the investment objective and policy of the relevant Sub-Fund and that the contribution is made in compliance with the conditions set forth by Luxembourg law and, in so doing, the General Partner shall use the sale valuation procedures used in determining the Net Asset Value in determining the value to be attributed to the relevant securities to be transferred or assigned or otherwise made available to the Fund, such valuation being subject to a specific audit report confirming the value of the assets contributed in kind. The Fund shall receive securities of a value equal to the subscription payment to which the Fund would otherwise be entitled after deducting all brokerage and other costs involved in transferring or assigning the securities to the Fund.

The General Partner may decide at any time not to issue Ordinary Shares anymore.

Within 30 (thirty) days after the end of any Subscription Period, the Fund will send a Funding Notice to the Investors/Limited Shareholders whose Subscription has been accepted by the Fund, by registered letter, with at least 8 (eight) Bank Business Days notice, requesting to pay their subscribed Ordinary Shares.

In case an Investor/Shareholder does not entirely pay on time the amount stated in the Funding Notice, his Subscription shall be reduced up to the amount paid to the Fund and the General Partner may decide he is assessed damages equal to 10% (ten per cent) of the remaining amount to be paid.

In case an Investor/Shareholder does not entirely pay its subscribed Ordinary Shares within fifteen (15) Bank Business Days from the day of receipt of a Funding Notice, the Fund may declare such Limited Shareholder a Defaulting Investor.

Unless waived by the General Partner, this results in the following penalties:

- a Defaulting Investor will be assessed damages equal to 10% (ten per cent) of its Subscription;
- reduce the amount of its subscription up to the amount paid to the Fund; and
- distributions to the Defaulting Investor will be set off or withheld until any amounts owed to the Fund have been paid in full.

Prior to deciding the applicable sanctions to the Defaulting Investor, the General Partner shall convene a meeting of the Investment Advisory Committee for advisory opinion.

In addition, the General Partner may take any of the following actions:

- to cause the relevant Sub-Fund to redeem the Ordinary Shares of the Defaulting Investor in the Fund upon payment to such Defaulting Investor of an amount equal to 50% (fifty per cent) of the net value of its shareholding in the relevant Sub-Fund (calculated using the lesser of historical cost or the most recent appraised values for the risk capital investments) with the payment of the redemption proceeds to be made at the liquidation of the Sub-Fund;
- to provide the non-Defaulting Investors with a right to purchase on a pro rata basis the Ordinary Shares of the Defaulting Investor at an amount equal to 75% (seventy-five per cent) of the net value of the Defaulting Investor's shareholding in the relevant Sub-Fund. The non-Defaulting Investors wishing to exercise this right must give notice of such fact to the General Partner who shall, within 10 (ten) Bank Business Days of receipt of such notice, offer the Ordinary Shares of the Defaulting Investor to the non-Defaulting Investors on a pro rata basis. On accepting the offer, each non-Defaulting Investor shall notify the General Partner of the number of its pro rata Ordinary Shares in respect of which it accepts the offer. Each non-Defaulting Investor will also indicate if it would be willing to purchase additional Ordinary Shares and furthermore indicating a limit of Ordinary Shares it is willing to purchase additionally if not all the non-Defaulting Investors Shareholders accept the offer of the General Partner. If not all the non-Defaulting Investors accept the offer in full, the remaining Ordinary Shares shall be sold to those non-Defaulting Investors which have indicated a willingness to purchase further Ordinary Shares. If only one non-Defaulting Investor accepts the offer, all of the Ordinary Shares of the Defaulting Investor may be sold to such non-Defaulting Investor. However, if not all of the Ordinary Shares of the Defaulting Investor are proposed to be purchased by the non-Defaulting Investors, then the General Partner may provide any third party to purchase all the Ordinary Shares of the Defaulting Investor at an amount equal to 75% (seventy-five per cent) of the net value of its shareholding in the relevant Sub-Fund;
- to exercise any other remedy available under applicable law.

Limited Shareholders may be delivered an additional Funding Notice to make up any shortfall of a Defaulting Investor (not to exceed each Limited Shareholder's unfunded Subscription) and, following the prior approval of the General Partner, new Investors may be admitted to the Fund as Limited Shareholders for the purpose of making contributions in place of the Defaulting Investor.

b) initial Closing

The initial Subscription Period of Shares of each Sub-Fund is defined in each relevant Appendix.

c) additional Closing

The General Partner may decide to open one or several additional Subscription Periods in order to accept Subscriptions, which will run from a date and for duration to be determined by the General Partner.

Within 30 (thirty) days from the end of each concerned subscription period, the additional Closing will take place.

The General Partner reserves the right to create additional Sub-Funds or Classes at any time.

Transfer of Ordinary Shares

The following transfer restrictions shall not apply to the transfer of the Management Shares. Each Limited Shareholder agrees that it will not sell, assign or transfer any of its Ordinary Shares other than in accordance with the following cumulative conditions:

- No Limited Shareholders shall sell, assign or transfer any of its Ordinary Shares to the existing Limited Shareholders or to any third party without the prior written consent of the General Partner. The General Partner may, in its discretion and without indicating any reason therefore, decline to approve or register such transfer provided that, if the General Partner refuses to approve or register such transfer, it shall use best efforts to procure that itself or some person nominated or designated by it shall offer to acquire the Ordinary Shares to which the transfer relates or to cause the Fund to acquire such Ordinary Shares at a price representing the Net Asset Value of the relevant Ordinary Shares as at the Valuation Day specified by the General Partner; and
- Ordinary Shares are transferable or assignable provided that the purchaser, transferee or assignee thereof (the "Transferee") qualifies as an Eligible Investor; and
- Ordinary Shares are transferable or assignable provided that the Transferee fully and completely assumes in writing any and all at such time remaining obligations relating to its position as a holder of Ordinary Shares (including, without limitation, the obligation to pay in any remaining balance of the Subscriptions in accordance with any Capital Call made by the General Partner) of the vendor or transferor of Ordinary Shares (the "Transferor") under the Subscription Agreement entered into by the Transferor; and
- The Transferor remains jointly and severally liable with the Transferee for any and all at such time remaining obligations relating to its position as holder of Ordinary Shares (including, without limitation, the obligation to pay in any remaining balance of the Subscription in accordance with any Capital Call made by the General Partner) of the Transferor; and
- The Transferor irrevocably and unconditionally guarantees towards the Fund, and the General Partner, as applicable, the due and timely performance by the Transferee of any and all obligations relating to its position as holder of Ordinary Shares (including, without limitation, the obligation to pay in any remaining balance of the Subscription in accordance with any Capital Call made by the General Partner) of the Transferee (whether assumed from the Transferor, or incurred by the Transferee), and shall hold such parties harmless in that respect, to the extent permitted by law.

Redemption of Ordinary Shares

Except otherwise provided in the Appendix of the relevant Sub-Fund and unless the General Partner decides otherwise, Shares of any Sub-Fund and/or Class may be redeemed on each Redemption Day.

Redemption requests must be addressed to the Central Administration.

A redemption fee may be charged in accordance with Appendix of the relevant Sub-Fund, for the benefit of the Sub-Fund.

In order to be dealt with on a specific Redemption Day, a duly completed redemption form must be received by mail or fax by the Central Administration at the latest by 12:00 noon (Luxembourg time) with the following notice period of at least 45 (forty-five) days prior to the relevant Redemption Day (unless the General Partner decides on a shorter notice period and/or the Appendix of the relevant Sub-Fund provides otherwise) for every Sub-Funds.

The redemption price per Share will be the Net Asset Value per Share calculated as the relevant Redemption Day, minus any redemption fee if applicable. Redemption fees may apply in compliance with the applicable Appendix. Where Shares are redeemed otherwise than on a Redemption Day, the Net Asset Value per Share will be calculated as such Redemption Day.

Payment of the redemption price will be made by the Central Administration or its agents in the currency of the relevant Sub-Fund or Class within 30 (thirty) Bank Business Days after the applicable Redemption Day and not early than 3 (three) Bank Business Days after the applicable Redemption Day for every Sub-Fund (unless the General Partner decides on a shorter delay period and/or the Appendix of the relevant Sub-Fund provides otherwise).

In any circumstances whatsoever, the relevant applicable minimum holding amount as defined for the relevant Sub-Fund must be satisfied. Should the redemption request lead to a number of Shares that falls below the minimum holding amount as required in the Appendix of the Sub-Fund, the General Partner shall regard such request as redemption request for all the Shares of such Shareholder.

The General Partner has an absolute discretion to affect a redemption payment to any or all redeeming Shareholders in specie or in kind rather than in cash. The circumstances in which the General Partner may exercise this discretion include, without prejudice to the generality of the foregoing, a situation where substantial redemptions are received by the Fund which will make impracticable to realise the underlying securities in order to fund the redemption payments. In making redemption payments in specie or in kind, the General Partner will use the same valuation procedures used in determining the Net Asset Value in determining the value to be attributed to the relevant securities to be transferred or assigned or otherwise made available to the redeeming Shareholder's, such value of the redemption in kind being certified by an auditor's certificate drawn up in accordance with the requirements of Luxembourg law. Redeeming Shareholders will receive securities of a value equal to the redemption payment to which they would otherwise be entitled. Furthermore, redeeming Shareholders receiving the redemption payment in specie or in kind will be responsible for all custody and other costs involved in changing the ownership of the relevant securities from the Sub-Fund to the redeeming Shareholder and all ongoing custody costs in respect of such securities.

In the event that redemption requests on any given Redemption Day exceed 10% (ten per cent) of the Net Asset Value of the redeemed Sub-Fund, the General Partner may decide that the portion of the redemption requests exceeding 10% (ten per cent) of the Net Asset Value of the redeemed Sub-Fund be deferred to the following Redemption Day and any subsequent Redemption Day for as long as redemption requests exceed 10% (ten per cent) of the Net Asset Value of the redeemed Sub-Fund. In the case of deferrals all pending redemption requests will be reduced proportionally and, for any subsequent Redemption Day, outstanding deferred redemption requests will be dealt with prior to new redemption requests. The redemption price applicable to Shares redeemed pursuant to a deferred redemption requests will be the price as at the Redemption Day on which such Ordinary Shares are redeemed. Any deferred redemption request will have priority over the redemption requests received on the following Redemption Day without prejudice of the 10% (ten per cent) threshold mentioned here above.

Conversion of Ordinary Shares

Unless otherwise determined in the relevant Appendix, any Shareholder is entitled to request the conversion of whole or part of its Ordinary Shares of one Class into Ordinary Shares of another Class, within the same Sub-Fund or from a Sub-Fund to another Sub-Fund subject to such restrictions as to the terms and conditions as determined by the General Partner from time to time in the relevant Appendix of the Prospectus. The price for the conversion of Ordinary Shares from one Class into another Class shall be computed by reference to the respective Net Asset Value of the two Classes of Ordinary Shares, calculated on the same Valuation Day.

If as a result of any request for conversion of Ordinary Shares the number or the aggregate Net Asset Value of the Ordinary Shares held by any Shareholder in any Class of Ordinary Shares would fall below the minimum investment set out in the relevant Appendix, the General Partner may refuse on a discretionary basis to convert the Ordinary Shares from one Class to another Class.

The Ordinary Shares which have been converted into Ordinary Shares of another Class or/and of another Sub-Fund shall be cancelled on the relevant Subscription day.

A conversion fee, as mentioned in the relevant Appendix, calculated on the value of the converted Shares, at the discretion of the General Partner, for the benefit of the new subscribed Sub-Fund may be charged upon the conversion of Ordinary Shares from a Class to another and/or from a Sub-Fund to another.

The General Partner reserves the right to refuse all or part of a conversion request.

SHAREHOLDERS' INFORMATION

Measures aimed at preventing money laundering and the financing of terrorism

The Fund shall at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to money laundering and, in particular, with the Luxembourg law dated 12 November 2004 relating to the fight against money laundering and the financing of terrorism, as may be amended or revised from time to time.

Measures aimed at preventing money laundering and the financing of terrorism in the Grand Duchy of Luxembourg require subscribers of Shares to declare to the Fund their identity or the identity of any intended beneficial owner of the Shares (if they are not the subscriber, e.g. where the subscriber is a corporate entity or acts as a trustee or nominee). The Central Administration shall identify the subscribers (and any persons on whose behalf they are acting).

Subscription requests must include a certified copy (by one of the following authorities: embassy, consulate, notary, police commissioner) of (i) the subscriber's identity card in the case of individuals, (ii) the Articles as well as an extract of the register of commerce for corporate entities in the following cases:

- direct subscription at the Fund;
- subscription via a professional of the financial sector who is domiciled in a country which is not legally compelled to an identification procedure equal to the Luxembourg standards in the fight against laundering monies through the financial system; and
- subscription via a subsidiary or a branch of which the parent company would be subject to an identification procedure equal to the one required by the Luxembourg law if the law or group policy applicable to the parent company does not compel it to see to the application of these measures by its subsidiaries or branches.

Moreover, the Fund is legally responsible for identifying the origin of funds transferred from banks not subject to an identification procedure equal to the one required by the Luxembourg law. Subscriptions may be temporarily suspended until such funds have been correctly identified.

It is generally admitted that professionals of the financial sector residing in countries adhering to the conclusions of the GAFI report (Groupe d'Action Financière sur le blanchiment de capitaux) are considered as being subject to an identification procedure equal to the one required by the Luxembourg law.

General meetings of the Shareholders

The annual general meeting of Shareholders will be held at the registered office of the Fund in Luxembourg on the forth Wednesday in June of each year at 11.00 am. If any such day is not a Bank Business Day in Luxembourg, the annual general meeting shall be held on the next following Bank Business Day.

Notices of all general meetings setting forth the agenda and specifying the time and place of the meeting and the conditions of admission thereto and referring to quorum and majority requirements will be sent to the Shareholders by registered mail, at least 8 (eight) days prior to the meeting, to their addresses as given in the register of Shareholders.

Any resolution of a meeting of Shareholders to the effect of voluntarily repealing the SIF status pursuant to the Law of 13 February 2007 shall be passed with the unanimous vote of all Shareholders of Fund subject to the prior approval of CSSF.

Confidentiality

Each Shareholder shall be prohibited from using for such Shareholder's own private or commercial purposes any confidential or proprietary information of the Fund, including any confidential information relating to the investments of the Fund, to which such Shareholder may have access by reason of its investment in the Fund, and from disclosing any such confidential or proprietary information to any third parties, except those employees, principals or agents of the Shareholder whose access to such information is reasonably necessary for such shareholder's operations and who are bound by similar non-disclosure obligations.

Distribution policy

The general meeting of Shareholders of the Class or Classes issued in respect of any Sub-Fund (for any Class of Shares entitled to distributions) shall, upon proposal from the General Partner and within the limits provided by law, determine how the results of such Sub-Fund shall be disposed of and may from time to time declare, or authorise the General Partner to declare, distributions, provided however that no distribution will be made if, as a result, the net assets of the Fund would fall below the minimum capital provided by law, i.e. EUR 1,250,000 (one million two hundred fifty thousand Euro).

For any Class of Shares entitled to distributions, the General Partner may decide to pay interim dividends in compliance with the conditions set forth by law.

Payments of distributions to Shareholders shall be made to such Shareholders by bank transfer following the bank instructions of such Shareholders. Distributions may be paid in such currency and at such time and place that the General Partner shall determine from time to time.

For each Sub-Fund or Class of Shares, the General Partner may decide on the payment of interim dividends in compliance with legal requirements.

The General Partner of the Fund may decide to distribute stock dividends in lieu of cash dividends upon such terms and conditions as may be set forth by the General Partner of the Fund.

Any distribution that has not been claimed within 5 (five) years of its declaration shall be forfeited and revert to the Sub-Fund relating to the relevant Class or Classes of Shares.

No interest shall be paid on a dividend declared by the Fund and kept by it at the disposal of its beneficiary.

All distributions will be made net of any income, withholding and similar taxes payable by the Fund, including, for example, any withholding taxes on interest or dividends received by the Fund and capital gains taxes, withholding taxes on the Fund's investments.

Charges and fees

The Fund shall pay the following fees and expenses:

a) general fees and expenses

The expenses payable by the Fund shall include but not be limited to fees and expenses payable to its auditor and accountants, lawyers, Custodian and Central Administration and its correspondents, any distributor, as well as any other agent employed by the Fund, the remuneration of as the case may be the General Partner and officers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses including the costs of preparing, printing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements and the costs of any reports to shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, the costs for the publication of the subscription and as the case may be redemption prices, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Fund may accrue administrative and other expenses of a regular or recurring nature, based on an estimated amount payable for yearly or other periods.

b) initial incorporation and launching fees and expenses

The costs and expenses incurred in connection with the incorporation of the Fund, including those incurred in the preparation and publication of the Prospectus and initial issue of Shares, as well as the taxes, duties and any other publication expenses, will be borne by the Fund and shall be amortized over a period not exceeding 5 (five) years and in such amount between Sub-Funds in each year as determined by the Fund on an equitable basis.

c) General Partner

▪ Admission fee

Each Shareholder of the Fund will pay to the General Partner an admission fee of 0.95% (zero point ninety five per cent) of the amount of its accepted Subscription(s) until the total amount of its cumulated admission fees reach the amount of EUR 30,000 (thirty thousand euros), whatever the number of subscribed Sub-Funds' Shares. Each admission fee shall be paid to the General Partner the same day as the payment of each Subscription.

- Management fee

The Fund shall pay the General Partner a management fee, payable monthly in arrears. This fee shall be calculated over the end of the month gross assets of the Sub-Fund (within the meaning, for the purpose of this provision, of the assets before any deduction of both the monthly payment of the Management Fee and any accrued performance fee). Details for each Sub-Fund are available in Appendix to the Prospectus.

- Performance fee

The General Partner is also entitled to receive a performance fee from the Fund calculated on a share-by-share basis in order to ensure that each Ordinary Share is subject to a performance fee which equates precisely with that Share's performance.

This method of calculation shall ensure that (i) any performance fee paid to the General Partner is charged only to those Shares which have appreciated in value, (ii) all holders of Shares of the same Class have the same amount of capital per Share at risk in the Fund, and (iii) all Shares of the same Class have the same Net Asset Value per Share. Details for each Sub-Fund are available in appendices.

d) Advisors

The General Partner will pay for the services of the Advisors from the Management Fees it receives.

e) Distribution agents

Shares of a Sub-Fund shall be distributed in accordance with Appendix of the relevant Sub-Fund which may involve distribution fees to be paid to a distribution agent if any, which amount shall be determined by the General Partner up to the amount of the subscription fee for the relevant subscription.

f) Custodian and Central Administration

The fees and charges of the Custodian and Central Administration are calculated with reference to the net assets of the Fund and payable in arrears by the Fund and are conform to common practice in Luxembourg.

Reports and audit

The Fund's financial year begins on the first day of January and closes on the last day of December of each year except the first financial year which shall begin on 11 February 2014 as the date of incorporation of the Fund and closes on 31 December 2014.

Annual accounts of the Fund shall be audited by 1 (one) authorised independent auditor (*réviseur d'entreprises agréé*) appointed and remunerated by the Fund. The authorised independent auditor shall fulfil all duties prescribed by the Law of 13 February 2007.

Audited annual reports shall be made available, free of charge, at the registered office of the Fund within 6 (six) months of the closing of the financial year and for the first time on 2015, based on the annual accounts closed on 31 December 2014.

The Net Asset Value of Shares, determined on Valuation Day, will be available at the registered office of the Fund.

Liquidation and merger of a Sub-Fund

In the event that for any reason the value of the net assets in any Sub-Fund or Class has decreased to or has not reached an amount which is, in the General Partner's opinion, the minimum level for such Sub-Fund or Class 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 concerned would have material adverse consequences on the investments of that Sub-Fund or Class or in order to proceed to an economic rationalization, the General Partner may decide to compulsorily redeem all the Shares issued in such Sub-Fund or Class 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, to the extent permitted by law, a notice to the relevant Shareholders of 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, the Shareholders concerned may continue to request redemption (if appropriate) of their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective of the compulsory redemption.

Notwithstanding the powers conferred to the General Partner by the preceding paragraph, the general meeting of Shareholders of any Sub-Fund or Class may, upon proposal from the General Partner, redeem all the Shares of such Sub-Fund or Class 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 the votes cast at such meeting. The resolution will be communicated, by registered letter, to each Shareholder.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the Custodian for a period of 6 (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 in the first paragraph of this section, the General Partner 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, by registered letter, to each Shareholder 1 (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 of collective investment of the contractual type (so called "*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.

Notwithstanding the powers conferred to the General Partner by the preceding paragraph, a contribution of the assets and of the liabilities attributable to any Sub-Fund to another Sub-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 the votes cast at such meeting. A contribution of the assets and of the liabilities to any Sub-Fund to another undertaking of collective investment or to another Sub-fund within such other undertaking of collective investment shall require a resolution of the Shareholders of the Sub-Fund concerned taken with no quorum and by simple majority of the votes cast at such meeting, except when such an amalgamation is to be implemented with a Luxembourg undertaking of collective investment of the contractual type ("*fonds commun de placement*") of 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.

Duration, dissolution and liquidation of the Fund

The Fund has been established for an unlimited period of time.

At the proposal of the General Partner and unless otherwise provided by law and the Articles, the Fund may at any time be dissolved by a resolution of the general meeting of shareholders adopted in the manner required to amend the Articles, and subject to the approval of the General Partner. In particular the General Partner shall submit to the general meeting of the Shareholders the dissolution of the Fund when all investments of the Fund have been disposed at or liquidated.

If the capital of the Fund falls below 2/3 (two thirds) of the minimum capital of EUR 1,250,000 (one million two hundred and fifty thousand Euro), the General Partner must submit the question of the dissolution of the Fund to a general meeting for which no quorum shall be prescribed and which shall decide by a simple majority of the shares or units represented at the meeting.

If the capital of the Fund falls below one fourth of the minimum capital, of EUR 1,250,000 (one million two hundred and fifty thousand Euro), the General Partner must submit the question of the dissolution of the Fund to a general meeting for which no quorum shall be prescribed; dissolution may be resolved by Shareholders holding $\frac{1}{4}$ (one fourth) of the shares or units at the meeting.

Such meeting must be convened so that it is held within a period of 40 (forty) days from ascertainment that the subscribed capital, if any, of the Fund have fallen below 2/3 (two-thirds) or $\frac{1}{4}$ (one-fourth) of the legal minimum of EUR 1,250,000 (one million two hundred and fifty thousand Euro) as defined by the Law of 13 February 2007.

In the event of the dissolution of the Fund, the liquidation will be carried out by one or more liquidators appointed by the Shareholders who will determine their powers and their compensation. Such liquidators must be prior approved by CSSF and must provide all guarantees of standing and professional skills.

After payment of all the debts of and charges against the Fund and of the expenses of liquidation, the net assets shall be distributed to the Shareholders pro rata to the number of the Shares held by them. The Law of 13 February 2007 specifies the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit escrow at the "*Caisse de Consignation*" at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period will be liable to be forfeited in accordance with the provisions of the Luxembourg law.

TAX CONSIDERATIONS

The Fund

Without any prejudice to the provisions of the law dated 21 June 2005 on the taxation of savings income in the form of interest payments, the Fund is currently not liable to any Luxembourg tax on profits or income, nor are distributions paid by the Fund liable to any Luxembourg withholding tax. The Fund is, however, liable in Luxembourg to a tax ("*taxe d'abonnement*") of 0.01% per annum of their Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Fund at the end of each relevant calendar quarter. In case some Sub-Funds are invested in other Luxembourg investment funds, which in turn are subject to the subscription tax provided for by the amended law of 20 December 2002 relating to undertakings for collective investment or the Law of 13 February 2007, no subscription tax is due from the Fund on the portion of assets invested therein.

The Fund shall pay a one-time EUR 1,250.- capital duty and no additional capital duty has to be paid for issuing new Shares.

Dividends and interest received by the Fund on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin. Furthermore, the Fund may be liable to certain taxes in countries where the Fund carries out its investment activities. Those taxes are not recoverable by the Fund in Luxembourg.

Shareholders

Under current legislation, Shareholders are not subject to any capital gains, income, inheritance or other taxes in Luxembourg (except of (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% (ten per cent) of the Shares of the Fund and who dispose of all or part of their holdings within 6 (six) 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% (ten per cent) 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 the 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. The consequences will vary in accordance with the law and practice in force in a Shareholder's country of citizenship, domicile or incorporation and with the personal circumstances.

Shareholders should consult their professional advisors on the possible tax or other consequences of buying, holding, transferring or selling any of the Fund's shares under the laws of their countries of citizenship, residence and domicile.

MISCELLANEOUS

Copies of the Articles and of the latest annual reports of the Fund and of the Net Asset Value and of the material contracts referred to above are available on the Fund website (www.ereas.lu) and at the registered office of the Fund in Luxembourg where a copy of the Articles and of the latest reports may be obtained free of charge.

The official language of this Prospectus shall be English. It may be translated into other languages. In the event of a discrepancy between English version of the prospectus and the versions written in other languages, the English version shall take precedence.

In any case, the Prospectus will be interpreted according to Luxembourg law. The settlement of disputes or disagreements on investments in the Fund will also be subject to Luxembourg law.

APPENDIX 1

To the Prospectus of E.RE.A.S. FINANCE S.C.A. SICAV SIF

Relating to the Sub-Fund

E.RE.A.S. FINANCE FUND REAL ESTATE

The present Appendix forms part of the Prospectus issued by E.RE.A.S. FINANCE S.C.A. SICAV SIF and defined terms used in this Appendix shall have the meaning given to them in the Prospectus.

1. Investment objectives

The objective of the Sub-Fund is to invest in immovable property and property assets in relation with real properties, including, without prejudice to the generality, transferable securities, money markets instruments and deposits. It is not in the intention of the General Partner to distribute dividend.

The investment objectives of the Sub-Fund are:

- to maximise long-term growth in the value of the property portfolio;
- to reduce risk through diversified exposure between different types of property;
- to maximise returns from individual properties.

To achieve these objectives the Sub-Fund will concentrate on the acquisition of sites that are suitable for development and will set out the increasing of the value of the sites by the processing of property development. These processes will include consultation, design, obtaining planning and other consents, managing the construction process and the marketing of the completed development.

1.1 Property portfolio

The property portfolio is comprised of real estate investments and is broadly diversified by region and property type, being understood that the Sub-Fund shall control each real estate investment through a specific SPV (Special Purpose Vehicle) as described in paragraph 1.4 hereafter.

1.2 Markets and areas

The Sub-Fund shall invest in Europe and Asia territories.

1.3 Typologies of properties

Multifamily and residential

The Sub-Fund invests in multifamily and residential properties in selected international markets. The Sub-Fund is focused on the multifamily segment, including, but not limited acquisition, renovation/repositioning, and potential conservation of existing multifamily properties, as well as the development of multifamily apartments and for-sale condominium properties.

Office, commercial and industrial

The Sub-Fund responding to the strengthening Asian economy and a growing inventory of real estate opportunities in the dynamic European markets, shall invest in office and industrial sites. The Sub-Fund strategy is focused in retail, office, and industrial acquisitions and development primarily in Western and Central Europe and Asia.

1.4 Investment strategy

The Sub-Fund shall control each real estate investment through a specific special purpose vehicle ("SPV"). The ownership of the SPV shall be totally controlled by the Sub-Fund or, in some cases, shared with one or several local partners, being understood that the Sub-Fund shall always hold a majority participation in the concerned SPV.

The Sub-Fund shall actively participate in the development of its SPVs through majority board representation and/or by appointing professional management to non-executive positions, or taking any other action it considers necessary to enhance the performance of the relevant investee SPVs.

The Sub-Fund will not own real estate directly and will have no restriction on the size of the companies selected for investment.

There is no guarantee that the Sub-Fund will achieve its objectives. The Sub-Fund's net asset value per Share fluctuates, which means that Shareholders may lose money by investing in this Sub-Fund. The value of the SPV and the asset based investments may decline due to general weakness in the international market or because the real estate companies can be adversely affected by, among other things, general and local economic conditions, interest rates, change in zoning or tax laws or other government regulations, overbuilding, and demographic trends such population shifts.

The Sub-Fund considers the following property/portfolio criteria:

Property types:	Office and Industrial
Location:	Primary and secondary European and Asian cities
Term:	5+ years
Tenancy:	<ul style="list-style-type: none">- single tenant- multi-tenant with strong credit anchor
Credit:	<ul style="list-style-type: none">- investment-grade (BBB – A)- unrated and shadows considered
Lease structure:	Net with structured increases preferred
Occupancy:	55% plus

Property types:	Multifamily and residential
Location:	Primary and secondary European and Asian cities.
Term:	10+ years
Occupancy:	90% plus

The reference currency of the Sub-Fund is Euro and the investments of the Sub-Fund will be mainly in Euro.

The Sub-Fund does not invest in countries where the infrastructures do not ensure the stability of the investment (i.e. country risk).

The Sub-Fund may borrow money in any form and may give security for any borrowings. The Sub Fund's borrowing is limited to 70% (seventy percent) of the Net Asset Value.

To achieve its investment objectives whilst maintaining transparency and security, the Sub-Fund will invest a minimum of 85% (eighty-five percent) of its net assets in the real estate field.

The Sub-Fund may invest, up to 15% (fifteen percent) of its net assets, in compliance with the investment restrictions and within the limits of the Law of 13 February 2007, in any bonds (floating-rate, fixed-rate or inflation linked) listed or not, as well as in other debt securities and money market instruments, such as corporate bonds, commercial papers, and certificates of deposit, units of UCIs and/or UCITS.

Co-management and pooling, as described in the Prospectus, may be applicable to this Sub-Fund.

Investors are informed that at the General Partner's discretion a significant proportion of the Sub-Fund's assets may be concentrated at any one time in one or more collective investment schemes, taking due care that the latter has equivalent diversification rules to those applicable under Luxembourg SIF guidelines as provided by the CSSF and the Law of 13 February 2007. The number of investments in the portfolio may be limited and may vary at the discretion of the Advisor or Sub Advisor, under the overall responsibility of the General Partner who will be continuously looking for new opportunities and may therefore buy or sell according to the Sub-Fund's investment objectives and policy. For cash management purposes the Sub-Fund may invest in liquidity funds or place money in liquid assets including in cash.

Investments and divestments shall be exclusively decided by the General Partner who may at its entire discretion and under its sole liability, follow the Investment Advisor's recommendations. For the avoidance of doubt, no specific investment manager is appointed.

2. Investments restrictions

The Sub-Fund will comply with the following investment restrictions:

- each Sub-Fund's investment in any single asset issued by the same issuer may at the time of such investment not exceed 30% (thirty per cent) of the Sub-Fund's assets.

The risk spreading rules set forth in this section do not apply:

- to investments in securities issued or guaranteed by an OECD member state or by its local authorities or by supranational bodies or organisations of an EU, regional or world-wide nature;

- to investment in target UCIs which are subject to risk-spreading requirements at least comparable to those applicable to the Sub-Fund. For the application of this restriction, each compartment of a target UCI with multiple compartments must be considered as a separate issuer, provided that the principle of segregation of commitments of the different compartments in relation to third parties is ensured.

- the Sub-Fund shall invest in European and Asian territories;
- short sales are not allowed in the Sub-Fund; and
- derivative instruments are not allowed in the Sub-Fund; instruments derived from these, instruments of financial leverage, or each and any other financial instrument

that may in any way compromise the investment policy of the Sub-Fund, are not allowed.

3. Duration

The Sub-Fund is established for a limited duration of 10 (ten) years ("Close-ended Period").

The General Partner is entitled to extend the Close-ended Period by a maximum of 2 (two) periods of 1 (one) year each if, in its opinion, the circumstances or the real estate market conditions require to do so.

Shareholders shall be informed accordingly by the General Partner of any extension of the Close-ended Period.

4. Risk profile

Participation in the Sub-Fund, involves certain special considerations and risks relating to the Fund as described the Prospectus as well as the following considerations:

The Sub-Fund is exclusively invested by Eligible Investors, as defined in the Prospectus. The investment in Sub-Fund should be viewed as long term and may not be appropriate for all investors.

The Sub-Fund may be appropriate for those whose business and investment experience is such that they are capable of evaluating the merits of their prospective investment, can afford the loss of the whole of their investment and have no need for their investment to be liquid.

The Sub-Fund is suitable for Investors with at least a 10 (ten) to 12 (twelve) years investment horizon.

There can be no assurance that the Sub-Fund's objectives will be achieved or that there will be any return of capital.

Risks endangering Sub-Fund are of the following nature:

- debtor risk – the Sub-Fund aims to spread risk over many debtors, and to acquire adequate securities for payment;
- residual value risk, where the properties are owned;
- risk of the manager making un-adequate investment decisions;
- risk of leveraging the equity; and
- risk of inflation: investments' incomes may be fixed for relatively long period.

5. Specific risk considerations

The Sub-Fund's investments and divestments are targeting real estate properties, which local market may be extremely volatile and sensitive to the variations of worldwide overall economic situation and may generate important and rapid potential capital gains or losses for the Sub-Fund.

Performance in real estate properties market may be dramatically affected by local and international terrorism threats, nationalization, and confiscation without fair compensation, war, or currency restrictions as well as, to a lesser extent, climatic risks caused by, but not limited to, the reheating of planet.

Furthermore, the Sub-Fund may invest in a certain number of countries, some of which may prove to be politically unstable, which may prevent the Sub-Fund to repatriate its assets (including any income and profit earned on those assets).

The liquidity of securities in which the Sub-Fund invests may be less than those issued by well known companies or listed companies.

In addition, various projects may be exclusively invested, constructed or refurbished, modernised, developed in order to be marketed in an atypical way like fractional ownership, time sharing, limited ownership with obligation to offer rental facilities for a period of time.

Such atypical ways of marketing incurred higher risks to resale the real estate properties due to a restricted demand and specific market and consequently may incur a process of sale requiring more time than ordinary resale, which may generate higher returns of investments.

6. Share Classes

The following Class of Ordinary Shares is available for subscription in this Sub-Fund:

- Class A1 : EUR shares - Restricted to Eligible Investors with a minimum initial investment and minimum holding amount of EUR 500,000 (five hundred thousand Euro);

7. Investment Advisors

- Passarello and Partners Ltd with registred office at Room 801– Singga Commercial Centre – 141-151 Connaught Road West – (Hong Kong), is appointed as Advisor for Asian territories.
- Synergo Investment Re AG with registred office at Neugasse 1 – CH-6301 Zug (Switzerland), is appointed as Advisor for European territories.

8. Distribution agent

The Company has appointed Banca Zarattini &Co. S.A., incorporated under the laws of Switzerland with registered office at via Balestra, 17 CH-6900 Lugano (Switzerland), to act as distribution agent of the relevant Shares of the Sub-Fund.

9. Initial offering period

The initial offering period for this Sub-Fund was started on 30 March 2014 and was ended on 30 July 2014.

The General Partner may decide to open one or several additional offering periods, which will run from a date and for duration to be determined by the General Partner.

10. Valuation policy

The Valuation policy of each Class of Ordinary Shares shall be performed in accordance with paragraph “Valuation” of the Prospectus.

Real estate properties held by SPVs will be valued by independent appraiser(s) (“Independent Appraiser”) using widely-accepted international valuation standards (such as Rics standards) adapted as necessary to respect local market considerations and practices.

The financial statements of each SPV will be audited by an independent auditor.

11. Independent Appraiser

Independent Appraiser for European and Asian real estate properties is an international professional group named Jones Lang Lasalle (www.jll.com), with office at via Agnello 8 – I-2012 Milan.

Independent Appraiser(s) will be appointed from time to time by the General Partner with the prior approval of the Luxembourg supervisory authority for the purposes of valuing the Sub-Funds' real estate assets, in as much as said appointment is required by law or any applicable regulations.

Independent Appraiser(s) may not be affiliated with any Investment Advisor or the General Partner.

Details of each Independent Appraiser will be published in the annual report of the Fund (or of the relevant Sub-Fund as the case may be). The Investors may inform themselves about the details of Independent Appraiser(s) at the registered office of the Fund.

12. Valuation Day

The Valuation Day of the Sub-Fund shall be the last calendar Day of June and December of each year and any other suitable date decided by the General Partner in its discretion.

The Net Asset Value per Share of each Sub-Fund shall be calculated effectively on the twentieth Bank Business Day following the applicable Valuation Day, taking into account the delay of receipt of the net asset value of the targeted funds.

13. Subscriptions

Following the closing of the Initial Offering Period, additional subscriptions for Shares shall be accepted on each Valuation Day. Subscription forms must be received by the Central Administration of the Fund no later than 12:00 noon (Luxembourg time) 7 (seven) Bank Business Days before the applicable Valuation Day.

Subscription monies are payable in the reference currency of the relevant Class and must reach the Company no later than 12:00 noon (Luxembourg Time) 4 (four) Bank Business Days before the applicable Valuation Day.

14. Conversions

Due to the fact that this Sub-Fund has issued only one Class of Shares, conversions of Ordinary Shares into another Class within this Sub-Fund is not applicable.

Ordinary Shares of this Sub-Fund may also be converted at the request of the relevant Shareholders into Ordinary Shares of another Sub-Fund, in accordance with the Prospectus. Conversion requests must be received by the Central Administration of the Fund by 12:00 noon (Luxembourg time) 30 (thirty) calendar days before the applicable Valuation Day.

Requests received after this deadline will take effect on the next following Valuation Day. Shareholders whose applications for conversion are accepted by the General Partner will have their Ordinary Shares converted on the basis of the Net Asset Value per Ordinary Share.

15. Redemptions

The Shares shall have no right of redemption during the Close-ended Period.

However, the General Partner may, without obligation and at its sole discretion, determine during such Close-ended Period, any particular compulsory redemption conditions from time to time.

Any such redemption of Shares may be considered as a distribution for the purpose of determining the rights of the Shareholders to participate in such distribution net of performance fees. In such a case, these particular redemption conditions shall apply to all Shareholders within the same Class of Shares.

The redemption price may, depending on the Net Asset Value per Share applicable on the Redemption Day, be higher or lower than the subscription price. A redeeming Shareholder may, therefore, realise a taxable gain or loss in connection with the redemption under the laws of the country of the Shareholder's citizenship, residence or domicile. Furthermore, it is the Shareholder's responsibility to declare any taxable gain or income under the laws of the country of his citizenship, residence or domicile. No liability shall be accepted by the Sub-Fund or any of its agents for any delays or omission to declare any taxable gain or income in connection with Shareholder's investment in the Sub-Fund.

A written notice of redemption must be given to the Central Administration by the General Partner, at least 21 (twenty-one) Bank Business Days before the relevant Redemption Day, provided always that the General Partner is not bound to make any payments to any Shareholders in respect of a redemption of Shares unless and until the Central Administration has confirmed the ownership of the relevant Shares to be redeemed.

Redemption proceeds shall be paid in the reference currency of the relevant Class not early than 3 (three) Bank Business Days and within (30) thirty Bank Business Days after the relevant Redemption Day.

All other redemption provisions contained in the Prospectus are applicable.

16. Fees and other expenses

Fees to be borne by the Shareholders:

- Each Shareholder of the Fund will pay to the General Partner an admission fee of 0.95% (zero point ninety five per cent) of the amount of its accepted Subscription(s) until the total amount of its cumulated admission fees reach the amount of EUR 30,000, whatever the number of subscribed Sub-Funds' Shares. Each admission fee shall be paid to the General Partner the same day as the payment of each Subscription;
- Sub-Fund subscription fee: up to 3% (three per cent) of the aggregate amount invested, for the benefit of this Sub-Fund ("Subscription Fee");
- Sub-Fund redemption fee: up to 3% (three per cent) of the applicable Net Asset Value, for the benefit of this Sub-Fund; and

- conversion fee: up to 3% (three per cent) of the applicable Net Asset Value, for the benefit of this Sub-Fund.

The General Partner shall fix, at its sole discretion, the applicable rate of each concerned variable fee.

Fees borne by the Sub-Fund:

- Distribution fee

The Sub-Fund shall pay a distribution fee to the Distribution Agent, if any, which amount shall be determined by the General Partner up to the amount of the Subscription Fee for the relevant subscription.

- Management Fee:

The Sub-Fund shall pay a yearly management fee of 2.50% (two point fifty per cent) of the amount of share capital of this Sub-Fund. Such management fee shall be paid quarterly in arrears to the General Partner.

- Performance Fee:

- a performance fee, applicable to Class A1, of 10% (ten per cent) upon Hurdle Rate defined by LIBOR (Bloomberg ticker: US0001M Index) + 150bps (one hundred and fifty basis points) with High Water Mark, calculated on a Nav/share basis and payable monthly (the "Performance Fee"). The Performance Fee amounts to 10% of any positive difference between the percentage change in the Net Asset Value per Share of the relevant Class of Shares and the reference hurdle rate (minimum index equal to LIBOR 1 month + 150bps). The Performance Fee is calculated on the basis of the number of Shares of the relevant Class of Shares currently outstanding. The difference in yield between the percentage change in the Net Asset Value per Share of the relevant Class of Shares and the percentage change in the reference hurdle rate is calculated as follows:

$(1 + \text{yield of Net Asset Value per Share}) - (1 + \text{yield of reference hurdle rate}) = \text{yield difference}$. Calculation of the performance fee entails a mechanism that ensures that the Performance Fee can only be charged if the cumulative difference since the sub-fund's launch date, calculated by the aforementioned method, has reached a new high ("high watermark" principle). A Performance Fee is then due for the difference between the cumulative prior high (before withdrawal of the Performance Fee) and the new high.

The Sub-Fund pays the performance fee calculated on 30 June and 31 December of each year to the General Partner on 31st July and 31st January of the concerned year, which means one month after the end of the calculation period.

Where Shares are redeemed, the fee payable in respect of those shares is also paid within one month from the Redemption Day.

Refund of this Performance Fee is not envisaged, even if the Net Asset Value falls again after the Performance Fee has been debited.

Fees borne by the General Partner:

- Advisors fees:

The General Partner will pay for the services of the Advisors from the management fees it receives.

17. Listing of the Shares

The General Partner does not intend to apply for the listing of the Shares of the Sub-Fund on the Luxembourg Stock Exchange or any other stock exchange.

18. Miscellaneous

Copies of the Articles of Incorporation and of the latest annual reports of the Fund and of the Net Asset Value per Share of each Class of this Sub-Fund and of the material contracts referred to above are available on the Fund website (www.ereas.lu) and at the registered office of the Fund in Luxembourg where a copy of the Articles of Incorporation and of the latest reports may be obtained free of charge.

The present appendix is dated May 2018.

APPENDIX 2

To the Prospectus of E.RE.A.S. FINANCE S.C.A. SICAV SIF

Relating to the Sub-Fund

E.RE.A.S. FINANCE FUND ENERGY

The present Appendix forms part of the Prospectus issued by E.RE.A.S. FINANCE S.C.A. SICAV SIF and defined terms used in this Appendix shall have the meaning given to them in the Prospectus.

1. Investment objectives

The overall objective of this Sub-Fund is to achieve, over a long term, high capital growth investing in the real economy – project or/and infrastructure or companies related to energy industry, directly or in a fixed, floating or variable rate corporate bonds, collateralized debt obligations, fixed-rate capital securities. It is not in the intention of the General Partner to distribute dividend.

The Sub-Fund invests especially in the renewable energies, particularly in biomass, photovoltaic and wind energy.

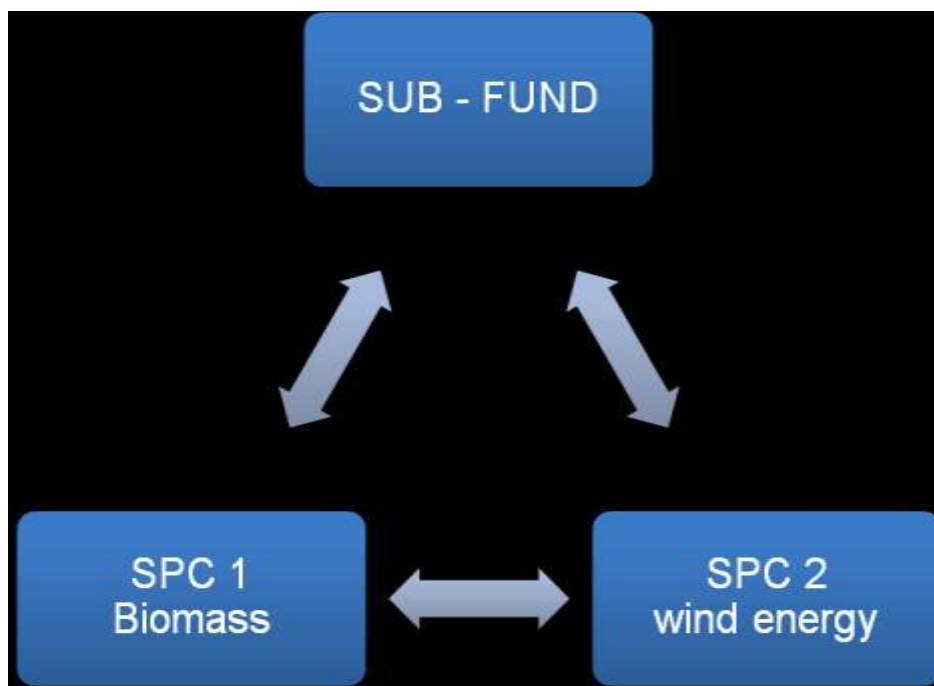
2. Investment strategy

The Sub-Fund shall control each investment through a specific SPV (Special Purpose Vehicle).

The ownership of the SPV shall be totally controlled by the Sub-Fund or, in some cases, shared with one or several local partners, being understood that the Sub-Fund shall always hold a majority participation in the concerned SPV.

The Sub-Fund shall actively participate in the development of its SPVs through majority board representation and/or by appointing professional management to non-executive positions, or taking any other action it considers necessary to enhance the performance of the relevant investee SPVs.

The pilot investment could be summarized in the following sheet:



The Sub-Fund invests in the geographic areas where the investment shall be supported by the carbon credit system. The Sub-Fund shall turn its attention to the European markets where the carbon credit system is particularly widespread.

The high level of contribution in money granted by each single energy authority must be considered one of the most important and attractive reason for the choice to invest in selected countries.

The reference currency of the Sub-Fund is Euro and the investments of the Sub-Fund will be mainly in Euro and US dollar.

The infrastructure analysis shall be considered mandatory to ensure the profitability of each investment.

The Sub-Fund may borrow money in any form and may give security for any borrowings. The Sub Fund's borrowing is limited to 70% (seventy percent) of the Net Asset Value.

To achieve its investment objectives whilst maintaining transparency and security, the Sub-Fund will invest a minimum of 85% (eighty-five percent) of its net assets in the renewable energy field.

The Sub-Fund may invest, up to 15% (fifteen percent) of its net assets, in compliance with the investment restrictions and within the limits of the Law of 13 February 2007, in any bonds (floating-rate, fixed-rate or inflation linked) listed or not, as well as in other debt securities and money market instruments, such as corporate bonds, commercial papers, and certificates of deposit, units of UCIs and/or UCITS.

Co-management and pooling, as described in the Prospectus, may be applicable to this Sub-Fund.

Investors are informed that at the General Partner's discretion a significant proportion of the Sub-Fund's assets may be concentrated at any one time in one or more collective investment schemes, taking due care that the latter has equivalent diversification rules to those applicable under Luxembourg SIF guidelines as provided by the CSSF and the Law of 13 February 2007.

The number of investments in the portfolio may be limited and may vary at the discretion of the Advisor or Sub Advisor, under the overall responsibility of the General Partner who will be continuously looking for new opportunities and may therefore buy or sell according to the Sub-Fund's investment objectives and policy. For cash management purposes the Sub-Fund may invest in liquidity funds or place money in liquid assets including in cash.

Investments and divestments shall be exclusively decided by the General Partner who may at its entire discretion and under its sole liability, follow the Investment Advisor's recommendations. For the avoidance of doubt, no specific investment manager is appointed.

3. Investments restrictions

The Sub-Fund will comply with the following investment restrictions:

- each Sub-Fund's investment in any single asset issued by the same issuer may at the time of such investment not exceed 30% (thirty per cent) of the Sub-Fund's assets.

The risk spreading rules set forth in this section do not apply:

- to investments in securities issued or guaranteed by an OECD member state or by its local authorities or by supranational bodies or organisations of an EU, regional or world-wide nature;

- to investment in target UCIs which are subject to risk-spreading requirements at least comparable to those applicable to the Sub-Fund. For the application of this restriction, each compartment of a target UCI with multiple compartments must be considered as a separate issuer, provided that the principle of segregation of commitments of the different compartments in relation to third parties is ensured.

- the Sub-Fund shall invest in European territories;
- short sales are not allowed in the Sub-Fund; and
- derivative instruments are not allowed in the Sub-Fund; instruments derived from these, instruments of financial leverage, or each and any other financial instrument that may in any way compromise the investment policy of the Sub-Fund, are not allowed.

4. Duration

The Sub-Fund is established for a limited duration of 10 (ten) years ("Close-ended Period").

The General Partner is entitled to extend the Close-ended Period by a maximum of 2 (two) periods of 1 (one) year each if, in its opinion, the circumstances or the green energy market conditions require to do so.

Shareholders shall be informed accordingly by the General Partner of any extension of the Close-ended Period.

5. Risk profile

Participation in the Sub-Fund, involves certain special considerations and risks relating to the Fund as described the Prospectus as well as the following considerations:

The Sub-Fund is exclusively invested by Eligible Investors, as defined in the Prospectus. The investment in Sub-Fund should be viewed as long term and may not be appropriate for all investors.

The Sub-Fund may be appropriate for those whose business and investment experience is such that they are capable of evaluating the merits of their prospective investment, can afford the loss of the whole of their investment and have no need for their investment to be liquid.

The Sub-Fund is suitable for Investors with at least a 10 (ten) to 12 (twelve) years investment horizon.

There can be no assurance that the Sub-Fund's objectives will be achieved or that there will be any return of capital.

There is no guarantee that the Sub-Fund will achieve its objectives. The Sub-Fund's net asset value per Share fluctuates, which means that Shareholders may lose money by investing in this Sub-Fund.

The value of the Sub-Fund and the asset based investments may decline due to general weakness in the international market or because the renewable energy companies can be adversely affected by, among other things, general and local economic conditions, interest rates, change in zoning or tax laws or other government regulations, overbuilding, and demographic trends such population shifts.

Risks endangering Sub-Fund are of the following nature:

- debtor risk – the Sub-Fund aims to spread risk over many debtors, and to acquire adequate securities for payment;
- residual value risk, where the properties are owned;
- risk of the manager making un-adequate investment decisions;
- risk of leveraging the equity; and
- risk of inflation: investments' incomes may be fixed for relatively long period.

6. Specific risk considerations

The Sub-Fund's investments and divestments are targeting energy market, which local market may be extremely volatile and sensitive to the variations of worldwide overall economic situation and may generate important and rapid potential capital gains or losses for the Sub-Fund.

Performance in real estate properties market may be dramatically affected by local and international terrorism threats, nationalization, and confiscation without fair compensation, war, or currency restrictions as well as, to a lesser extent, climatic risks caused by, but not limited to, the reheating of planet.

Furthermore, the Sub-Fund may invest in a certain number of countries, some of which may prove to be politically unstable, which may prevent the Sub-Fund to repatriate its assets (including any income and profit earned on those assets).

The liquidity of securities in which the Sub-Fund invests may be less than those issued by well known companies or listed companies.

7. Investment Advisor

IPV SOLAR S.A., with registered office at via Soave, 6-CH -Lugano (Switzerland), is appointed as Advisor for European territories.

8. Distribution agent

The Company has appointed Banca Zarattini &Co. S.A., incorporated under the laws of Switzerland with registered office at via Balestra, 17 CH-6900 Lugano (Switzerland), to act as distribution agent of the relevant Shares of the Sub-Fund.

9. Shares Classes

The following Class of Ordinary Shares is available for subscription in this Sub-Fund:

- Class B1 : EUR shares - Restricted to Eligible Investors with a minimum initial investment and minimum holding amount of EUR 500,000 (five hundred thousand Euro);

10. Initial offering period

The initial offering period for this Sub-Fund was started on 30 March 2014 and was ended on 30 July 2014.

The General Partner may decide to open one or several additional offering periods, which will run from a date and for duration to be determined by the General Partner.

11. Valuation policy

The Valuation policy of each Class of Ordinary Shares shall be performed in accordance with paragraph "Valuation" of the Prospectus.

Green energy infrastructure assets held by SPVs will be valued by independent appraiser(s) ("Independent Appraiser") using widely-accepted international valuation standards adapted as necessary to respect green energy market considerations and practices.

The financial statements of each SPV will be audited by an independent auditor.

12. Independent Appraiser

Independent Appraiser is an international professional group named AF-Consult (www.afconsult.com) with office at Täfernstrasse 26, 5405 Baden, Switzerland.

Independent Appraiser(s) will be appointed from time to time by the General Partner with the prior approval of the Luxembourg supervisory authority for the purposes of valuing the Sub-Funds' real estate assets, in as much as said appointment is required by law or any applicable regulations.

Independent Appraiser(s) may not be affiliated with any Investment Advisor or the General Partner.

Details of each Independent Appraiser will be published in the annual report of the Fund (or of the relevant Sub-Fund as the case may be).

The Investors may inform themselves about the details of Independent Appraiser(s) at the registered office of the Fund.

13. Valuation Day

The Valuation Day of the Sub-Fund shall be the last calendar Day of June and December of each year and any other suitable date decided by the General Partner in its discretion.

The Net Asset Value per Share of each Sub-Fund shall be calculated effectively on the twentieth Bank Business Day following the applicable Valuation Day, taking into account the delay of receipt of the net asset value of the targeted funds.

14. Subscriptions

Following the closing of the Initial Offering Period, additional subscriptions for Shares shall be accepted on each Valuation Day. Subscription forms must be received by the Central Administration of the Fund no later than 12:00 noon (Luxembourg time) 7 (seven) Bank Business Days before the applicable Valuation Day.

Subscription monies are payable in the reference currency of the relevant Class and must reach the Company no later than 12:00 noon (Luxembourg Time) 4 (four) Bank Business Days before the applicable Valuation Day.

15. Conversions

Due to the fact that this Sub-Fund has issued only one Class of Shares, conversions of Ordinary Shares into another Class within this Sub-Fund is not applicable.

Ordinary Shares of this Sub-Fund may also be converted at the request of the relevant Shareholders into Ordinary Shares of another Sub-Fund, in accordance with the Prospectus. Conversion requests must be received by the Central Administration of the Fund by 12.00 noon (Luxembourg time) 30 (thirty) calendar days before the applicable Valuation Day.

Requests received after this deadline will take effect on the next following Valuation Day. Shareholders whose applications for conversion are accepted by the General Partner will have their Ordinary Shares converted on the basis of the Net Asset Value per Ordinary Share.

16. Redemptions

The Shares shall have no right of redemption during the Close-ended Period.

However, the General Partner may, without obligation and at its sole discretion, determine during such Close-ended Period, any particular compulsory redemption conditions from time to time.

Any such redemption of Shares may be considered as a distribution for the purpose of determining the rights of the Shareholders to participate in such distribution net of performance fees. In such a case, these particular redemption conditions shall apply to all Shareholders within the same Class of Shares.

The redemption price may, depending on the Net Asset Value per Share applicable on the Redemption Day, be higher or lower than the subscription price. A redeeming Shareholder

may, therefore, realise a taxable gain or loss in connection with the redemption under the laws of the country of the Shareholder's citizenship, residence or domicile. Furthermore, it is the Shareholder's responsibility to declare any taxable gain or income under the laws of the country of his citizenship, residence or domicile. No liability shall be accepted by the Sub-Fund or any of its agents for any delays or omission to declare any taxable gain or income in connection with Shareholder's investment in the Sub-Fund.

A written notice of redemption must be given to the Central Administration by the General Partner, at least 21 (twenty-one) Bank Business Days before the relevant Redemption Day, provided always that the General Partner is not bound to make any payments to any Shareholders in respect of a redemption of Shares unless and until the Central Administration has confirmed the ownership of the relevant Shares to be redeemed.

Redemption proceeds shall be paid in the reference currency of the relevant Class not early than 3 (three) Bank Business Days and within 30 (thirty) Bank Business Days after the relevant Redemption Day.

All other redemption provisions contained in the Prospectus are applicable.

17. Fees and other expenses

Fees to be borne by the Shareholders:

- Each Shareholder of the Fund will pay to the General Partner an admission fee of 0.95% (zero point ninety five per cent) of the amount of its accepted Subscription(s) until the total amount of its cumulated admission fees reach the amount of EUR 30,000, whatever the number of subscribed Sub-Funds' Shares. Each admission fee shall be paid to the General Partner the same day as the payment of each Subscription;
- Sub-Fund subscription fee: up to 3% (three per cent) of the aggregate amount invested, for the benefit of this Sub-Fund ("Subscription Fee");
- Sub-Fund redemption fee: up to 3% (three per cent) of the applicable Net Asset Value, for the benefit of this Sub-Fund; and
- conversion fee: up to 3% (three per cent) of the applicable Net Asset Value, for the benefit of this Sub-Fund.

The General Partner shall fix, at its sole discretion, the applicable rate of each relevant variable fee.

Fees borne by the Sub-Fund:

- Distribution fee

The Sub-Fund shall pay a distribution fee to the Distribution Agent, if any, which amount shall be determined by the General Partner up to the amount of the Subscription Fee for the relevant subscription.

- Management Fee:

The Sub-Fund shall pay a yearly management fee of 2.50% (two point fifty per cent) of the amount of share capital of this Sub-Fund. Such management fee shall be paid quarterly in arrears to the General Partner.

- **Performance Fee:**

- a performance fee, applicable to Class B1, of 10% (ten per cent) upon Hurdle Rate defined by LIBOR (Bloomberg ticker: US0001M Index) + 150bps (one hundred and fifty basis points) with High Water Mark, calculated on a Nav/share basis and payable monthly (the "Performance Fee"). The Performance Fee amounts to 10% of any positive difference between the percentage change in the Net Asset Value per Share of the relevant Class of Shares and the reference hurdle rate (minimum index equal to LIBOR 1 month + 150bps). The Performance Fee is calculated on the basis of the number of Shares of the relevant Class of Shares currently outstanding. The difference in yield between the percentage change in the Net Asset Value per Share of the relevant Class of Shares and the percentage change in the reference hurdle rate is calculated as follows:

$(1 + \text{yield of Net Asset Value per Share}) - (1 + \text{yield of reference hurdle rate}) = \text{yield difference}$. Calculation of the performance fee entails a mechanism that ensures that the Performance Fee can only be charged if the cumulative difference since the sub-fund's launch date, calculated by the aforementioned method, has reached a new high ("high watermark" principle). A Performance Fee is then due for the difference between the cumulative prior high (before withdrawal of the Performance Fee) and the new high.

The Sub-Fund pays the performance fee calculated on 30 June and 31 December of each year to the General Partner on 31st July and 31st January of the concerned year, which means one month after the end of the calculation period.

Where Shares are redeemed, the fee payable in respect of those shares is also paid within one month from the Redemption Day.

Refund of this Performance Fee is not envisaged, even if the Net Asset Value falls again after the Performance Fee has been debited.

Fees borne by the General Partner:

- **Advisor fee:**

The General Partner will pay for the services of the Advisor from the management fees it receives.

18. Listing of the Shares

The General Partner does not intend to apply for the listing of the Shares of the Sub-Fund on the Luxembourg Stock Exchange or any other stock exchange.

19. Miscellaneous

Copies of the Articles of Incorporation and of the latest annual reports of the Fund and of the Net Asset Value per Share of each Class of this Sub-Fund and of the material contracts referred to above are available on the Fund website (www.ereas.lu) and at the registered office of the Fund in Luxembourg where a copy of the Articles of Incorporation and of the latest reports may be obtained free of charge.

The present appendix is dated May 2018.