

## **IMPORTANT NOTICE**

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This document has been prepared in connection with the private offering and sale of non-voting redeemable participating shares ("Participating Shares") by LOM Funds SAC Ltd. (the "Company") in the Class established for the Segregated Account known as (the "Fund"). This document is supplemental to and should be read in conjunction with the Information Memorandum of the Company dated December 2011. Your attention is specifically drawn to the risk warnings set out in this document and the Information Memorandum.

This document may only be issued to persons who may lawfully receive it. This document has been delivered to you personally on a confidential basis for your information and must not be copied or distributed to any other person. Participating Shares are not available to the public in any jurisdiction.

**IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT YOU SHOULD CONSULT YOUR ACCOUNTANT, TAX CONSULTANT, SOLICITOR, AND/OR OTHER INDEPENDENT PROFESSIONAL ADVISOR.**

# **LOM FUNDS SAC LTD.**

Incorporated as a segregated accounts company under the laws of the Bermuda

## **CLASS SUPPLEMENT**

Issued as a supplement to the Information Memorandum of LOM FUNDS SAC LTD. dated December 2011 for the Class of Participating Shares corresponding to the Segregated Account known as:

# **LOM MONEY MARKET FUND GBP**

Private Offering of Participating Shares

The securities described in this confidential Class Supplement have not been approved for offer or sale in the public under the securities laws of any country or jurisdiction.

Not for use or distribution in the United States of America

December 2011

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## DEFINITIONS

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<b>"Administrator"</b>	means, for the Fund, Apex Fund Services Ltd., or such other administrator appointed by the Directors from time to time in relation to the Fund;
<b>"Base Currency"</b>	means Pounds Sterling of the United Kingdom, or "£", or "GBP";
<b>"Business Day"</b>	means a day which is a normal business day and on which banks are open for business in Bermuda;
<b>"Custodian"</b>	means, for the Fund, Lines Overseas Management Limited or such other custodian appointed by the Directors from time to time in relation to investments and assets of the Fund;
<b>"Class"</b>	means the class of Participating Shares in the Company linked to the specific Segregated Account, the details of which are described in this Class Supplement;
<b>"Director"</b>	means a member of the board of directors of the Company for the time being and any duly constituted committee thereof and any successor to such member as may be appointed from time to time, and "Directors" shall be construed accordingly;
<b>"Financial Year"</b>	means the Company's financial year which begins on 1 January of each year and ends on 31 December of each calendar year or such other period as the Directors may prescribe in accordance with the Articles;
<b>"Front End Load"</b>	means up to 5% of the Subscription Price which may be deducted from the Subscription Price. Thus a subscription of £10 will be a net investment to the Fund of £9.50 (see "Placement of Participating Shares");
<b>"Fund"</b>	means the LOM Money Market Fund GBP;
<b>"Investment Objective"</b>	means the primary objective established by the Directors of the Fund in consultation with the Manager, which guides the development, implementation and evaluation of the investment policy of the Fund and as set forth herein;
<b>"Management Fee"</b>	means the management fee payable by the Company on behalf of the Fund to the Manager calculated in the manner described in this Class Supplement;
<b>"Manager"</b>	means LOM Asset Management Limited or such other person appointed by the Directors to provide management services to the Company from time to time in relation to the Fund;
<b>"Net Asset Value"</b>	the net asset value of the Fund as determined in accordance with the Articles;
<b>"Net Asset Value per Participating Share"</b>	means the amount determined as at each Valuation Day by dividing the Net Asset Value of the Fund by the number of Participating Shares in issue ascribable to the Fund on the relevant Valuation Day and as adjusted as necessary to account for multiple Classes in the Fund. The Net Asset Value per Participating Share of the relevant Class is the resulting sum rounded to the nearest four decimals of the relevant Base Currency;
<b>"Participating Shares"</b>	means the Class of participating shares in the capital of the Company of par value US\$0.0001, representing the non-voting

	redeemable participating shares in the Fund, the details of which are described in this Class Supplement;
<b>"Publishing Fee"</b>	means the publishing fee payable by the Company on behalf of the Fund to the Manager calculated in the manner described in this Class Supplement;
<b>"Redemption Day"</b>	means the last Business Day of each week or such other day or days as the Directors may from time to time determine that Participating Shares in the Fund are available for redemption;
<b>"Redemption Price"</b>	means the redemption price per Participating Share rounded to the nearest four decimals expressed in the relevant Base Currency at which Participating Shares are redeemed, calculated in the manner described in the section headed "Redemptions";
<b>"Subscription Day"</b>	means the last Business Day of each week or such other day or days as the Directors may from time to time determine that Participating Shares in the Fund are available for subscription;
<b>"Subscription Application Deadline"</b>	means such time as the Directors may from time to time determine and as specified in this Class Supplement;
<b>"Subscription Price"</b>	means the subscription price per Participating Share (exclusive of any Front End Load) calculated in the manner described in this Class Supplement; and
<b>"Valuation Day"</b>	means each Business Day that is a Monday, Wednesday or Friday or such other day or days as the Directors may determine from time to time.

## THE LOM MONEY MARKET FUND GBP

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The **LOM MONEY MARKET FUND GBP** (the “**Fund**”) is a class of Participating Shares (the “**Class**”) established by LOM Funds SAC Ltd. (the “**Company**”) for investment by prospective investors. The Fund is a segregated account of the Company established pursuant to the Bermuda Companies Act 1981 (as amended), and registered under the Segregated Accounts Companies Act 2000 (as amended). Capitalised terms used in this Class Supplement, where not defined herein, shall have the same meanings ascribed thereto in the Information Memorandum and/or the Articles of Association of the Company unless otherwise stated.

The Fund’s initial assets and participating shareholders were originally part of Class D of the LOM Money Market Fund Ltd., established on February 19, 1998. The Fund was effectively continued from Class D of the LOM Money Market Fund Ltd. into its current form via a deed of transfer agreement whereby Participating Shareholders of Class D of the LOM Money Market Fund Ltd. were granted shares in the Fund, and in exchange, the Fund acquired all assets of Class D of the LOM Money Market Fund Ltd.

## **INVESTMENT OBJECTIVE, FOCUS AND POLICIES OF THE FUND**

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### **INVESTMENT OBJECTIVE AND POLICIES**

#### **Introduction**

The Fund is a Segregated Account created by the Company and will be operated as a Segregated Account. The Directors have overall responsibility for establishing the parameters of the investment objective, policies and investment restrictions of the Fund.

The Manager will, with investment advice provided by the Investment Advisor, manage the Fund's investment portfolio within the established parameters.

#### **Investment Objective**

The LOM Money Market Fund GBP is a money market fund designed to preserve investors' capital and liquidity while providing, through active management, a return in line with Pound Sterling short-term money rates.

#### **Investment Policy**

The Fund provides investors with preservation of capital and liquidity by limiting the average portfolio duration to 60 days or less, and by purchasing only high quality short term money market instruments with minimal credit risks as determined by the Manager.

Money market instruments are short-term, high quality instruments that are believed by the Manager and confirmed by the leading international rating agencies to present minimal credit risk and a high degree of principal stability. They may consist of cash equivalents, including other money market funds, and various forms of short-term debt instruments which may include government or agency paper, commercial paper and other short-term corporate obligations, certificates of deposit, guaranteed investment certificates, bankers acceptances, bank deposits and other financial institution obligations. These instruments may carry fixed or variable interest rates.

The Fund must adhere to the following guidelines:

- Up to 25% of the NAV can be invested in the securities of any single issuer, except in cases as noted otherwise.
- Up to 100% of the NAV can be invested in any one AAA rated money market fund.
- Up to 100% of the NAV can be invested in any one sovereign (i.e., national government) entity rated AA- or higher.
- Up to 33% of the NAV can be invested in any one sovereign government related/guaranteed entity rated AA- or higher.
- A minimum of 50% of the NAV will be invested in investments rated A-1+ or equivalent.
- Investments must be rated A-1 or higher when purchased. If investments are subsequently downgraded below A-1, the Manager has 60 days to remedy the situation.
- The maximum weighted average duration of the Fund will not exceed 60 days.
- The maximum final maturity per fixed-rate investment will not exceed 13 months.
- The maximum final maturity per floating-rate investment will not exceed two years.
- Securities can only be purchased in the Base Currency.

The limits on investment set forth above are deemed to apply at the time of purchase of the investments. If the limits set forth are subsequently exceeded as a result of market fluctuations, ratings downgrades, or as a result of the exercise of subscription or redemption rights, the Manager must adopt as a priority objective the remedying of that situation, taking due account of the interests of the Participating Shareholders. The ratings above refer to a rating (or its equivalent) assigned by any one of S&P, Moody's or Fitch. The creditworthiness of each unrated security will be assigned an S&P/Fitch/Moody's equivalent as determined by the Manager.

Dividends and interest payments to the Fund may be subject to a withholding tax at source.

#### **Borrowings**

The Company may borrow from time to time on behalf of the Fund at the sole and unfettered discretion of the Directors. The Company may use the proceeds of its borrowings for any purpose properly approved by the Directors. The Fund will bear the interest costs, if any, incurred for any such borrowing. Under certain circumstances, the Company may pledge the assets of the Fund as security for any borrowings relevant to the Fund.

## VALUATION OF PARTICIPATING SHARES

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### VALUATIONS

Calculations of the NAV of the Fund and per Participating Share will be effected as of each Business Day that is a Monday, Wednesday or Friday of the calendar week and such other days as the Directors may determine (each, a "Valuation Day").

The valuation point will be 5:00 p.m. (Bermuda time) on the relevant Valuation Day.

On each Valuation Day, the NAV of the Fund shall be determined by the Administrator and shall be equal to the value as at that Valuation Day of all the assets, less all the liabilities, of the Fund.

### NAV

#### Calculation of Net Asset Value

The Directors have delegated the calculation of the Net Asset Value of the Fund and the Net Asset Value per Participating Share to the Administrator. The Net Asset Value and the NAV per Share of the Fund will be calculated by the Administrator in the Base Currency as at 5:00 pm in Bermuda on the Valuation Day (or such other time as may be determined by the Directors and notified in advance to Shareholders) and will be available on request to the Administrator on each Business Day during normal business hours.

The net asset value of the Fund (the "Net Asset Value" or "NAV") is calculated by deducting the value of the Fund's liabilities from the value of its assets. Liabilities include borrowings and amortised expenses, all accrued expenses and any contingencies (including tax) for which reserves are determined to be required which are in each case so attributable. The Net Asset Value per Participating Share is determined by dividing the Net Asset Value of the Fund by the number of Participating Shares of any Class issued in respect of the Fund outstanding on such day, as adjusted when there is more than one Class of Participating Shares in issue to reflect the different currencies (if any) in which the Classes of Participating Shares are denominated and any net profits or losses made on foreign exchange hedging transactions for the exclusive benefit of such Class of Participating Shares. In calculating the value of the Fund's assets, assets will be valued at last trade prices for equity securities and bid prices for fixed income securities where available as at the Valuation Day.

In calculating the value of assets attributable to the Fund:-

- (a) the value of forwards, futures, options, swaps and any other synthetic instruments traded on exchange shall be valued at settlement prices. Where such instruments are traded over the counter they shall be valued in a manner determined by the Directors (after consultation with the Custodian and the Administrator) to reflect the value thereof;
- (b) the value of any unit or share in an investment fund or other collective investment undertaking which provides for the units or shares to be realised at the option of the holder out of the assets of that undertaking shall be valued at the last available redemption price per unit or share;
- (c) securities traded on a stock exchange or other market are to be valued generally at last trade value and where this is not available at the last mid-market price on the relevant exchange or market or, if not available, at bid value prices;
- (d) any security which is not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its probable realisation value as determined by the Directors in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, and such other factors as the Directors in their sole discretion deem relevant in considering a positive or negative adjustment to the valuation;

- (e) cash, deposits and similar property shall be valued at their face value (together with accrued interest) unless, in the opinion of the Directors, any adjustment should be made;
- (f) any treasury bills and other government obligations held for margin deposits any interest and exchange rate contracts will be valued at their market value; and
- (g) the value of accounts receivable, prepaid expenses and cash dividends accrued and not yet received shall be deemed to be the full amount thereof, unless they are, in the opinion of the Directors, unlikely to be paid or received in full, in which case the value thereof shall be arrived at by making such discount as the Directors may consider appropriate to reflect the value thereof;
- (h) fixed income securities, such as government bonds, corporate bonds, municipal bonds, mortgage backed securities, and asset backed securities, will be valued at bid value prices and where this is not available at the last trade value, or if not available, at prices determined by an independent third party pricing source, or in any such manner described above.

In determining the value of investments, assets will be valued at the latest available prices as set out in (a) to (h) above, except for the purposes of the compulsory redemption of Participating Shares when they will be valued at the latest available bid prices.

The Net Asset Value of the relevant assets may be determined on the basis of the "offer" or purchase prices for relevant underlying long positions or of "bid" prices for relevant underlying short positions when calculating the price.

The Administrator may, with the consent of the Directors, follow some other prudent method of valuation if it considers that in the circumstances such other method of valuation should be adopted to reflect more fairly the value of such investment.

The Net Asset Value will be expressed in Pound Sterling, the base currency of the Fund. The value of any assets or liabilities expressed in terms of currencies other than the Base Currency will be translated into Pound Sterling at prevailing market rates.

In addition, special situations affecting the measurement of the Net Asset Value may arise from time to time. Prospective investors should be aware that situations involving uncertainties as to the valuation of such assets could have an adverse effect on the Net Asset Value. In particular, in the event that the assets of the Fund are invested in investment funds which are not regularly traded on an exchange the accuracy of the Net Asset Value may be affected by the frequency of the valuations provided by those funds. The investment funds in questions may respectively report on a weekly, biweekly, monthly, quarterly, annually or bi-annually or on a less frequent basis.

Whilst the Company will generally use the last available price in respect of each investment in order to calculate the Net Asset Value it reserves the right to use other valuations where this is considered appropriate by the Directors.

In instances where the value of an investment cannot be determined in accordance with the above procedures, or in instances where the Directors or the agents of the Company determine that it is impracticable or inappropriate to determine a price or liability in accordance with the above procedures, the price or liability will be a fair and reasonable value or a fair and reasonable assessment of the liability as determined in good faith and on a prudent and conservative basis in such manner as the Directors or the agents of the Company may prescribe in accordance with United States Generally Accepted Accounting Principles or such other accounting procedures as may be applicable from time to time to the Company.

The Directors may postpone any Subscription Day and/or Valuation Day for up to ten Business Days without the requirement to give notice to holders of Participating Shares when, in the opinion of the Directors, a significant proportion of the assets attributable to the Fund cannot be valued on an equitable basis and such difficulty is expected by the Directors to be overcome within that period.

The Directors may, in calculating the NAV of the Fund, determine to amortise the start up and establishment costs of the Fund and of the Company (or any other extraordinary costs and expenses) over such period (of up to five years) as the Directors may determine.

The Directors intend to publish the Net Asset Value for each Class of Participating Shares on a weekly basis using such media, newspaper or journal as they may, in their sole discretion, determine.

## **SERVICE PROVIDERS AND FEES**

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### **MANAGER**

LOM Asset Management Limited has been appointed as Manager pursuant to the Investment Management Agreement (the “**IMA**”).

The Manager reserves the right to change any of its personnel who are involved in the day-to-day management of the Fund.

The Manager may terminate the IMA any time with 90 days notice in writing to the Directors.

The Company may terminate the appointment of the Manager without cause at any time upon giving three months’ prior written notice to the Manager after the third anniversary of the signing of the IMA, but not before. Termination may only be effected by written notice from the Directors.

### **CUSTODIAN**

Lines Overseas Management Limited (“**LOML**”) has been appointed custodian to the Fund pursuant to a Custody Agreement with the Company.

LOML has provided custody, execution and administration services to its customers and the rest of the LOM Group since it was founded in 1992. LOML is licensed to conduct investment business by the Bermuda Monetary Authority.

The Custodian reserves the right to appoint further or alternative sub-custodians at its discretion.

### **ADMINISTRATOR**

Apex Fund Services Limited (“**Apex**”) has been appointed administrator to the Fund pursuant to an Administration Agreement with the Company.

Apex is an independent, international fund administration business with over 20 offices worldwide.

### **FEES**

An annual 0.5% Management Fee payable to the Manager in accordance with the IMA will be calculated using the NAV of the Fund on each Valuation Day and paid monthly in arrears. The Management Fee will be automatically deducted from the Fund’s account every month. These payments will be reflected in the NAV statement on each Valuation Day.

An annual 0.01% Publishing Fee payable to the Manager will be calculated using the NAV of the Fund on each Valuation Day and paid monthly in arrears. The Publishing Fee will be automatically deducted from the Fund’s account every month. These payments will be reflected in the NAV statement on each Valuation Day. The Publishing Fee will be used by the manager for costs it incurs from time to time for the purposes of communications with Shareholders or prospective Shareholders, including for marketing materials to promote the Fund.

An annual 0.05% Custody Fee payable to the Custodian in accordance with the Custody Agreement will be calculated using the NAV of the Fund on each Valuation Day and paid monthly in arrears. The Custody Fee will be automatically deducted from the Fund’s account every month. These payments will be reflected in the NAV statement on each Valuation Day.

### **Other fees and expenses payable by the Fund**

The Directors may, in calculating the NAV of the Fund, determine to amortise the start up and establishment costs of the Fund and of the Company (or any other extraordinary costs and expenses) over such period (of up to five years) as the Directors may determine.

The Fund will be responsible for all fees, costs and expenses incurred by the Fund and all fees, costs and expenses incurred by the Manager, Administrator and Custodian in providing services under the various agreements of the Company on behalf of the Fund.

The Fund will be responsible for payment of its pro-rated share of expenses and costs incurred by the Company, including but not limited to Administrator fees, mutual fund registration fees, directors' fees, legal fees, audit fees, registered office fees, and annual incorporation and other government fees.

The Manager may also appoint such other agents of the Company on behalf of the Fund as it may consider appropriate to accomplish the objectives of the Fund, using its best judgment in the circumstances. All such fees will be paid directly by the Company out of the assets of the Fund.

**Note:** The fees quoted above may be net of tax and the Fund may be required to pay any sales tax payable in receiving certain services, by means of grossing up.

## **SPECIAL RISKS**

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### **RISK FACTORS**

An investment in the Company involves a high degree of risk and may not be suitable for all investors. All investments in securities and related investments risk the loss of capital. There is no guarantee that the investment objectives, policy or approach of the Fund will be achieved or realised. All the special risks set out under the section headed "Risk Factors" in the Information Memorandum must be evaluated carefully by each prospective investor in the Fund before making any application for Participating Shares in the Fund.

## **SUBSCRIPTIONS**

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### **OFFER OF PARTICIPATING SHARES**

Participating Shares will be available for subscription at the discretion of the Directors on each Subscription Day at the Subscription Price calculated at the close of business on the relevant Valuation Day. The Subscription Day will be the last Business Day of each week or such other day or days as the Directors may in their sole discretion determine, either in any particular case or generally. The Subscription Price will equal the Net Asset Value per Participating Share as at the Valuation Day on the Subscription Day on which the application is effective (exclusive of any Front End Load, if any).

The Participating Shares will be issued in registered form. Share certificates will not be issued.

### **FRONT END LOAD**

A Front End Load of up to 5% on Subscription Price may be deducted from the Subscription. Thus a subscription of £10 will be a net investment to the Fund of £9.50.

### **Minimum Subscription**

The minimum initial subscription that will be accepted for Participating Shares from a new investor is £10,000 and the minimum amount of any additional subscriptions by the same investor is £1. The Directors may determine that the Company accept such lesser amount as they may in any particular case determine.

### **Procedure**

Applications for Participating Shares must be made using the Subscription Agreement (available from the Administrator) which must be received by the Administrator by facsimile (with original to follow by mail) no later than 5:00 PM on the relevant Subscription Day.

The acceptance of subscriptions is subject to receipt of cleared funds within 1 Business Day of the relevant Subscription Day. Any delay in receipt of a Subscription Agreement or of cleared funds will result in the relevant application being deferred until the next Subscription Day following and, in and such cases, the Participating Shares will be issued at the Subscription Price prevailing at that Subscription Day. The Directors reserve the right to reject applications for Participating Shares in their absolute discretion, without assigning any reason therefore. The Directors also reserve the right in their absolute discretion to waive the foregoing notice periods.

## FRACTIONS OF PARTICIPATING SHARES

The Company may issue fractions of a Participating Share (up to  $1/100^{\text{th}}$  of a whole Participating Share) where any subscription monies received, after deduction of any applicable initial and other charges, are not an exact multiple of the applicable Subscription Price per Participating Share. 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 Participating Share. Any subscription monies received representing fractions less than  $1/100^{\text{th}}$  of a whole Participating Share will be retained for the benefit of the Fund.

## ELIGIBLE INVESTORS

Due to the risk factors inherent in the investment policies to be followed by the Company, investment in the Company is suitable only for knowledgeable investors for whom an investment in the Company does not represent a complete investment programme and are capable of assuming the risks of an investment in the Company. Each prospective investor will be required to represent in his application for Participating Shares that he understands the risks associated with investment in the Company and is willing to accept such risks.

Only persons who satisfy the requirements of this Information Memorandum including this section (each referred to herein as an “**Eligible Investor**”) may subscribe for or hold Participating Shares in the Company. The Directors have the right to request the compulsory redemption of all Participating Shares held by a Shareholder who is not an Eligible Investor (see section headed “**Compulsory Redemptions**”).

For these purposes an Eligible Investor is a person to whom the issue, holding or transfer of Participating Shares would not constitute a breach of the laws of any jurisdiction or be contrary to the regulations of any government authority or would not give rise to circumstances (whether taken alone or in conjunction with other persons or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Director, might result in the Company and/or its Shareholders as a whole incurring any liability to taxation or suffering any other regulatory, pecuniary, legal or material administrative disadvantage that the Company might not otherwise have suffered or incurred.

A US Person is not an Eligible Investor.

No invitation may be made to the public in Bermuda to subscribe for the Participating Shares other than in compliance with the Investment Business Act 2003. The Fund will be promoted in Bermuda by LOM Asset Management Limited, the Manager, which is licensed under the Investment Business Act 2003. “Public” for these purposes does not include any exempted or ordinary non-resident company registered under the Companies Act, 1981 (as amended).

**The offer and issuance of the Participating Shares in certain jurisdictions may be restricted by law. Prior to purchasing Participating Shares, prospective investors should inform themselves as to the relevant securities laws, foreign exchange regulations and other legal requirements within the countries of their citizenship, residence, domicile or place of business.**

## REDEMPTIONS

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### Procedure

Participating Shares may be redeemed at the option of the holder on each Redemption Day. Shareholders wishing to redeem all or part of their holding of Participating Shares should send a completed Redemption Request (available from the Administrator) to the Administrator by fax (with original to follow by mail) to be received not later than 5:00 PM on the relevant Redemption Day.

Any delay in receipt of the Redemption Request will result in the request being deferred until the next Redemption Day and, in such cases, the Participating Shares will be redeemed at the Redemption Price prevailing on that Redemption day. The Directors reserve the right in their absolute discretion to waive the foregoing notice period.

A request for the redemption of part of a holding of Participating Shares may be refused, or the holding redeemed in its entirety, if, as a result of such partial redemption, the Net Asset Value of the Participating Shares retained by the holder would be less than £10,000 or its equivalent in the currency of the relevant class.

### Redemption Price

The Redemption Price for each Participating Share is equal to the Net Asset Value per Participating Share of the relevant Class on the relevant Redemption Day.

The Net Asset Value per Participating Share is determined as of the close of business on each Valuation Day in accordance with the provisions set out under "Net Asset Valuation" in this Information Memorandum.

### Payment of Redemption Proceeds

Redemption proceeds normally will be remitted 1 Business Day after the Redemption Day on which Participating Shares are redeemed, without interest for the period from that date to the payment date. Redemption payments will be made in the currency of the relevant class and will be remitted to the Shareholder by wire transfer (at the expense and risk of the Shareholder) to an account as specified by the Shareholder in his Redemption Request.

### Gating

In the event that redemption requests on a particular Redemption Day exceed in aggregate twenty per cent (20%) of the total number of Participating Shares of a particular Class then in issue, the Directors may reduce the requests rateably amongst all Shareholders seeking to redeem Participating Shares of the relevant Class on the relevant Redemption Day and effect only sufficient redemptions which in aggregate equal twenty per cent (20%) of the number of Participating Shares of the particular Class then in issue. Participating Shares which are not thereby redeemed will be redeemed on the next Redemption Day (subject to further deferral if the deferred requests themselves exceed twenty per cent of the number of Participating Shares then in issue) in priority to any later redemption requests that may have been received. All Participating Shares will be redeemed at the Redemption Price prevailing on the Redemption Day on which they are actually redeemed.

## **COMPULSORY REDEMPTION**

The Directors may redeem at any time Participating Shares at their discretion by notice to the holders of Participating Shares of any Segregated Account or any proportion thereof pro rata to the number of Participating Shares held by each Shareholder.

The Directors may, by notice to any Shareholder, redeem that Shareholder's entire holding of Participating Shares in any Segregated Account or Segregated Accounts if it comes to the attention of the Directors that such holding is in breach or puts the Company in breach of any applicable law, causes or may cause any fiscal, regulatory or other disadvantage or expense to the Company, any of its Segregated Accounts, its other Shareholders.

Any compulsory redemption shall be effected at a Redemption Price in accordance with the Articles.

## **DEFERRAL OF REDEMPTIONS**

In addition to measures available to the Directors listed in the Fund Documents and the Articles, if it is not possible for the Fund to dispose of investments of sufficient value, in a timely and orderly manner, in order to process redemptions or the Fund has not received all or part of the proceeds from the disposal of investments, the Directors may elect to suspend redemptions or restrict the total number of Participating Shares to be redeemed, in which case all redemption requests will be scaled down pro rata. The balance of the Participating Shares in respect of which redemption requests have been received will be redeemed on the next succeeding Redemption Day in priority to any requests received thereafter.

Shareholders tendering Participating Shares for redemption shall be advised of the deferral procedure no later than 30 calendar days after the relevant Redemption Day.

## **COMPULSORY REPURCHASE**

### **Compulsory Repurchase of Particular Shareholder(s)**

The Directors may, if the Directors shall so determine, compulsorily repurchase all of the Participating Shares of the Fund held by a Shareholder for any reason in their discretion, including but not limited to:

- (a) if Participating Shares of such Class are acquired by, or on behalf of, a person who is not an Eligible Investor or which is in breach of any law or regulation of any country or governmental authority;
- (b) if Participating Shares of such Class are acquired by, or on behalf of, a person in circumstances (whether directly or indirectly affecting such person and whether taken alone or in conjunction with any other person or persons, connected or not, or with any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company and/or its Shareholders as a whole incurring any liability to taxation or suffering any other pecuniary, regulatory, legal or material administrative disadvantage which the Company might not otherwise have incurred or suffered;
- (c) if the investment objective and/or policies of the Fund are no longer reasonably achievable and such compulsory redemption is in the interests of the Fund and the Shareholders as a whole; or
- (d) if, in their opinion, the Company and/or the Fund is no longer viable.

In any such event, the Participating Shares of that Shareholder will be compulsorily redeemed at the Net Asset Value for Participating Shares prevailing on the Valuation Day next following the issuance of a notice of compulsory redemption to that Shareholder and paid in the Base Currency.

## SUSPENSION OF VALUATIONS

The Manager, with the approval of the Directors, may declare a suspension of the determination of the Net Asset Value of the Fund in any of the following events:

- (a) one or more stock exchanges or markets which provide the basis for valuing a substantial portion of the assets of the Fund are closed other than for, or during, holidays or dealings therein are restricted or suspended or an underlying fund in which the Fund has invested suspends or delays redemptions and/or valuations;
- (b) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Company, disposal of the assets or the underlying assets of the Fund is not in the opinion of the Directors reasonably practicable without being seriously detrimental to Shareholders' interests or if, in the opinion of the Directors, a fair price cannot be calculated for those assets of the Fund;
- (c) in the case of a breakdown of the means of communication normally used for the valuing of a substantial portion of the investments of the Fund or if, for any reason, the value of a substantial portion of the assets of the Fund may not be determined as rapidly and accurately as required;
- (d) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable or if purchases, sales, deposits and withdrawal of any assets cannot be effected at the normal rates of exchange; or
- (e) if a resolution calling for the liquidation, dissolution or merger of the Company or the Fund has been adopted.

No Participating Shares may be issued or transferred during such a period of suspension. All reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

The Manager, with the approval of the Directors may also suspend the issue and transfer of Participating Shares upon the occurrence of any event which may cause the Company or the Fund to enter into liquidation. All Shareholders will be notified of any suspension of the issuance or redemption of Participating Shares within a maximum of seven days after the suspension and will be promptly notified upon termination, if any, of the suspension.