

# TITAN BALANCED FUND LIMITED

*Incorporated as a Bahamas Limited Liability Company governed by The Investment Funds Act, 2003 and  
by The Companies Act of The Bahamas, 1992*

## **Offering Memorandum**

Continuous Offering

**SPONSOR**

**INVESTAR SECURITIES LTD.**

**MAY 23, 2019**

**Updated: January, 2021**

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# DIRECTORY

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**Sponsor****INVESTAR SECURITIES LTD**

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Bethell Estates, 443 East Bay Street  
Nassau, The Bahamas.  
Telephone: 326-1390  
Fax: 326-1389

**Investment Manager****INVESTAR SECURITIES LTD**

P. O. Box SS-19086  
Bethell Estates, 443 East Bay Street  
Nassau, The Bahamas.  
Telephone: 326-1390  
Fax: 326-1389

**Administrator and Principle Office****GENESIS FUND SERVICES LIMITED**

308 East Bay Street, 4<sup>th</sup> Floor,  
P.O. Box N-9058  
Nassau, The Bahamas.  
Telephone: 502-7020  
Fax: 393-5002

**Banker****BANK OF THE BAHAMAS**

Claughton House  
P. O. Box N-7118  
Nassau, Bahamas

**Custodian****LENO CORPORATE SERVICES LIMITED**

P .O. Box N10697  
2<sup>nd</sup> Floor Pineapple Place  
Bernard Road,  
Nassau, Bahamas  
Telephone: 396-3225

**Auditors****BAKER TILLY GOMEZ**

Chartered Accountants  
The Deanery, 28 Cumberland Street  
P.O. Box N-1991  
Nassau, N.P., The Bahamas  
Phone: (242) 356-4114, Fax: (242) 356-4125  
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**Legal Advisor****MACKAY & MOXEY**

Shirlaw House,  
P.O. Box N-4839  
Shirley Street, Nassau, The Bahamas.  
Telephone: 242-322-7474  
Fax: 242-322-2079

# NOTICE

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This document (hereinafter referred to as this “Memorandum” or “Offering Memorandum”) has been prepared in connection with the offer and sale of non-voting, redeemable, participating shares (“Shares”) in the Titan Balanced Fund Limited (the “Fund”).

This Memorandum details the general framework applicable to the Fund. This Memorandum contains information about the Fund that a prospective investor should consider before investing and should be retained for future reference.

The distribution of this Memorandum and the offering of Shares in certain jurisdictions may be restricted by law. It is the responsibility of any person in possession of this Memorandum and of any person wishing to make an application for Shares to inform himself of and to observe all applicable laws and regulations of any relevant jurisdiction.

This Memorandum may not be considered as either an offer or a solicitation in any jurisdiction other than the Commonwealth of The Bahamas (“The Bahamas”).

Neither the Fund nor the Shares described in this Memorandum have been or will be licensed or recognized under the laws of any jurisdiction other than The Bahamas.

The Fund is a licensed Standard Fund pursuant to the Investment Funds Act, 2003 (the “Act”). In licensing the Fund the Securities Commission of The Bahamas (the “Securities Commission”) does not take responsibility for the financial soundness of the Fund or for the correctness of any statements made or opinions expressed in this regard.

Prospective investors should not construe the contents of this Memorandum as legal or financial advice. Each prospective investor should consult his own professional advisers as to the legal, financial or other matters relevant to the suitability of an investment in the Shares of the Fund.

This Memorandum is strictly confidential and is supplied for the personal use of the recipient only. This Memorandum is intended solely for the person to whom it has been delivered for the purpose of evaluating a possible investment by the recipient in the Shares described herein, and it is not to be reproduced or distributed to any other persons (other than professional advisers of the prospective investor receiving this document).

This Offering Memorandum is for the confidential use of only those persons to whom it is delivered or transmitted in connection with this offering. By their acceptance hereof, prospective investors agree not to deliver, transmit, reproduce or make available to anyone this Memorandum, including any information contained herein, or to use it for any purpose other than this placement.

No person is authorized to give any information or to make any representation not contained in this Memorandum in connection with the offering of these securities and, if given or made, any such information or representation may not be relied upon.

This document shall be governed by and construed in accordance with the laws of The Bahamas.

The Directors of the Fund (the “Directors”), whose names appear in this Memorandum collectively and individually accept full responsibility for the accuracy of the information contained in this Memorandum and confirm, having made reasonable enquiry, that to the best of their knowledge and belief there are no facts the omission of which would make any statement within this Memorandum misleading.

**IMPORTANT - INVESTORS HAVING ANY DOUBT ABOUT THE CONTENTS OF THIS MEMORANDUM SHOULD CONSULT A STOCKBROKER, BANK MANAGER, COUNSEL AND ATTORNEY, ACCOUNTANT OR OTHER FINANCIAL ADVISER.**

**INVESTORS SHOULD BE AWARE THAT THE MARKET VALUE OF THEIR INVESTMENT MIGHT GO DOWN AS WELL AS UP.**

No money should be paid to any intermediary in The Bahamas or in any other jurisdiction who is not a licensed investment fund administrator or an approved representative of the Fund.

Historical results and profitability do not guarantee future performance.

Pursuant to Section 11 of the Companies Act, 1992 of The Bahamas every investor shall be bound by the provisions of the Articles of Association of the Fund as if such investor had subscribed his name and affixed his seal thereto and as if there were contained in the Articles of Association on the part of the investor a covenant to observe the provisions of the Articles of Association.

Any statement contained in this Offering Memorandum, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded, for purposes of this Offering Memorandum, to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

This Offering Memorandum provides you with a general description of the Shares the Fund may offer. The offering of shares in the Fund shall be conducted on a continuous basis, unless otherwise indicated. Each Offering Memorandum Supplement may include a discussion of any risk factors or other special considerations applicable to those Shares or to the Fund. An Offering Memorandum Supplement may also add, update or change information in this Offering Memorandum. If there is any inconsistency between the information in this Offering Memorandum and the applicable Offering Memorandum Supplement, a prospective investor should rely on the information in the Offering Memorandum Supplement.

## INVESTMENT FUND LAW DISCLOSURE

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The Fund falls within the definition of an “Investment Fund” as defined in the Act and accordingly is regulated under the terms of that Act. The Fund is licensed as a Standard Fund under the Act. Accordingly, the principal regulatory obligations of the Fund are:

- a) to be licensed in the prescribed manner;
- b) to renew its license annually submitting to the Securities Commission on or before 31st January of each year a written declaration that all of the information filed with the Securities Commission is current and applicable;
- c) to pay the prescribed annual license fee in respect of the Fund;
- d) to have its accounts audited annually by an approved auditor; and
- e) to file its audited accounts in respect of each financial year of the Fund with the Securities Commission within six (6) months of the end of that financial year (or within such extension of that period as the Securities Commission may allow).

As a Standard Fund, the Fund will be subject to the supervision of the Securities Commission and the Securities Commission may at any time instruct the Fund to have its accounts audited and to submit them to the Securities Commission within such time as the Securities Commission specifies. In addition, the Securities Commission may ask the Directors to provide such information or such explanation in respect of the Fund as it may reasonably require to enable it to carry out its duties under the Act.

The Fund shall give the Securities Commission or any agent appointed by the Securities Commission such information or explanation in respect of the Fund as the Securities Commission may require access to all records relating to the Fund. Failure to comply with these requests by the Securities Commission may result in a fine, imprisonment or both.

The Securities Commission and any agent appointed by the Securities Commission are prohibited by the Act from disclosing any information relating to the affairs of the Fund other than disclosure necessary for the effective regulation of the Fund or when lawfully required or permitted to make such disclosure by a court or pursuant to the provisions of any other act of The Bahamas.

The Securities Commission may take certain actions if it is satisfied that the Fund is, or is likely to become, unable to meet its obligations as they fall due or is carrying on or attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Securities Commission include, *inter alia*, the power to require the substitution of Directors of the Fund (or any sponsor of the Fund); the power to appoint a person to advise the Fund on the proper conduct of its affairs; and the power to appoint a person to assume control of the affairs of the Fund. The Securities Commission may also apply to the court for an order to take such other action as it considers necessary to protect the interests of Shareholders and creditors of the Fund.

## SECURITIES INDUSTRY LAW DISCLOSURE

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The Fund is exempt from the offering memorandum requirements of Part IX of the Securities Industry Act, 2011, as the Fund is a licensed investment fund under the laws of The Bahamas. Accordingly, the issue of the Fund’s Shares is not regulated under the Securities Industry Act, 2011.

# SUMMARY

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The following Summary is intended to highlight certain basic information, some of which is set forth more fully elsewhere in this Memorandum and, accordingly, should be read in conjunction with such detailed information.

<b>Administrator:</b>	Genesis Fund Services Limited has been appointed as Administrator for the Fund and is responsible for the calculation of the Net Asset Value.
<b>Dollars and \$:</b>	Bahamian Dollar.
<b>The Bahamas:</b>	The Commonwealth of The Bahamas.
<b>Business Day:</b>	Any day on which the clearing banks in The Bahamas are open for business or such other date as specified from time to time by the Directors in their sole discretion.
<b>Continuous Offering:</b>	This Memorandum is intended to be used for the continued and future offerings of the Fund's Shares. The Fund may offer additional Shares in the future as the Directors in their sole discretion deem fit.
<b>Custodian:</b>	Leno Corporate Services Limited
<b>Dealing Day:</b>	The first Business Day of each month or such other days as may be determined by the Directors in their sole discretion.
<b>Directors:</b>	The Directors of the Fund.
<b>Dividend Policy:</b>	Although there are no restrictions on the payment of dividends, the Fund does not currently anticipate that any dividends will be paid to the holders of Shares out of the Fund's earnings and profits. Rather such income will be reinvested in the Fund.
<b>Fees and Expenses:</b>	The Fund will be responsible to pay its company management, investment management, administration, custodian, legal, audit and all other expenses of the Fund.



<b>Fund:</b>	Titan Balanced Fund Limited
<b>Initial Subscription Price</b>	Shares in the Fund will be offered at <b>\$5.00</b> per share during the Initial Subscription Period and at the Net Asset Value per share thereafter.
<b>Initial Subscription Period:</b>	The initial subscription period will be 30-45 days from after the Fund's approval received from the Securities Commission.
<b>Investment Manager:</b>	Investar Securities Ltd
<b>Management Shares:</b>	Voting non-participating non-redeemable shares of the Fund called Class B shares.
<b>Minimum Initial Investment</b>	The minimum initial subscription and the minimum investment to be maintained by a holder of Class A Shares is \$500 and the minimum initial investment and amount to be maintained by a holder of Class B Shares is B\$10,000.00.
<b>Net Asset Value:</b>	The amount calculated as the total assets of the Fund at their fair market value less the Fund's liabilities also at fair value in accordance with International Financial Reporting Standards.
<b>Net Asset Value per Share:</b>	The amount calculated as the Net Asset Value of the Fund divided by the number of Shares issued and outstanding of the Fund. This is the price investors pay for each Share subscription or Shareholders receive for each Share redemption in the Fund. Net Asset Value per share will be rounded to three (3) decimal places.
<b>Redemption Day:</b>	The last Business Day of each month or such other date as the Directors may determine from time to time.
<b>Redemption Fees:</b>	A Redemption Fee of \$10 per transaction will be assessed on every redemption.
<b>Share(s):</b>	Non-voting, redeemable, participating shares representing rights to the benefits of the Class A offered pursuant to this Offering Memorandum.

**Shareholder:**

The owner of Shares.

**Valuation Day:**

The last Business Day of each month or such other date as the Directors may determine from time to time.

Words denoting the singular shall include the plural and vice versa; words denoting gender shall include all genders; and words denoting persons shall include bodies corporate and vice versa.

# THE FUND

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## STRUCTURE

The Fund was incorporated and registered in The Bahamas under The Companies Act of The Bahamas 1992 (as amended) as a limited liability company on September 5<sup>th</sup>, 2017, and is governed by the provisions of the Investment Funds Act and Regulations, 2003. The principal business office and the registered office of the Fund are located in The Bahamas.

The Fund has authorized one class of Investor Shares to be called Class A, which will be issued on the first business day of each month or such other time as determined by the Directors. The Fund will also issue a management Shares Class to be called Class B which will have voting rights but will not participate in the distribution of profits or dividends.

The Fund is an investment company.

The Fund is licensed as a Standard Fund pursuant to the provisions of the Act. The Securities Commission regulates the Fund.

The financial year-end of the Fund is December 31 and the first financial period for the Fund shall end on December 31, 2019.

## INVESTMENT OBJECTIVES & POLICIES

### **Investment Objectives**

The Fund seeks to achieve total return through capital appreciation and income by investing in equities, money market instruments, Government registered stock, fixed income securities of private and public companies available in the Commonwealth of The Bahamas.

### **Investment Strategy**

To meet its objective, the Fund will invest its assets in equity securities with prospects for above average market returns and in debt securities to provide balance in the portfolio.

The fund will invest in industries in the Commonwealth of The Bahamas which are subject to laws and regulations governing and controlling the operating structure, regulatory compliance, taxation and financial reporting of companies in such industries. These industries include, but are not limited to, Gaming; Hotel and Hospitality; and Real Property and Development.

The Fund's investments will center greatly on fundamental security analysis, supported by macro-economic analysis and the outlook for key sectors and industries in the Bahamian economy.

When assessing a potential equity investment, the Investment Manager examines factors including, but not limited to, the issuer's core business; growth opportunities and the quality of the management team.

For fixed income securities, the Investment Manager examines the issuer's ability to service its interest and principal payments in a timely manner as well as the structure, duration, yield and covenants of the obligation.

The Fund's assets will also be invested in government and corporate debt obligations such as registered stock and treasury Bills, which provide safety of principal and relative liquidity. Additionally, these securities will allow the Fund to realize a stable income flow, secured by the credit backing of The Bahamas Government.

### **Eligible Investments**

The Fund will invest in private equity shares of Playtech Systems Limited, t/a ("Island Luck"), publicly traded equity shares listed on BISX, money market instruments, and the Bahamas Government registered stock/bonds, Bahamian corporate bonds and the bonds of Special Purpose Vehicles with an investment in Commercial Real Estate.

Playtech Systems Limited is a related party to Investar. The initial investment in Playtech Systems Limited will not equal or exceed 5% of the issued shares of Playtech Systems Limited. If it is the desire to invest 5%, or more, appropriate approvals will be sort from The Gaming Board for the Bahamas. The Fund will not invest in any other company in the Gaming Industry.

### **Related Party Transactions**

The Investment Manager may determine from time to time that investment opportunities are appropriate where the Operators and Principals of the Fund are also invested.

### **Investment Restrictions**

The Fund will not:

**Scope:** Invest in any companies that are not registered in the Commonwealth of The Bahamas.

**Diversification:** Invest more than 35% of the Fund's assets in a single issuer. This limit does not apply to Government Securities. Therefore, the maximum investment in Playtech Systems Ltd. will be limited to 35% of the assets of the Fund.

Invest more than 55% in securities of issuers in a single industry other than those securities issued or guaranteed by the Government of The Bahamas. If these limits are exceeded due to the change in the asset value of the Fund or because of redemption, the Investment Manager shall not be obligated to effect changes in assets already owned.

**Asset Allocation:** Hold cash portion of the Fund less than 5% of the portfolio. Fixed Income Securities will be limited to a maximum of 50% and Equity Securities will be limited to a maximum of 50% of the portfolio.

**Liquidity:** Allow marketable securities allocation to fall below 20% of the portfolio of the Fund.

**Short Sale:** Make short sales of securities or maintain a short position unless it is for duration adjustment purposes.

**Derivatives:** Undertake any transaction in any complex financial instruments such as derivative instruments.

**Cash Holdings:** When the Fund is not holding securities it may only hold cash deposits denominated in Bahamian dollars. The term of these deposits will range from overnight to a maximum of one year. The deposits will only be held with institution with a strong, short-term credit rating. There is no maximum to the percentage of cash holding in the Fund.

**Lending and borrowing:** The Fund shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of subscription made or to be made by any person of or for any Shares in the Fund nor shall the Fund make a loan for any purpose whatsoever on the security of its Shares.

The Directors may from time to time, in their absolute discretion, raise or borrow or secure the repayment of any sum or sums of money not exceeding 20% of the Fund's total assets in such manner and upon such terms and conditions in all respects as they think fit.

## RISK FACTORS

Potential investors in the Fund should carefully consider the following:

### General

A subscription for shares should be considered only by investors financially able to maintain their investment for the long term.

**General Economic and Market Conditions:** The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the future market. Unexpected volatility or illiquidity in the markets in which the Fund (directly or indirectly) holds positions could impair the Fund's ability to carry out its business or cause it to incur losses.

**Fluctuation of Share Price:** The Net Asset Value will be subject to market fluctuations attributable to the values of the securities it holds, as well as fluctuations in the markets affecting the services provided by the entities whose securities are purchased by the Fund. Consequently, the value of a Shareholder's investment in the Fund may decrease as well as increase.

**Investment Objective:** While the Fund and the Investment Manager shall seek to attain the Fund's Investment Objective, neither the Investment Manager nor the Fund, or any other party, can guarantee the extent to which the Investment Objective can or will be achieved.

**Equity Price/Valuation:** The risk that the price of the securities held by a Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the companies issuing the securities participate and the issuer company's particular circumstances. Investors may lose money on their investment due to unpredictable drops in a company share value or periods of below-average performance in a given stock or in the stock market as a whole. Growth stocks are generally more sensitive to market movements than other types of shares primarily because their prices are based heavily on future expectations. Value stocks present the risk that they may fall out of favor with investors and underperform growth stock during any given period.

**Voting Rights:** The Class A Shares will have no voting rights and hence Shareholders cannot elect the Directors of the Fund or take other corporate action to further their interests.

**Legislative & Policy Risks:** The performance of the Fund can be impacted by legislative and policy changes. Investments made by this Fund in Bahamian businesses may increase or decrease in value as a result of legislative and policy changes made in the government's annual budget or changes by regulatory boards or by changes in various Government policies. During the Government annual budget presentation, amendments are typically made to custom duties, value added tax categories/rates and level of concessions which can go up or can go down, thereby impacting, positively or negatively, investments in businesses and the economy.

Changes particularly in the gaming industry, could have an impact on the performance of the Fund as the gaming industry is vulnerable to increases in taxes and levies.

The Fund will be a minority shareholder of Playtech Systems Ltd. (t/a Island Luck) (Playtech) which is regulated by The Gaming Board For The Bahamas. Thus, any changes in the operations of Playtech and the gaming industry may affect the rights of minority shareholders of Playtech. Purchase of shares in a gaming company 5% or more requires Gaming Board approval subject to provisions in the Gaming Act.

**Public Policy Exposure:** The investment strategies focus on investments and industries in the Commonwealth of The Bahamas, which are subject to periodic monetary and fiscal policy changes. Such changes can impact the investment objective, fluctuation of share price and performance of this Fund.

**Redemption Risks:** If there are substantial redemptions within a limited period of time, it may be difficult for the Fund to provide sufficient funds to meet such redemptions without liquidating positions prematurely or on unfavorable terms at a substantial loss to the Fund. The Fund reserves the right to honor redemption requests in such a manner as to minimize the negative effects of large numbers of redemption requests, including establishing a time-table for their execution.

**Redemption Timeframe:** When Shareholders elect to redeem their Shares, their decision may be based on the price of the Fund on the most recent Valuation Day. There can be no assurance that adverse market conditions or other factors arising during the period between the previous Valuation Day and the Redemption Day will not result in material changes in the Net Asset Value of the Fund on the date the redemptions are affected

In such cases, redemption requests will be accepted on a first-come, first-served basis. In addition, in times of extreme market volatility, the Directors may, at their discretion and upon advice received from the Investment Manager, suspend redemptions of Shares for such periods of time as it deems appropriate.

**Conflicts of Interest.** There are potential conflicts of interest between the interests of the Shareholders and the business interests and activities of Investar. Among other reasons, these potential conflicts may result from Investar's investment activities on behalf of its other clients.

Notwithstanding the foregoing, the Investment Manager shall not enter into any such transaction on behalf of the Fund that is not in the best interests of the Fund at least as favorable to the Fund as could have been obtained in a transaction between the Fund and an unrelated third party freely negotiating a purchase or sale.

Investar and Playtech Systems Limited have a common shareholder.

**The Fund will share a common Director with both Investar and Playtech Systems Limited.**

By executing a Subscription Agreement, each Shareholder acknowledges that such conflicts of interest exist and agrees that both Investar and the Fund will have no liability to the Shareholder as a result of these conflicts. The Shareholders agree not to assert any claim against Investar or the Fund arising in connection with any conflict of interest experienced by Investar, whether or not specifically set forth above.

**Activities of the Investment Manager:** The Investment Manager engages in other activities in connection with its investment management business. The Investment Manager may engage in other activities whether or not they compete with the business of the Fund, although the Investment Manager intends to devote such time and effort to the business of the Fund as it considers necessary or appropriate.

**Trading:** The Investment Manager intends to effectuate the strategies described above and will generally follow these strategies for as long as such strategies are in accordance with the Fund's objectives. However, the Investment Manager reserves the right to modify the Fund's investment approaches or to formulate new approaches to carry out the objectives of the Fund. There can be no assurances that the Fund will achieve its investment objectives.

**Lack of Operating History:** The Fund is a recently formed entity and has no operating history upon which prospective investors can evaluate its likely performance.

**Fees and Expenses:** Whether or not the Fund is profitable, experience appreciation in value or not, the Fund, is required to pay fees and expenses as detailed in this Offering Memorandum. These expenses and fees will affect the performance of the Shares.

**Early Termination:** In the event of the early termination of the Fund, such an early termination would have the effect of accelerating the unamortized portion of any fees borne by the Fund thereby decreasing amounts otherwise available for distribution. Certain financial instruments held by the Fund may be highly illiquid and might have little or no marketable value. It is possible that at the time of such sale or distribution, certain securities held by the Fund would be worth less than the initial cost of such securities, or that, due to their illiquidity, they be liquidated under conditions less favorable than the ones that prevailed at the time of their valuation, and consequently resulting in a loss to investors.

**THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE LIST OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE FUND. PROSPECTIVE INVESTORS SHOULD READ THIS MEMORANDUM AND CONSULT WITH THEIR OWN FINANCIAL ADVISORS; ACCOUNTANT; STOCK BROKER OR ATTORNEY-AT-LAW BEFORE DECIDING TO INVEST.**

# MANAGEMENT

## BOARD OF DIRECTORS

The Directors have overall management responsibility for the Fund, including establishing its investment, dividend and distribution policy, and have the authority to select and replace the Fund's service providers and any officers of the Fund. The Directors will normally meet quarterly and at least once a year to review the investment and administrative affairs of the Fund.

The Directors may amend the constitutive documents of the Fund without consulting the Management Shareholders and the Shareholders if the Directors certify in writing that, in their opinion, the proposed alteration:

- a) is necessary to make possible compliance with fiscal, or statutory requirement or requirements of any overseas regulatory authority;
- b) does not materially prejudice Shareholder's interests;
- c) does not to any material extent release the Custodian, Administrator, Investment Manager or any other person or persons from any liability to the Shareholders; or
- d) does not materially increase the costs and charges payable from the Fund property.

The Directors may adopt changes to the Fund's investment policies, investment restrictions, operating and valuation policies as long as the Directors provide Shareholders prior written notice. The Directors are elected by the Management Shareholders of the Fund. The Directors will serve until their resignation, death or removal.

The Board of Directors is comprised of the following:

**Mr. Hillary Deveau**

***Chairman***

Investar Securities Ltd. Nassau, The Bahamas

**Mr. Ansel A. Watson**

***President & CEO***

Investar Securities Ltd. Nassau, The Bahamas

**Mr. Dirk Simmons**

***Chief Financial Officer***

Playtech Systems Limited Nassau, The Bahamas



### **Mr. Hillary Deveau**

Mr. Deveau is a former Consultant at the Ministry of Financial Services where he provided technical assistance in international trade and financial services. Prior to this role he served as the Executive Director at the Securities Commission of The Bahamas from 1997 until mid-2015. Mr. Deveau is well respected for his extensive experience in the capital markets, his broad and deep knowledge of the securities industry, extensive international contacts and exposure, and for his passion for the development of the securities and financial services sector in The Bahamas.

Mr. Deveau has served as the Capital Markets Advisor at the Caribbean Regional Technical Assistance Center (CARTAC) and held various positions including: General Manager of the Bahamas Agricultural and Industrial Corporation, Money Market Manager at Chemical International Finance Ltd., New York, and Project Officer at the Caribbean Development Bank in Barbados. He has also served as the Chairman of the Free Trade Area of the Americas Negotiating Group in Services and was a member of The Bahamas Trade Commission. Mr. Deveau holds a BS degree in Economics from Iowa State University, an MS degree in Economics from the London School of Economics and a Diploma in Development Studies from Cambridge University.

### **Mr. Dirk Simmons, LL.B (Hons.), CFA, CPA,**

Mr. Simmons has extensive academic credentials with strong professional competence, knowledge and experience in variety of disciplines including accounting, banking, investments, law, compliance and financial regulation.

Mr. Simmons's vast educational background includes a LL.B (Hons.) Law degree, CPA designation, CFA designation, Bachelor's degree in Accounting, the London Associate Charter Institute of Bankers Professional Diploma and the International Compliance Association Specialist Certificate in Money Laundering.

Mr. Simmons joined PricewaterhouseCoopers (PWC) in 1993 where he served as Lead Manager in accounting, auditing, consulting and business advisory services. In his capacity Mr. Simmons specialized in designing, formulating and auditing accounting and internal control systems, preparing financial statements and reports in accordance with GAAP and generating strategic, operational, compliance and regulatory solutions and recommendations for PWC clients in multiple industries that set the standard as industry best practice while improving client profitability, processes and competitive advantage. In 2000, Mr. Simmons joined Citco Fund Services as Vice President of Operations & Regulatory Compliance. He later became Assistant Managing Director and a member of the Board of Directors before becoming Managing Director in 2009. As Managing Director, Mr. Simmons was directly responsible for the strategic, operational, management and regulatory oversight and leadership of the Bahamas office.

Mr. Simmons joined Playtech Systems Limited in 2015 and currently holds the position of Director and Chief Financial Officer.

**Mr. Ansel A. Watson CA, CFA, CPA**

Ansel Alexander Watson is a professional accountant with a broad range of knowledge and experience in finance, banking, operations, investments, investment funds, accounting and audits. Mr. Watson is President and CEO of Investar Securities Ltd. and has worked previously with Ansbacher, SG Hambros, MeesPierson, and Deloitte in Toronto and The Bahamas over the past 30 years.

He is a Chartered Accountant and Chartered Financial Analyst charterholder.

Mr. Watson held the positions of Director of Finance & Risks, Head of Finance & Operations and Vice President of Financial Control with several financial and international institutions. Throughout his career, Mr. Watson was strategically involved in the transition of Ansbacher (Bahamas) Limited to new ownership and the growth and acquisition of investment fund operations.

Mr. Watson served on the Bahamas Institute of Chartered Accountant's (BICA) Council for several years as well as Chairman of the Continuing Professional Education Committee. He is a member of BICA and CFA Society The Bahamas. He is a distinguished past President and Treasurer of the Rotary Club of New Providence. Mr. Watson currently serves on several boards, including the Cable Bahamas Cares Foundation and the Catholic Board of Education. He previously served as Deputy Chairman on the Board of Directors of Bahamas Electricity Corporation/BPL.

## INVESTMENT MANAGER

The Fund has entered into an investment management agreement with Investar Securities Ltd.

It is intended that the Fund's Board of Directors will establish a committee that will recommend investments to the Investment Manager who will have full discretion to approve these proposed investments.

The Investment Manager will perform the following functions, subject to overall supervision of the Directors, for The Fund:

- implement the investment objectives/strategy and policies to be employed for the Fund's portfolio;
- identify and analyze potential investments on a continuing basis;
- select and purchase investments for the Fund;
- provide or obtain timely and accurate price or valuations for each investment;
- monitor the performance of each investment and maintain appropriate records; and
- sell investments held by the Fund when deemed appropriate.

The Directors of the Fund may change or sub contract the Investment Management functions without notice to the Management Shareholders.

Under the Investment Management Agreement, the Fund will indemnify the Investment Manager out of the assets of the Fund against all liabilities, actions, proceedings, claims, costs, demands and expenses (other than out-of-pocket expenses) arising out of its proper performance of its obligations under the Investment Management Agreement provided the Investment Manager acted honestly, in good faith and with a view to the best interests of the Fund. The Investment Manager will not be indemnified against any liability to which it would otherwise be subject by reason of willful default, willful misfeasance, bad faith or gross negligence in the performance of its duties, or reckless disregard of its obligations and duties under the agreement. The Investment Manager will also be indemnified against expenses, including legal fees, and all judgements, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings.

## ADMINISTRATOR

The Fund appointed Genesis Fund Services Limited as the Administrator.

The Administrator is a limited liability company incorporated in The Bahamas. It is a holder of both a unrestricted Investment Fund Administrator's License and Financial & Corporate Service Providers License.

The Administrator will be responsible for, *inter alia*, the following matters under the general supervision of the Directors of the Fund:

- communicating with Shareholders;
- processing subscriptions and redemptions;
- preparing and maintaining the Fund's financial and accounting records and statements;

- determining the Net Asset Value of the Shares;
- preparing financial statements;
- arranging for the provision of accounting, clerical and administrative services;
- maintaining corporate records;
- disbursing payments of fees, expenses and salaries, if any;
- maintenance of Share register;
- administration of the issue, redemption and transfer of the Shares on behalf of the Fund; and
- acting as paying agent in respect of any dividends payable by the Fund.

The Directors of the Fund may change the Administrator of the Fund without notice to the Shareholders.

Under the Administration Agreement, the Fund will indemnify the Administrator out of the assets of the Fund against all liabilities, actions, proceedings, claims, costs, demands and expenses (other than out-of-pocket expenses) arising out of its proper performance of its obligations under the Administrative Services Agreement provided that the Administrator acted honestly, in good faith and with a view to the best interests of the Fund. The Administrator will not be indemnified against any liability to which it would otherwise be subject by reason of willful default, willful misfeasance, bad faith or gross negligence in the performance of its duties, or reckless disregard of its obligations and duties under the agreement. The Administrator will also be indemnified against expenses, including legal fees, and all judgement, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings.

## CUSTODIAN

The Fund has appointed Leno Corporate Services Limited as the Custodian. The Custodian will hold the investments of the Fund in safe custody. The Custodian may delegate or sub contract the custodial functions without notice to the Shareholders.

The Fund may change the Custodian without notice to the Shareholders.

The Custodian will be indemnified out of the assets of the Fund against all liabilities, actions, proceedings, claims, costs, demands and expenses (other than out-of-pocket expenses) arising out of its proper performance of its obligations under the Custodian Agreement except as such may result from negligence or willful default. The Custodian will also be indemnified against expenses, including legal fees, and all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings.

## AUDITORS

The year-end financial statements of the Fund will be audited by Baker Tilly Gomez, Nassau, The Bahamas.

## LEGAL ADVISOR

Legal matters in connection with this offering have been passed upon for the Fund by Mackay & Moxey. However, in providing such legal advice, Mackay & Moxey does not take any responsibility for the financial soundness of the Fund or for the correctness of any statements made or opinions expressed in this regard.

# FEES AND EXPENSES

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## ORGANIZATION COSTS

Costs and expenses associated with the organization of the Fund, including governmental fees, incorporation charges and professional fees and expenses in connection with the preparation of the Fund's information documents and the preparation of their corporate documents and contracts, will be paid by Investar.

## FEES OF THE ADMINISTRATOR

The fees of the Administrator shall be paid by the Fund.

For Administration services, the Administrator will be entitled to receive quarterly and in arrears an amount equal 10 Basis Points (minimum \$30,000) of the Net Asset Value of the Fund calculated on the last Valuation Day of the relevant quarter or as determined by the Directors from time to time as consideration for administrating the Fund and expenses in maintaining the Fund's office (the Administration Fee").

## FEES OF THE INVESTMENT MANAGER

The management fees of the Investment Manager shall be paid from the assets of the Fund.

For Investment Management services, the Investment Manager will be entitled to receive monthly and in arrears an amount equal to 100 bps (Basis Points) per annum (minimum \$30,000) of the Net Asset Value of the Fund calculated on the last Valuation Day of the relevant month or as determined by the Directors from time to time as consideration for managing the investment portfolio of the Fund (the “Investment Management Fee”).

## FEES OF THE CUSTODIAN

The fees of the Custodian shall be paid out of the assets of the Fund. The Annual Fee for Custody Services shall be 20 Basis Points of the Net Asset Value of the Fund calculated quarterly in advance.

## REMUNERATION OF DIRECTORS

The total remuneration of each Director shall be \$10,000 per annum. Only Directors who are not employed by Investar Securities Ltd. may receive such remuneration from the Fund.

## OTHER OPERATING COSTS

The Investment Manager, the Custodian and the Administrator will be responsible for providing all office personnel, office space and office facilities required for the performance of their services.

The Fund will bear all other expenses incidental to its operations and business, including:

- 1) banking charges;
- 2) brokerage commissions;
- 3) fees of the Fund’s legal advisers and independent auditors;
- 4) any taxes, transfer taxes and other governmental charges and duties occurring for the Fund;
- 5) the costs of printing and distributing the Offering Memoranda, reports, statements and other notices to the Shareholders; and
- 6) advertising and marketing costs.

Certain of the above noted expenses may be paid to Investar for services rendered. All such fees and expenses charged by Investar will be billed at standard rates charged for similar services to unrelated parties.

## SHARES OF THE FUND

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### SHARE CAPITAL

The Fund has an authorized share capital of Fifty Thousand Dollars in the currency of the Commonwealth of The Bahamas (B\$50,000). The authorized share capital of the Fund is divided as follows:

- One Thousand (1,000) voting non-participating non-redeemable shares Class B Shares (the “Management Shares or the Class B Shares”) with a par value of \$0.001 per Share ; and
- Forty nine million nine hundred and ninety nine thousand (49,999,000) non-voting participating redeemable Shares with a par value of \$0.001 per Share (the “Class A Shares”).

All shares of the Fund are, when issued, fully paid and non-assessable, and Shareholders have no personal liability for the debts of the Fund. The Shares have no pre-emptive, conversion, exchange or other rights or privileges save as set out in the Articles of Association of the Fund.

Upon incorporation, the Sponsor subscribed for, and paid in full at par, for all of the Management Shares. The holders of the Management Shares have the exclusive right to vote on all matters. The Management Shares may not be redeemed.

## ELIGIBLE INVESTORS

Unless otherwise approved by The Gaming Board For the Bahamas, only the following persons (“Eligible Investors”) may invest in the Fund:

### **If an individual**

The applicant is 18 years of age or older, must be a citizen of The Bahamas who is ordinarily resident in The Bahamas and the applicant is not applying for Shares as nominee for any other person, corporation, trust or fund that would not be an Eligible Investor.

### **If a corporation**

The applicant is incorporated or registered under the laws of The Bahamas.

The applicant is **wholly (100%) owned by individuals who are citizens of The Bahamas** and who is ordinarily resident in The Bahamas and the applicant is not applying for Shares as nominee for any other person, corporation, trust or fund that would not be an Eligible Investor and all necessary corporate action has been taken to authorize the purchase of the shares.

### **If a trust or pension fund**

- Beneficiaries of the trust or fund are citizens of The Bahamas who are ordinarily resident in the Bahamas, and wholly (100%) Bahamian resident companies owned by them; and
- trustees of the trust or managers of the fund represent that they have the necessary power and all requisite action has been taken to enable them to effect the purchase of the Shares; and
- the applicant is not applying for the Shares as nominee for any other person, corporation, trust or fund that would not be an Eligible Investor.

The Directors of the Fund, as a condition to the acknowledgement and acceptance of any subscription, purchase or transfer of Shares, may require satisfactory evidence of compliance with the above as well as any restrictions that may be imposed in the future or that may be required by any current or future law, rule, regulation or interpretation by any applicable jurisdiction.

The Directors reserve the exclusive right to determine conclusively whether any person or entity is an Eligible Investor and any such determination may be made after an investment has been made.

If at any time it comes to the attention of the Directors that Shares are beneficially owned by a person who is not an Eligible Investor, either alone or in conjunction with any other person, the Fund may compulsorily redeem the Shares at the last calculated Net Asset Value per Share. Once notice is given of such compulsory redemption, as outlined below under “Redemption of Shares”, the Shareholder concerned shall cease to be the owner beneficially or otherwise, of such Shares.

## SUBSCRIPTIONS

Shares will be offered at a fixed price of **\$5.00** per Share during the initial Subscription period.

Following the close of the initial Subscription Period, Shares may be subscribed for on a monthly basis on each Dealing Day. The offering price of the Shares on any Dealing Day shall be the Net Asset Value per share on the Valuation day.

The minimum Initial Subscription that will be accepted from a new investor will be \$500.

Thereafter, subsequent additional subscriptions from existing Shareholders of at least \$100 may be made on any Dealing Day.

Existing Shareholders must maintain a minimum balance on their account of \$500.

The Directors reserve the right to alter the above-mentioned subscription and minimum balance requirements at their absolute discretion.

Applications for subscriptions shall be made on the form attached to this Offering Memorandum or such other form as the Directors may, in their absolute discretion, from time to time direct.

Subscription documents and cleared subscription proceeds should be received by the last business day each month by 5:00 pm (Eastern Standard Time).

The Directors reserve the right to reject subscriptions in their absolute discretion, without assigning any reason therefor.

## REDEMPTION OF SHARES

### **Compulsory Redemption**

The Directors of the Fund have the right to require the compulsory redemption of all Shares held by a Shareholder who is not an Eligible Investor, or for any other reason at their sole discretion. Compulsory redemptions shall be made at the Net Asset Value per share at the Redemption Day immediately preceding the issuance of a notice of compulsory redemption to the respective Shareholders.

Furthermore, compulsory redemptions may also be made where the Shareholder is in breach of any of the representations, warranties, agreements or certifications contained in the Subscription Agreement or otherwise. Such redemptions shall be made at the Net Asset Value per share at the Redemption Day immediately preceding the date upon which the Shareholder becomes in breach of any of the representations, warranties, agreements or certifications contained in the Subscription Agreement.



## **Shareholder Redemption**

Subject to 30 days prior written notice any Shareholder may redeem Shares on any Redemption Day. The Directors may permit redemptions at such other times as determined in their sole discretion. The total amount of the redemption proceeds will be available as soon as reasonably practicable but within ten (10) business days after the relevant Redemption Day.

The redemption price per Share will be equal to the Net Asset Value per Share as of the Redemption Day on which such Shares are redeemed.

To the extent that a Shareholder authorizes the Fund to redeem Shares on the basis of instructions provided by facsimile, the Fund may retain and not distribute any redemption proceeds until it has received an original signed confirmation of the redemption instructions.

Payment of the redemption proceeds will be made only to Registered Shareholders.

Partial redemptions shall be permitted so long as the remaining Net Asset Value of the Shareholder's holdings in the Fund after such redemption is equal to the Minimum Initial Investment for the Fund. If, as a result of a requested partial redemption, a Shareholder's investment in the Fund would be less than an amount equal to the Minimum Initial Investment for the Fund, required for the respective Share Class, as stated in this Memorandum, the Fund may require the Shareholder to redeem his entire shareholding in the Fund, unless stated otherwise.

Except in the case of a suspension of calculation of the Net Asset Value, all requests for the redemption of Shares are irrevocable.

In the event of unusual circumstances and the Fund receives redemption requests within any 30 consecutive days, representing more than 33% of Shareholders or more than 40% of the Fund's assets, the Directors of the Fund reserve the right to limit the redemptions to 20% of the Shares "Redemption Gating".

In the event that a Redemption Gating occurs, the Directors, Management Shareholder and Investment Manager shall hold a special meeting to determine whether redemptions will be suspended or the Fund will be liquidated, or the best manner in which to allow redemptions to proceed. The special meeting to determine the future course of action shall be determined by an absolute majority of the Directors and Management Shareholder, with the Management Shareholder holding one vote. For clarity, should any redemption request on any Redemption Date be sufficiently large to create liquidity challenges in the Fund, the directors, in their sole discretion, reserve the right to limit the amount of redemption payments and to stagger these payments over an agreed-upon period of time. The Shareholders will be notified of a Redemption Gating as soon as reasonably possible.

The Directors may suspend the determination of Net Asset Value and of redemptions in the circumstances described under "Suspension of Net Asset Valuation" below.

The Fund may withhold payment to any person whose Shares have been tendered for redemption until after such suspension has been lifted. If a redemption request is not withdrawn by a Shareholder following notification of a suspension, the redemption will be completed on the basis of the Net Asset Value per Share on the Redemption Day immediately following the end of the suspension. The Fund reserves the right to

withhold payment with respect to any redemption proceeds until it has satisfied itself with respect to (i) the due authorization and execution of the redemption request and (ii) the identity of the recipient of any redemption proceeds.

## REDEMPTION FEES

For redemption of Shares a fee of Ten Dollars (\$10) per redemption will be deducted from the redemption amount, unless waived at the absolute discretion of the Directors.

## SUSPENSION OF NET ASSET VALUATION

The Directors may suspend the calculation of the Net Asset Value of the Fund in any of the following events:

- 1) during which any principal market on which a material part of the investments of the Fund relating to a particular class of trades a majority of its securities or other investments is closed other than for ordinary holidays or during which dealings thereon are restricted or suspended;
- 2) when circumstances exist, including catastrophic events, that render purchases or disposal of investments (relating to any class of Shares by the Fund), in the opinion of the Directors, not reasonably practicable or seriously prejudicial to the Fund or to the Shareholders;
- 3) during any breakdown in the means of communication normally employed in determining the value of the Fund's securities or other investments or when, for any other reason the value of the Fund's securities or other investments cannot reasonably be promptly and accurately ascertained;
- 4) when the aggregate amount of redemption requests in any one month for a particular class of Shares, exceeds twenty (20%) of the total assets of the Fund for the particular class of Shares; or
- 5) when the Directors have decided to terminate the Fund.

## NET ASSET VALUATION

The Fund will determine the Net Asset Value for the Fund on each Valuation Day.

The determination of the Net Asset Value for the Fund will be calculated on the basis of the value of the portfolio of securities and other assets of the Fund, less liabilities and accruals for the Fund fees and expenses calculated in accordance with International Financial Reporting Standards.

For the purpose of determining the Net Asset Value of the Fund, the Administrator will value assets at fair market value. The valuation guidelines as determined by the Directors will provide in part that:

- Marketable securities listed on one or more securities exchanges will be valued at the average closing price on the Valuation Day.
- Securities traded in other markets other than on a regulated securities exchange will be valued at the average closing bid price on the Valuation Day as quoted by established sources.

- All other securities will be valued at cost or at a valuation based on contemporaneous third party transactions in the private market or at fair market value, taking into consideration the cost of the securities, restrictions on the sale of the securities, the quoted price of securities of comparable publicly traded companies, market conditions, the underlying collateral, financial data and such other factors as may be considered relevant.
- If a particular market value is not easily ascertainable or if the Directors consider that some other method of valuation better reflects the fair market value of a particular investment, the Directors may substitute what is in their opinion fair market value in the content of a particular valuation.

The Net Asset Value per Share of the Fund is equivalent to the Net Asset Value of the Fund on the Valuation Day divided by the number of Shares of the Fund issued and outstanding as at that date.

## REGISTRATION AND TRANSFER OF SHARES

Shares of the Fund will be issued in registered form. Share certificates representing Shares will not be issued. The Fund will maintain a current list of the registered names and addresses of the Fund's Shareholders at the registered office of the Fund.

Transfer of Shares can only take effect either by a) serving upon the Fund in the manner prescribed by law, an instrument of transfer signed by or on behalf of the transferor and the transferee or b) by written acknowledgment by the Fund of the transfer, which acknowledgment shall be signed by a Director or another person designated thereto by the Directors, in accordance with the Memorandum and Articles of Association of the Fund.

The Fund has designated the Administrator under the terms of the Administration Agreement to perform the above-mentioned duties in connection with the registration and transfer of Shares.

Any transferee will have to furnish the same information which would be required in connection with a direct subscription in order for a transfer application to be considered by the Administrator. Violation of applicable ownership and transfer restrictions may at the discretion of the Directors of the Fund result in compulsory redemption.

## DIVIDEND POLICY

The Directors may declare and pay dividends out of the income and capital gains of the Fund to the Shareholders. The Directors do not anticipate that any dividends will be paid.

## ANTI-MONEY LAUNDERING

To ensure compliance with the Financial Transaction Reporting Act, 2018 and the Proceeds of Crime Act, 2018 of The Bahamas (and all amendments and regulations thereof) and other generally accepted principles relating to anti-money-laundering, the Fund may require a detailed verification of a prospective shareholder's identity. Depending on the circumstances of each application, a detailed source of funds may not be required if:

- a) the applicant makes the payment from an account held in the applicant's name at a recognized financial institution;

**b)** the application is made through a recognized intermediary.

An individual will be required to produce a copy of a passport, voter's card, NIB Smartcard, driver's license or identification card certified by a notary public. Corporate applicants or other legal entities may be required to produce a certified copy of their certificate of incorporation (and any change of name), memorandum and articles of association (or other document evidencing the existence of the legal entity), the register of directors or an excerpt from the register held at the Registered Office and the signatory card verifying the authority of officers to sign on behalf of the corporate entity.

Trusts, or similar organizational units without specific beneficial owners, which subscribe to the Fund must produce organizational documents that verify their existence and the authority of one or more signatories to sign subscriptions on their behalf.

The Fund reserves the right to request such further information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Fund may refuse to accept the application and the subscription moneys relating thereto.

## TAXATION

The Fund, under current law, is not subject to tax in The Bahamas.

Services provided to the Fund and transactions entered into by the Fund may be subject to Stamp tax or Value Added Tax in the Bahamas.

# ADDITIONAL INFORMATION

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## **REPORTS AND FINANCIAL STATEMENTS**

The Fund's financial year ends on December 31. Audited financial statements will be posted to the Investor's Website ([www.ivstar.com](http://www.ivstar.com)) normally within one hundred and eighty (180) days after year-end. An annual report of the Fund, which will include the Net Asset Value and the Net Asset Value per Share at the end of the year, and such other information as the Fund, in its discretion, determines to be necessary or appropriate, will also be posted to the website. Shareholders also receive regular updates on the Fund's financial performance via e-mail on a quarterly basis.

The Administrator is responsible for posting all formal notices to registered Shareholders.

## **INQUIRIES**

Inquiries concerning the Fund and its Shares (including information concerning subscription procedures and current Net Asset Values) should be directed to the Administrator at:

### **GENESIS FUND SERVICES LIMITED**

308 East Bay Street, 5<sup>th</sup> Floor,

P.O. Box N-9058

Nassau, The Bahamas.

Telephone: 502-7020

Fax: 393-5002

# MATERIAL CONTRACTS

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The following contracts have been entered into by the Fund (other than in the ordinary course of business) since incorporation and are, or may be, material:

**Investment Management Agreement** dated the **1st January, 2021** between the Fund and the Investment Manager specifies the terms whereby the Investment Manager agrees to act as investment manager to the Fund and, as such, is responsible for the investments of the Fund's portfolio. The agreement will continue in force unless and until terminated by any party giving to the other not less than ninety (90) days' written notice, except that this agreement may be terminated immediately by either of the parties if the other shall commit any breach of its obligations under it subject to a thirty (30) day remedy period or go into liquidation or otherwise become insolvent.

**Administrative Services Agreement** dated the **15<sup>th</sup> April, 2018** between the Fund and the Administrator specifies the terms whereby the Administrator agrees to act as Administrator to the Fund. The agreement will continue in force unless and until terminated by any party giving to the other not less than ninety (90) days' written notice, except that this agreement may be terminated immediately by either of the parties if the other shall commit any breach of its obligations under it subject to a thirty (30) day remedy period or go into liquidation or otherwise become insolvent.

**Custodian Agreement** - dated the **31<sup>st</sup> October, 2017** between the Fund and the Custodian specifies the terms whereby the Custodian agrees to act as custodian for the Fund. The agreement will continue in force unless and until terminated by any party giving to the other not less than thirty (30) days' written notice, except that this agreement may be terminated immediately by either of the parties if the other shall commit any breach of its obligations under it subject to a thirty (30) day remedy period or go into liquidation or otherwise become insolvent.

Each of the above service providers is empowered under their agreement to delegate their functions, powers, discretions, privileges and duties as they deem appropriate.

Copies of the above contracts, this Memorandum, the Sub Fund Supplements and the Memorandum and Articles of Association of the Fund, are available for inspection to shareholders of record free of charge. Copies of such documents are available, upon payment of a reasonable fee, during normal business hours at the office of the Administrator.