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**Dated:** 23 February 2018

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**PRIVATE PLACEMENT MEMORANDUM of the MANHATTAN DOLLAR  
YIELD FUND**

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**(a public company incorporated in Mauritius with limited liability and authorised as an  
Expert Fund)**

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## GLOSSARY OF TERMS

**Administration Agreement:** refers to the administration agreement between the Fund and the Administrator, to provide inter alia, administration and company secretary services.

**Administrator:** the administrator whose details are set out under the heading *Directory*.

**Auditors:** the auditors whose details are set out under the heading *Directory*.

**Board:** the Directors at any time or the Directors present at a duly convened meeting (including a committee meeting) at which a quorum is present.

**Business Day:** any day (except Saturday and Sunday and such other day as the Directors may determine) on which banks are open for business in Mauritius.

**CIS Regulations:** Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008.

**Class:** a Class of Participating Shares having the same rights, privileges, limitations and conditions, and Classes shall refer to more than one Class of Participating Shares.

**Companies Act:** the Companies Act No. 15 of 2001 of Mauritius.

**Constitutive Documents:** collectively this Constitution, the PPM and the Subscription Agreement and any circular, notice or similar document issued by the Fund relating to the Fund.

**Constitution:** this Constitution of the Fund.

**Custodian:** the custodian appointed by the Directors (if applicable) to hold the assets of the Fund for safekeeping under the Laws.

**DEAY:** the daily effective yield calculated by dividing the daily net income return on investment by the Net Asset Value, recalculated as an annual rate.

**Directors:** the Directors of the Fund for the time being, or, as the case may be, the Directors assembled as a Board or as a committee of the Board.

**FSA:** the Financial Services Act 2007 of Mauritius as amended from time to time.

**FSC:** the Financial Services Commission established under the FSA.

**Fund:** Manhattan Dollar Yield Fund Limited, a public company with limited liability incorporated under the laws of Mauritius, holding a GBC1 License issued by the FSC pursuant to the provisions of the FSA and authorized as an Expert Fund.

**Expert Fund:** a fund which is only available to Expert Investors.

**Expert Investor:** (i) an investor who makes an initial investment, for his own account, of no less than US\$ 100 000 (one hundred thousand United States Dollars); or (ii) a Sophisticated Investor or any similarly defined investor in any other securities legislation.

**GBC1 License:** a Category 1 Global Business License issued by the FSC under section 76(2) of the FSA.

**Illiquid Asset** means an asset that may not be readily disposed of through market facilities on which public quotations are widely available, at an amount at least equal to the amount at which the asset is valued in calculating the Net Asset Value, or a restricted security, the resale of which is prohibited for any reason.

**Investment Manager:** the investment manager whose details are set out under the heading *Directory*.

**Investment Management Agreement:** the agreement entered into between the Investment Manager and the Fund under which the Investment Manager is appointed as Investment Manager of the Fund.

**Laws:** the laws of Mauritius, including the Companies Act, the Securities Act, the CIS Regulations and any other act, regulation, rule, proclamation or order or any revision thereof for the time being in force and applying to collective investment schemes and global schemes.

**Maitland:** Maitland (Mauritius) Limited (registration number: BRN C07024306), a company incorporated in accordance with the laws of Mauritius.

**Management Company:** a company holding a management license issued under section 77 of the FSA.

**Management Shareholder:** a holder of Management Shares.

**Management Shares:** a share in the capital of the Fund of USD 1.00 each and designated as a management share, having the rights as set out in the Constitutive Documents.

**Minimum Holding:** USD\$ 100 000 (one hundred thousand United States Dollars) or its equivalent in another currency unless otherwise determined by the Directors.

**Net Asset Value:** the total net asset value (total assets on the balance sheet less total liabilities) of the Fund.

**Participating Share:** a non-voting redeemable participating share in the capital of the Fund with the rights set out in the Constitutive Documents.

**Participating Shareholder:** a holder of Participating Shares.

**Pivot:** Pivot Limited (registration number: 081737), a company registered in accordance with the laws of Mauritius.

**PPM:** this confidential private placement memorandum of the Fund as may be amended, restated, supplemented or superseded.

**Redemption Trade Date:** the date on which the redemption proceeds will be paid to a Participating Shareholder as described under the heading *Redemption payment date*.

**Registrar:** the Registrar of Companies appointed under section 10 of the Companies Act.

**Retained Earnings:** the profits available for distribution within the meaning set out in section 63 of the Companies Act.

**Securities Act:** the Securities Act No 22 of 2005.

**Shares:** a Participating Share and Management Shares.

**Shareholder:** a holder of the Management Shares or Participating Shares as the case may be in the Fund.

**Share Price:** the total net asset value (total assets on the balance sheet less total liabilities) of the Fund divided by the number of Participating Shares outstanding.

**Solvency Test:** the test of a company's solvency applicable to an investment company as set out in section 6 of the Companies Act.

**Sophisticated Investor:** as defined in the Securities Act.

**Special Resolution:** a resolution approved by a majority of seventy-five per cent of the votes of those Shareholders entitled to vote and voting on the resolution.

**Subscription Agreement:** a subscription agreement entered into between the Fund and a subscriber under which the subscriber agrees to subscribe for Participating Shares in the Fund.

**USD:** the lawful currency of the United States of America.



## **IMPORTANT INFORMATION**

### **Investment risks**

Shareholders should read and consider the heading entitled *Risk Factors* before investing in Shares of the Fund.

### **Selling restrictions**

The Shares may not be offered or sold, directly or indirectly, to the public. Neither this PPM nor any offering material or information contained herein relating to the offer of Participating Shares, may be released or issued to the public or used in connection with any such offer. This PPM does not constitute an offer to sell the Participating Shares to the public.

No person is authorised to give any information or to make any representations other than those contained in this PPM, and subscription for Shares made by any person based on statements or representations not contained in this PPM shall be solely at the risk of that person.

Potential Shareholders are advised to obtain information for themselves and to take professional advice so that they are fully informed of the possible legal, administrative or tax consequences and the possible effects of foreign exchange restrictions, controls or operations which might be required in connection with the subscription, purchase, holding, redemption, conversion and sale of shares under the laws in force in their countries of residence, domicile or establishment.

Potential Shareholders should inform themselves as to:

- (a) the legal requirements within their own countries for the purchase or holding of the Participating Shares;
- (b) any foreign exchange restrictions which they might encounter; and
- (c) the income and other tax consequences, which may apply relevant to the purchase, holding or disposal of Participating Shares. Potential Shareholders must rely upon their own representatives, including their own legal counsel and accountants, as to legal, tax and related matters concerning the Participating Shares.

### **Marketing rules**

The Participating Shares referred to in this PPM are offered solely based on the information contained herein and, in the documents, referred to in this PPM.

This PPM cannot be used for the purpose of offering and promoting sales in any country or in any circumstances where such offers or promotions are not authorised under current local laws.

This PPM may be updated with important amendments. Consequently, Shareholders are advised to ask the Fund for the most recent version of the PPM.

Shareholders must warrant on the Subscription Agreement that they have the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Fund, are aware of the risks inherent in investing in the Investments in which the Fund will invest and the method by which these Investments will be held and/or traded and can bear the loss of their entire investment in the Fund. Any transferee of Participating Shares will be required to warrant in like terms before any transfer is registered.

### **Financial regulator authorization**

The Fund is both authorized and supervised by the FSC. The authorization of the Fund is not an endorsement or guarantee of the Fund by the FSC and the FSC is not responsible for the contents of this PPM. The authorization of the Fund by the FSC does not constitute a warranty by the FSC as to the performance of the Fund and the FSC shall not be liable for the performance or the default of the Fund.

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



The Mauritius FSC does not vouch for the financial soundness of the Fund or for the correctness of any statements made or opinions expressed with regard to it.

## INTRODUCTION

The following is a summary of the principal features of the Fund and should be read in conjunction with the full text of this PPM and the Constitution.

### Structure

The Manhattan Dollar Yield Fund is a public limited liability company incorporated in accordance with the laws of Mauritius. The Fund is categorised as an Expert Fund under the CIS Regulations, and holds a GBC1 License.

**The Fund shall always comply with the requirements of the conditions of its GBC1 Licence issued by the FSC and such other guidelines, directives or other instructions as may be given by the FSC.**

### Management Shares

The Management Shares are not available for subscription by investors and are being issued to the Management Shareholder(s). The Management Shares carry no economic rights other than the right to a return of paid-up capital on a winding-up subject to the prior return of paid-up capital on Participating Shares, and the Management Shareholder(s) shall not be entitled to share in the profits of the Fund (unless it is also a Participating Shareholder in the Fund).

Each Management Share will confer on its holder the right to one vote, on a poll, at general meetings of the Fund.

### Participating Shares

Participating Shares are being offered only to Expert Investors, and the minimum initial investment in the Fund by a Participating Shareholder is USD \$100 000 (one hundred thousand United States Dollars) or its equivalent in another currency.

A Participating Shareholder may not at any time hold less than the Minimum Holding of USD \$100 000 (one hundred thousand United States Dollars) or its equivalent in another currency.

Partial redemptions may be refused if, immediately thereafter, the value of such Participating Shareholder's Shares would be less than the Minimum Holding.

### Investment program

The general investment objectives of the Fund are set out under the heading *Investment Objectives and Policies*.

### Investment Manager

African Alliance Mauritius Management Company Limited will be appointed as the initial Investment Manager of the Fund.

### Fees and Expenses

The Investment Manager shall be entitled to receive an annual Investment Management Fee from the assets of the Fund as described under the heading *Fees and Expenses* below.

The Administrator receives an administration fee payable out of the assets of the Fund.





### **Dividend policy**

The dividend policy of the Fund is set out under the heading *Investment Objective and Policies*.

### **Reports and financial statements**

Annual financial statements of the Fund will be made up to 31 December in each year, and the Fund will also produce quarterly reports incorporating unaudited accounts.

### **Taxation**

Under the provisions of the Mauritian Income Tax Act 1995, the Fund is currently taxed at the rate of 15% (fifteen percent).

## **DATA PROTECTION POLICY**

By subscribing for Participating Shares in the Fund, Shareholders consent to the "processing" of their personal data by the Fund or any other agents of the Fund, in accordance with this Data Protection Policy and the Data Protection Act 2004 ("DPA") as supplemented by the Data Protection Regulations 2009 of the Republic of Mauritius.

All personal data of Shareholders contained in any document provided by such Shareholders and any further personal data collected in the course of the relationship with the Fund may be collected, recorded, stored, adapted, transferred or otherwise processed and used ("processed") by the Fund, and/or its agents. Such data shall be processed fairly and lawfully for the purposes of account administration, anti-money laundering identification and the development of the business relationship and will not be processed in any other manner incompatible with this purpose.

To this end, personal data may be transferred to companies appointed by the Fund, to support any Fund related activity (e.g. client communication agents or paying agents). Furthermore, the Fund may delegate the processing duty of personal data necessary for the performance of a contract with Shareholders to another entity/service provider, which is not directly or indirectly affiliated with the Fund. Consequently, the storage, use, processing and transmission of personal data may be made available outside of Mauritius and within the group of companies of such other entity/service provider and by providing your personal data you consent to such transfers. However, the Fund, as Data Controller, will ensure that parties to whom your details are transferred treat your information securely and confidentially. The Fund also pledges its intention to meet any internationally recognized standards of personal data privacy protection and to comply with applicable data protection and privacy laws.

Shareholders may have the right under the DPA to be given access, upon written request and payment of a prescribed fee, to their own personal data provided to the Fund. Such request will be dealt with within 28 days of receipt, unless otherwise notified to the respective investor. The Fund reserves the right of denial of access to personal data in certain circumstances as provided for in heading 43 of the DPA. Shareholders must provide any relevant updates to their personal data held by the Fund in a timely manner to ensure its accuracy. Shareholders may request in writing the rectification or destruction of inaccurate personal data, and the Fund will, as soon as reasonably practicable, rectify or destroy such personal data. If the inaccurate personal data is in the hands of a third party, the Fund shall require rectification or destruction by the third party, as appropriate. Shareholders who have the right and wish to access, correct or delete any of their personal data held by the Fund, or have any questions concerning this Data Protection Policy must please contact a representative of the Fund.

All personal data shall not be held by the Fund or its agents for longer than necessary with regard to the purpose of the data processing. Such data will then be destroyed unless its retention is required to satisfy legal, regulatory or accounting requirements or to protect the Fund's interests.

The Fund reserves the right to amend its prevailing Data Protection Policy at any time without further notice. This Data Protection Policy is not intended to, nor does it, create any contractual rights whatsoever or any other legal rights, nor does it create any obligations on the Fund in respect of any other party or on behalf of any party.



## **ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM DISCLOSURE**

The Administrator, the Management Company and the Investment Manager complies with applicable anti-money laundering and countering the financing of terrorism (AML/CFT) laws. In particular it must meet the minimum criteria set by the FSC in accordance with the Code on the Prevention of Money Laundering and Terrorism Financing (the Code) which came into force on 1 April 2012 and is applicable to all licensees of the FSC. The Code is intended to assist licensees to comply with the obligations contained within the Financial Intelligence and Anti-Money Laundering Act 2002 and associated Regulations issued in 2003. Neither the Administrator, the Management Company, the Investment Manager nor the Fund accepts cash or money derived from, or intended for use in, any illegal activity. To comply with its AML/CFT obligations, the Administrator, the Management Company and the Investment Manager will seek (or procure that the Administrator and/or any sub-administrator, and the Management Company will seek), and investors will be required to provide, information and documentation to ensure AML/CFT compliance.

Information and documentation that the Administrator, the Management Company or the Investment Manager will request is set out in the Subscription Agreement. Pending the provision of information and documentation sufficient to satisfy the Administrator, the Management Company and the Investment Manager's AML/CFT obligations, the Administrator, the Management Company or the Investment Manager may retain an investor's money without transferring Participating Shares to the investor. If sufficient information and documentation is not provided within a reasonable period of time, the Administrator, the Management Company or the Investment Manager will return the investor's money without processing the subscription. The Administrator, the Management Company or the Investment Manager reserves the right to reject any subscription or to redeem any shareholdings if the the Administrator, the Management Company or the Investment Manager deems such action necessary to comply with any legal obligation or if the Administrator, the Management Company or the Investment Manager believes that an investor has failed to provide truthful information or documentation, as requested by the Administrator, the Management Company or the Investment Manager, regarding the investor's identity, background, source of investment funds, or other information or documentation relevant to the Administrator, the Management Company and the Investment Manager's AML/CFT obligations. This information will be kept on file and will only need to be updated should there be any relevant changes made.

## **MINIMUM FUNDING**

The Fund intends to raise USD \$ 5,000,000 (five million United States Dollars), or such other amount as the Board may decide. The Fund must receive a minimum amount of subscriptions of at least 5 per cent of the total amount to be raised from investors to begin operating the Fund.

Where the minimum amount of subscriptions is not reached during the first 6 months of the launch of the Fund, the funds shall be returned to the investors together with any interest earned thereon, unless the Fund can justify a request for extension and the FSC agrees to such an extension, which extension shall not exceed a further 6 months.

Investors funds will be kept by the Fund in the Fund's bank account, and payment will be made in USD, by direct electronic transfer in accordance with the investor's instructions and at the investors' risk and cost.

## **INVESTMENT OBJECTIVE AND POLICIES**

### **Investment objective**

The Fund shall invest in accordance with the general investment policy and investment objectives described herein and according to the Laws. The objectives contained herein are only indicative in nature and in making investment decisions; the Fund will be managed fully based on the assessment and analysis made by the Board rather than any specific investment objectives and criteria.

The investment objective of the Fund is to maximise current income to the extent consistent with the preservation of capital and the maintenance of liquidity by investing in a diversified portfolio of high quality interest bearing securities and /or money market Funds in Mauritius, and to provide a stable Share Price of USD 1.00

### **Investment strategy**

In order to meet its investment objective, the Fund will invest in cash and interest bearing instruments, but may also invest in other similar money market funds, loans, interest rate swaps, adjustable rate securities, repurchase agreements, short-dated bonds, government securities and other short term (less than 24 months to maturity) instruments which the manager believes to be of appropriate credit quality and which are consistent with the investment objectives of the Fund.

### **Dividend policy**

The Fund intends to distribute all of its net income (interest less expenses) to Participating Shareholders. The Fund may also realise capital gains from the sale of its holdings and distribute these gains (net of losses) to Participating Shareholders.

As a money market fund, the Fund's distributions are expected to consist primarily of income dividends. The Fund's income dividends generally are declared daily and distributed monthly from Retained Earnings, if the Directors are satisfied on reasonable grounds that the Fund will, immediately after the dividend, satisfy the Solvency Test. In addition, the Fund may occasionally make a supplemental distribution at some other time during the year.

Participating Shareholders can receive dividends in cash, or they can elect to have them automatically reinvested in more Shares of the Fund.

Participating Shareholders will generally begin earning dividends on the Business Day following the issue of Participating Shares, until the first Business Day following their Redemption Trade Date as described under the heading *Redemptions*.

### **Type of Investor**

Investment in the Fund is only available to Expert Investors.

## **INVESTMENT RESTRICTIONS AND PRACTICES**

### **Investment restrictions**

The Fund will not make investments in any assets not mentioned in the investment objectives, and shall not:

- (a) purchase real estate;
- (b) purchase a mortgage;
- (c) purchase a security for the purpose of exercising control or management of the issuer of the security;
- (d) purchase an Illiquid Asset if, immediately after the purchase more than 10% of the net assets of the Company, taken at market value at the time of the purchase, would consist of Illiquid Assets; or
- (e) purchase or sell a physical commodity, including precious metals.

Any change to the investment restrictions will be the responsibility of the Directors and may only be made with the approval of a Special Resolution of the Shareholders.

### **Investment practices**

The Fund shall not:



- (a) Borrow money or provide for the creation of any encumbrance on its assets except where the transaction is a temporary measure to accommodate requests for the redemption of securities of the Fund while the Fund effects an orderly liquidation of its assets, and, after giving effect to the transaction, the outstanding amount of all borrowings of the Fund does not exceed 5% of the net assets of the Fund taken at market value at the time of the borrowing;
- (b) subscribe for securities offered by a company under formation;
- (c) engage in the business of underwriting or marketing securities of any other issuer;
- (d) subject to the CIS Regulations lend money, securities or other assets,
- (e) guarantee securities or obligations of another person;
- (f) purchase or sell securities other than through market facilities where these securities are normally bought and sold unless the transaction price approximates the prevailing market price or is negotiated on an arm's length basis;
- (g) purchase a security from, or sell a security to:
  - (i) the Investment Manager or the Custodian, unless the purchase or sale is carried out at arm's length;
  - (ii) an officer of the Investment Manager or the Custodian, unless the purchase or sale is carried out at arm's length;
  - (iii) an affiliate of a person referred to in subparagraphs (g)(i) and (g)(ii), unless the purchase from or sale to the affiliate is carried out at arm's length.

## **MANAGEMENT AND GOVERNANCE OF THE FUND**

### **Directors**

The control and management of the Fund is vested in the Directors. Under the Constitution, the Fund is required to have at least two Directors who are resident in Mauritius.

The Directors will review the operations of the Fund at regular meetings and it is the current intention of the Directors to meet at least quarterly, but this requirement may be changed by the Directors. For this purpose, the Directors receive periodic reports from the Investment Manager detailing the Funds' performance and providing an analysis of its Investments. The Investment Manager will provide such other reports and information as may be reasonably required by the Directors for the purpose of such meetings.

The Board of Directors will comprise of:

- (a) Randhir Mannick
- (b) Mohammad Hossen Goburdhun

### **Directors' biographies**

#### **Randhir Mannick:**

Randhir has 21 years of experience in the investment industry and is currently the Chief Investment Officer of African Alliance Mauritius. He has served as Chief Operating Officer of Pivot Limited, headed the Corporate Finance department of Rogers & Co Ltd, served as Group Portfolio and Investment Manager at the State Investment Corporation Ltd and was Fund Manager at Capital Asset Management Ltd. He started his career as a Financial Analyst.

Randhir holds a degree in Economics, a Master of Business Administration and is a CFA® charter holder.

**Mohammad Hossen Goburdhun:** Hossen Goburdhun has a span of more than 25 years of experience in Finance, Operations and Project Management in a variety of industries. His current role is as Project Director



of La Sentinelle Ltd, as well as Managing Director of the Logistics arm of the Group. Hossen also oversees the Transport and IT functions.

Hossen joined La Sentinelle Ltd in June 2017 from SKC Group where he occupied the Group CFO and COO positions. Prior to that, he spent 4 years at African Alliance as CFO of their Asset Management division. Before joining African Alliance, Hossen spent 16 years in public practice at HLB Mauritius, where he held the position of Audit and Technical Partner as well as Head of the Business Advisory Services.

Hossen is a Chartered Accountant and holds an MBA awarded with distinction from Herriot Watt University, Scotland. Hossen is a Mauritian citizen

### **Investment manager**

The Fund has appointed African Alliance Mauritius Management Company Limited as the initial Investment Manager of the Fund under an Investment Management Agreement. The Investment Manager is a company duly incorporated on 29 May 2008 in accordance with the laws of Mauritius with registration number C080778. It is registered with the FSC, under license number C108006058 and is authorised to conduct investment management activities.

The Investment Management Agreement grants discretionary investment authority over the assets of the Fund and authorizes the Investment Manager to manage the Fund's portfolio on a daily basis, subject to the overall supervision of the Board of the Fund.

Under the terms of the Investment Management Agreement, the Investment Manager may invest and reinvest the assets of the Fund in accordance with the investment objective and strategy set out in this PPM, and the overall supervision of the Board of the Fund.

The Investment Management Agreement provides that the appointment of the Investment Manager will continue in force until terminated by the Investment Manager or the Fund giving to the other party not less than 60 (sixty) calendar days' notice (or such shorter period as the parties may agree), although in certain circumstances, including where another party goes into liquidation (except a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other parties) or where a party or parties to the Investment Management Agreement commits material breach of its obligations under the Investment Management Agreement, the Investment Management Agreement may be terminated immediately by notice in writing.

In circumstances where the Investment Manager's appointment is terminated, then the Investment Manager shall continue to supply the investment management service up until the termination date and shall cooperate with and take such steps as the Fund may reasonably require in order to effect the orderly termination of the Investment Management Agreement and to transfer the management of the assets of the Fund at the direction of the Fund to a replacement Investment Manager.

Any replacement of the Investment Manager shall require the prior approval of the FSC as specified in the Constitution.

The Investment Manager may directly or indirectly purchase, hold, dispose of or otherwise deal in Participating Shares in the Fund on its own account (and without accounting for any profits) provided such transaction is carried out on normal commercial terms at arm's length.

### **Investment manager directors' biographies**

**Antonio de Castro:** Tony de Castro holds a Bachelor of Arts and an Honours Degree in Economics from the University of the Witwatersrand. Mr de Castro started his career at Standard Bank Investment Corporation as an economist in 1984. As group economist with Sechold Group, he was the driver behind the expansion of the Sechold Group's emerging interests in Africa. He was also a director of Capital Alliance Asset Management before establishing the African Alliance Group in partnership with Brait (a company listed on the Luxembourg and Johannesburg stock exchanges). He founded the Africa Alliance Group in 1992, which presently has interests throughout Africa in investment banking, retail financial services, insurance and property. Mr de Castro is the Senior Partner and Chief Executive Officer of the African Alliance Group.



**Nigel England:** Nigel England is a qualified chartered accountant and is a Fellow of the Institute of Chartered Accountants in England & Wales. He has held various executive finance positions including Group Financial Manager of the Murray & Roberts Group from 1990 to 1998; the Group Financial Director of the Telesure Investment Holdings Group from 2000 to 2008, which is an insurance group, where he served as a director of Auto & General Insurance and Dial Direct Insurance; General Manager Finance for Absa Life in 2009, and General Manager Finance for Absa Financial Services in 2010. Mr England joined the African Alliance Group in October 2010 as Group CFO and serves as chairman of the Group Capital Allocation Committee, the Group Audit and Risk Committee, and chairs numerous subsidiary company boards.

**Marie Claude Comarmond:** Marie-Claude serves as a director as well as General Manager for Pivot Limited in Mauritius. She has the overall responsibility of the African Alliance Group centralised business process operations. The primary business areas managed across being Operational, Administration, Finance, Human Resources and new business being initiated from the Group. She has over 25 years combined experience in Finance, Administration and Management having held those positions mainly in insurance, investment and accountancy firms. Prior to working for the African Alliance Group in 2008, she was the Office and Finance Manager at Microsoft Indian Ocean Islands regional office for 10 years.

**M. Dilshaad Chuttur:** Dilshaad is a Fellow member of ACCA, Member of ICOSA, Member of CISI and also holds an MBA along with a BA (Hons) in Accounting and Financial Management from the University of Sunderland. He is a versatile and accomplished senior finance and operations management professional with over 20 years' experience across different sectors, namely, asset management, banking, project management, strategy, finance & investments and corporate secretary & compliance. Along with his Mauritius experience, he also acquired his experience in the Channel Islands and Cayman Islands. He was also the Director of Century Banking Corporation Limited, an Islamic Investment Bank, located in Mauritius. Dilshaad currently holds the position of Operation Manager of the Investment Administration Services at Pivot Limited, a member of the African Alliance Group.

**Kurt van Staden:** Kurt van Staden holds a B Juris and LLB from the University of South Africa, an MBA from the University of Wales and an Executive MBA from the University of Cape Town's Graduate School of Business. He has over 20 years' experience in the financial services industry having gained exposure within the legal, compliance and administration areas of both the banking and asset management sectors. He is the General Manager for African Alliance's Asset Management Division. Prior to joining African Alliance he was the head of Mailland's Corporate Services Division responsible for rendering fiduciary and corporate administration services to structured finance and securitization programmes.

### **Administrator**

The Administrator, Pivot, is incorporated in Mauritius and has been approved by the FSC to, inter alia, provide administration and accounting services to collective investment schemes.

The Fund has entered into an Administration Agreement with the Administrator to act as the Administrator to the Fund and to perform various administrative services for the Fund, including:

- (a) The day to day administration of the Fund and calculation of the DEAY and Net Asset Value of the Participating Shares of the Fund on each Business Day relating to that Class, or such other days as the Directors may determine;
- (b) Maintaining the register of Shareholders of the Fund and generally performing all actions related to the issuance and transfer of Participating Shares and the safe-keeping of certificates, if any;
- (c) Performing all acts related to the redemption and/or purchase of the Participating Shares;
- (d) Maintaining a record of dividends declared, if any, and dividends paid;
- (e) On behalf of the Fund, dealing with and replying to all correspondence and other communications addressed to the Fund in relation to the replacement or transfer of Participating Shares; and
- (f) Performing all other incidental services necessary to its duties, which duties shall be set out in the Administration Agreement.



The Administration Agreement provides that the Administrator and its affiliates, employees and directors shall not be liable to the Fund or its Shareholders for any act or omission, in the course of, or in connection with, the services rendered by it under the Administration Agreement or for any loss or damage which the Shareholders of the Fund may sustain or suffer as a result of, or in the course of, the discharge by the Administrator of its duties pursuant to the Administration Agreement provided that such loss or damage is not occasioned by the gross negligence, willful default or fraud of the Administrator. The Administrator's liability is in these instances limited. The Administration Agreement also contains provisions for the indemnification of the Administrator and its affiliates, employees and directors by the Fund for all liabilities, losses, costs or expenses arising in connection with the performance of its services, other than such losses resulting from the gross negligence, willful default or fraud on the part of the Administrator and its affiliates, employees and directors.

Because of its other activities, the Administrator may have conflicts of interest when allocating time, services and functions among the Fund and other business ventures. See the heading titled *Potential Conflicts of Interest*.

### **Management Company and Company secretary**

Maitland is incorporated in Mauritius and is licensed and regulated by the FSC as a Management Company to, inter alia, provide company management and company secretary services to GBC1 License entities.

The Fund has appointed Maitland to act as the company secretary to the Fund and to perform various secretarial services for the Fund, including:

- (a) Providing guidance to the Board relating on its duties, responsibilities and powers;
- (b) Informing the Board of all legislation pertaining to meetings of the shareholders and the Board;
- (c) Ensuring that the minutes of all meetings of shareholders and directors are properly recorded, and that all statutory registers are properly maintained;
- (d) Certifying in the annual financial statements, that the Fund has filed with the Registrar of Companies all such returns as are required under the Companies Act; and
- (e) Managing the Fund's tax affairs in Mauritius.

### **Custodian**

The Fund may appoint a Custodian to safeguard the assets of the Fund where necessary.

If applicable, the Custodian may carry out its duties itself or through the appointment of reputable sub-custodian institutions.

### **Legal advisors**

The Legal advisors to the Fund and the Investment Manager on Mauritius legal and regulatory issues are Eversheds Sutherland (Mauritius), of Suite 310, 3rd Floor, Barkley Wharf, Le Caudan Waterfront, Mauritius.

### **The auditors**

KPMG has been appointed as auditors to the Fund.

## **CONFLICTS OF INTEREST**

The Administrator, the Management Company and the Investment Manager may act as administrators, investment managers or advisers to other funds. It is therefore possible that the Administrator and/or the Investment Manager may, in the course of their business, have potential conflicts of interest with the Fund. The Investment Manager may, for example, make investments for other clients or on its own behalf without making the same available to the Fund. Each of the Administrator, the Management Company and the Investment Manager will, however, have regard in such event to its obligations under the Administration



Agreement and the Investment Management Agreement respectively and, in particular, to its obligations to act in the best interests of the Fund so far as practicable, having regard to its obligations to other clients when undertaking any investment where potential conflicts of interest may arise. The Administrator, the Management Company and the Investment Manager may provide similar services for other similar funds.

## **RISK FACTORS**

Prospective Shareholders should give careful consideration to the following risk factors in evaluating the merits and suitability of an investment in the Fund. The following does not purport to be a comprehensive summary of all the risks associated with an investment in the Fund. Rather, the following are only certain risks to which the Fund is subject, it wishes to encourage prospective Shareholders to discuss in detail with their professional advisers.

### **New Enterprise; Potential of Loss**

The Fund is an enterprise with no operating history. Accordingly, an investment in the Fund entails a relatively high degree of risk. There can be no assurance that the Fund will achieve its investment objective or that the strategies described herein will be successful. Given the factors that are described below, there exists a possibility that an investor could suffer a loss as a result of an investment in the Fund.

### **Reliance on Key Personnel**

All decisions with respect to the investment of the Fund's capital will be made by the Investment Manager. Participating Shareholders will have no right or power to take part in the management of the Fund. As a result, the success of the Fund for the foreseeable future will depend largely upon the ability of the above-mentioned individuals and should any of them terminate their relationship with the Fund, die or become otherwise incapacitated for any period of time and should the replacement (if any) for any of them not equal his or her predecessor's performance, the profitability of the Fund's investments may suffer.

### **Back-office operations**

Any one or more of the service providers to the Fund, including the Administrator, the bank, and the Custodian (if applicable), or any other service providers may, to the extent permitted by applicable law, outsource some or all of their back-office operations relating to the Fund to third-party service providers. This can potentially expose the Fund and its Shareholders to the risk of sensitive information being inadvertently provided to unauthorized persons.

### **Notice required**

A Participating Shareholder must give prior written notice to the Fund to make a partial or total redemption of its Participating Shares. During such notice period, the Participating Shareholder's investment remains at risk and may decrease in value from the date that notice of redemption is made to the Fund until the effective date of redemption.

### **Tax regulations**

Tax regulations differ from country to country and taxation laws applicable to derivative incomes/losses may be different in various jurisdictions. The Fund does not offer tax advice and this PPM does not constitute tax advice or tax information on which Shareholders may rely. Shareholders are requested to seek independent tax advice. Changes in tax regulations may impact the Fund's operations and profitability.

### **Compliance and Legal Requirements**

The Fund must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension and other laws in various jurisdictions. Should any of those laws change over the





scheduled term of the Fund, the legal requirements to which the Fund and the Shareholders may be subject could differ materially from current requirements.

### **Institutional Risk and Custodial Risks**

The institutions, including banks, with which the Fund (directly or indirectly) does business, may encounter financial difficulties that impair the operational capabilities or the capital position of the Fund.

### **Fixed-income securities risk**

Fixed-income securities are generally subject to three principal types of risk described below:

- (a) **Interest-rate risk.** Fixed-income securities are affected by changes in interest rates. When interest rates decline, the market value of fixed-income securities generally can be expected to rise. Conversely, when interest rates rise, the market value of fixed-income securities generally can be expected to decline. The longer the duration or maturity of a fixed-income security, the more susceptible it is to interest-rate risk. Recent and potential future changes in government monetary policy may affect the level of interest rates.
- (b) **Credit quality risk.** The Fund, like all money market funds, must invest exclusively in high-quality debt securities. Fixed-income securities are subject to the risk that the issuer of the security will not repay all or a portion of the principal borrowed and will not make all interest payments. If the credit quality of a fixed-income security deteriorates significantly after a Fund has purchased the security, the Fund may be required to dispose of the security. An issuer's credit quality could deteriorate as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labour issues, shortages, corporate restructurings, fraudulent disclosures, or other factors.
- (c) **Prepayment of principal risk.** Many types of debt securities, including floating-rate loans, are subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment risk can offer less potential for gains when the credit quality of the issuer improves.

### **Reserves**

Under certain circumstances, the Fund may find it necessary to establish a reserve for contingent liabilities or withhold a portion of the Shareholder's settlement proceeds at the time of redemption, in which case the reserved portion would remain at the risk of the Fund's activities.

### **Dilution Levy**

In order to facilitate the orderly liquidation of the Fund's investments and to protect the interests of Participating Shareholders, the Directors reserve the right to limit the aggregate amount of redemptions on any one Redemption Trade Date, as set out under the heading *Redemption Payment Date*, when aggregated with any other request to withdraw or redeem from the Fund, to no more than 5% (five percent) of the Net Asset Value of the Fund and redemption requests may be scaled down *pro rata* amongst all Participating Shareholders seeking to redeem Participating Shares on the relevant Redemption Trade Date. Redemption requests which are scaled down will be dealt with on the next Redemption Trade Date in priority to subsequent redemption requests (but not compulsory redemptions) but subject to the same limitations.

In the event of redemption requests in excess of 5% (five percent) of the Net Asset Value of the Fund, the Investment Manager may, at its sole discretion, impose a dilution levy of an amount equal to the estimated costs of creating liquidity sufficient to meet such redemption requests.

The Directors may establish reserves or holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not otherwise required by generally accepted accounting principles) which could reduce the amount of a distribution upon redemption.



### **Litigation and Claims**

The Fund as an independent legal entity may be subject to lawsuits or proceedings by government entities or private parties. Except in the event of a law suit or proceeding arising from a Director's wilful default or fraud, gross negligence, wilful default, or fraud in the performance of its duties, expenses or liabilities of the Fund arising from any suit shall be borne by the Fund.

### **Need for Independent Advice**

The promoters of the Fund have consulted with counsel, accountants and other experts regarding the formation of the Fund. Each prospective investor should consult his/its own legal, tax and financial advisers regarding the desirability of an investment in the Fund.

### **Issuer non-diversification risk**

Focusing investments in a small number of issuers increases risk. Funds that are non-diversified may invest in a greater percentage of their assets in securities of a single issuer than funds that are diversified. Funds that invest in a relatively small number of issuers are more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Some of those issuers also may present substantial credit or other risks.

### **Winding up**

On a winding up, subject to approval of the FSC as per the provisions of the Mauritian Securities Act 2005 and Insolvency Act 2009, whether as a solvent or an insolvent company, the liquidator will distribute the assets of the Fund in accordance with the Laws and the Constitutive Documents.

### **Limitations on Control by Shareholders**

Participating Shareholders have no right to require that the funds of the Fund be invested in a particular manner. The Directors of the Fund may under certain circumstances (as outlined in the Constitution) postpone or mandate redemptions of particular Participating Shareholders and may impose or remove investment limitations on the Fund as a whole. The Directors shall at their sole discretion determine the voting rights (if any) for Participating Shares and may issue Participating Shares with no voting rights. These limitations on the rights of Participating Shareholders may adversely affect the Participating Shareholders' ability to implement their desired investment strategies or decisions.

**The foregoing factors are not exhaustive and do not purport to be a complete explanation of all the risks and considerations involved in investing in the Fund.**

**In particular, the Fund's performance may be affected by changes in market or economic conditions, and legal, regulatory and tax requirements. The Fund will be responsible for paying the fees, charges and expenses referred to in this PPM regardless of the level of profitability.**



## **SUBSCRIPTION, ISSUE AND DELIVERY OF SHARES**

### **Subscription**

Shareholders can apply for Participating Shares on any Business Day on the terms and in accordance with the procedures described below.

Participating Shares are being offered only to Expert Investors, and each prospective Participating Shareholder must complete the Subscription Agreement.

### **Minimum initial subscription**

The minimum initial subscription for each subscriber shall be USD\$100 000 (one hundred thousand United States Dollars).

### **Subscription price**

The subscription price shall be the Share Price, calculated by dividing the Net Asset Value by the number of Participating Shares in issue. The Share Price is calculated at close of each Business Day, generally 5 p.m. (GMT+4).

The Fund aims to maintain a constant Share Price of USD 1.00 per Participating Share.

### **Subscription agreement**

Application for Participating Shares should be made by completing and signing the Subscription Agreement enclosed with this PPM and emailing or couriering it to the Administrator at the address listed in the Directory.

Shareholders should be aware of the risks associated with sending documentation in this manner and that the Administrator will not be responsible in the event of non-receipt of any documents sent by email or fax.

Additional subscriptions for Participating Shares may be made by completing and signing an additional Subscription Agreement and emailing or couriering it to the Administrator at the address listed in the Directory.

The Directors have the right to accept or reject (in whole or part) any application for Participating Shares. If the application is rejected, the subscriber will be informed, without any reason being ascribed. If the application of the subscriber is rejected or accepted in part only, then the Fund shall refund the amount of the subscription price of the Participating Shares paid and subscribed for, or part thereof (in case of partial acceptance) within a period of 20 (twenty) Business Days from the date of rejection or part-acceptance of the application without payment of interest, by electronic funds transfer to the investor's bank account, at the investor's risk and expense.

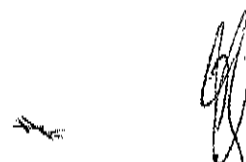
Duly completed Subscription Agreements received and accepted by the Fund are irrevocable.

### **Payment for Participating Shares**

Payment for Participating Shares must be effected by electronic funds transfer to the bank account detailed in the relevant Subscription Agreement. The price of subscription must be fully paid up before the Fund can issue Participating Shares to a subscriber. Neither the Fund nor the Administrator nor the Investment Manager is permitted to give credit to a Shareholder or potential Shareholder.

### **Issue of Participating Shares**

Within 2 (two) Business Days of (i) notice by the Fund to the subscriber of the acceptance by the Fund of the Subscription Agreement, and (ii) receipt of payment, the subscriber shall be allotted such number of fully paid up Participating Shares that shall be equal to the subscriber's subscription amount net of all bank charges divided by the subscription price per Participating Share.



### **No issue when the Net Asset Value calculation is suspended**

The issue of Participating Shares may be suspended in the circumstances set out under the heading *Temporary Suspension of Calculation of Net Asset Value and Dealing* of this PPM.

### **Form of Participating Shares**

Legal ownership of Participating Shares will be reflected in book entries in the register of Shareholders. A contract note detailing the amount invested and the number of Participating Shares allocated to the Shareholders in the Fund will be sent to the Shareholder within 10 (ten) Business Days upon receipt of cleared funds, the properly completed Subscription Agreement and acceptance of such funds by the Directors.

## **REDEMPTIONS**

### **Redemption procedure**

Participating Shareholders may send a written request to the Fund to redeem their Participating Shares on any Business Day.

Redemption of part of a holding of Participating Shares of the Fund may be refused if, as a result of such redemption, a Participating Shareholder would then hold Participating Shares in the Fund concerned with a value of less than the Minimum Holding.

The Investment Manager reserves the right to refuse the processing of a redemption request if any client identification or anti-money laundering compliance requirements remain outstanding.

### **Redemption charges**

No redemption charges will be levied on any redemptions.

### **Redemption payment date**

Provided that the redemption request is received before 10 a.m. (GMT + 4) on any Business Day and such request is in order and subject to any liquidity constraints applicable to the Fund's investments on that Business Day (see the heading *Postponement of the Redemption Payment Date* below), payment of the redemption proceeds will be made no later than the next Business Day, (the **Redemption Trade Date**). If the redemption request is received after 10 a.m. on a Business Day, or on a non-business day, the Redemption Trade Date will be no later than 2 (two) Business Days following the date the redemption request is received.

Payment will be made in accordance with the notice of redemption. Settlement will be effected by electronic funds transfer in accordance with the redeeming Participating Shareholder's instructions.

### **Redemption price**

The Redemption Price at which Participating Shares will be redeemed is the Share Price of the Participating Shares immediately preceding the Redemption Trade Date.

### **Postponement of Redemption Payment Date**

The Directors may, at their discretion, postpone the Redemption Trade Date for such other period as the Directors determine to be necessary for the protection of the Participating Shareholders. For example, the Directors may determine that it is necessary to suspend redemptions to allow for the orderly liquidation of the Fund's Investments at an appropriate value to Fund a redemption request. If the Directors have difficulty liquidating the Fund's Investments, e.g., because of a market disruption event or an unanticipated delay in the liquidation of a position, it may be appropriate to suspend redemptions until such time as such circumstances are rectified. Neither the Fund nor the Investment Manager will be liable to any person or in any way for any loss or damages that may result from any such suspension or postponement.



### **No Redemption when the Net Asset Value Calculation is suspended**

The redemption of Participating Shares and/or the payment of redemption proceeds may be suspended in the circumstances set out under the heading *Suspension of Calculation of Net Asset Value and Dealing* of this PPM.

### **Compulsory Redemption**

The Directors shall have the right, in accordance with the Laws, to require the compulsory redemption of all or some Participating Shares held by or for the benefit of a Participating Shareholder, if -

- (a) the Fund has insufficient Retained Earnings to make a distribution and to comply with the "Solvency Test" as defined in the Companies Act;
- (b) a Participating Shareholder's shareholding falls below the Minimum Holding; or
- (c) the Directors determine, in their absolute discretion, that such redemption would be in the best interests of the Fund and/or the relevant Participating Shareholder(s).

The Participating Shareholders shall be entitled to withdraw the Redemption Notice if they serve the Fund with written notice to that effect before the Redemption Trade Date.

### **CALCULATION OF THE DEAY, NET ASSET VALUE AND SHARE PRICE**

Under the overall supervision and direction of the Directors, the Administrator will calculate the DEAY, the Net Asset Value of the Fund and the Share Price, in each case, as of each Business Day (i.e. daily).

#### **Assets of the Fund**

The assets of the Fund will be valued on a historical cost basis with accrual. The Net Asset Value of the Fund will be computed by the Administrator in accordance with such standards and guidelines.

The DEAY will be calculated by dividing the daily net income return on investment by the NAV of the Fund which is then recalculated as an annual rate.

The Share Price shall be calculated by dividing the Net Asset Value by the number of Participating Shares in issue.

The total return a Participating Shareholder receives is made up of interest received and any gain or loss made on instruments held by the Fund. While capital losses are unlikely, they can occur if, for example, one of the issuers of an instrument defaults. In this event Participating Shareholders may lose some of their capital. To maintain a constant Share Price of USD 1.00 per Participating Share, Participating Shareholders' share holdings will be reduced to the extent of such losses.

Any calculations made pursuant to these provisions shall be made by or on behalf of the Directors and shall (except in the case of manifest error) be binding on all persons. None of the Directors, the Fund, the Administrator nor the Investment Manager shall be liable for any loss or damage caused to any person, where any price or valuation, used in good faith in connection with the above procedure and methodology of valuation, proves to be an incorrect or an inaccurate estimate or inaccurate determination of the price or value of any part of the property of the Fund.

#### **Publication of DEAY**

The DEAY of the Fund is calculated on each Business Day and the resultant annual effective yield will be available on request from the Administrator and shall be published in such publications as may be communicated to the Participating Shareholders.

#### **Suspension of Calculation of Net Asset Value and Dealing**

The Investment Manager may suspend the calculation of the Net Asset Value and the issue and redemption of Participating Shares during: -



- (a) any period when any stock exchange on which any material part of the investments comprised in the Fund concerned for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended, or in the case of investment in a unit trust, mutual fund or open-ended investment company, when the issue or redemption of units or shares is suspended or postponed;
- (b) the existence of any state of affairs which, in the opinion of the Investment Manager, constitutes an emergency as a result of which disposal of investments comprised in the Fund would not be reasonably practicable or might seriously prejudice the interests of the Participating Shareholders as a whole;
- (c) any breakdown in the means of communication normally employed in determining the price of any of the investments comprised in the Fund or the current price on any investment exchange or when for any reason the prices of any investments cannot be promptly and accurately ascertained; or
- (d) any period when currency conversions which will or may be involved in the realisation of the investments comprised in the Fund or in the payment for investments cannot, in the opinion of the Investment Manager, be carried out at normal rates of exchange.

If any such suspension is declared after redemption but prior to remittance of such redemption proceeds the Fund may withhold such payments until the end of such suspension.

Following a suspension, the calculation of the subscription and redemption prices will commence on the next Business Day after the last day of the suspension period. The fees of the Administrator, the Management Company and the Investment Manager will continue to accrue during the period of suspension and will be calculated by reference to the last valuation prior to the suspension coming into effect.

## TRANSFER OF SHARES AND SHARE RESTRICTION

### Transfer of Participating Shares

A Shareholder may not sell, assign, exchange, donate or otherwise transfer any Participating Shares and/or rights over any Participating Shares except with the written consent of the Directors.

## CHARGES, FEES AND EXPENSES

The following table describes the fees and expenses a Participating Shareholder shall pay:

<b>Fees payable by the Fund</b>	
Annual Investment Management Fee	Maximum of 1%p.a. of NAV (calculated as a daily equivalent and deducted from the daily published yield, paid monthly)
Administration Fee	Maximum of 0.15%p.a. of NAV (calculated as a daily equivalent and deducted from the daily published yield, paid monthly)
The Fund may incur other expenses, including audit, legal, dealing and director fees	Costs will be incurred on prevailing market price for services received
<b>Fees Payable by the Participating Shareholder</b>	
Subscription Fee	None

Fee imposed on reinvested dividends	None
Dividend Fee	None
Redemption Fee	None

## TAX CONSIDERATIONS OF THE COMPANY

### Overview

The following information is a summary of certain tax considerations but is not intended to be a complete discussion of all tax issues relating to the Fund. The information is based on the Fund's understanding of certain aspects of the law and practice currently in force in Mauritius. No liability is accepted for, and prospective Shareholders are not entitled to rely on, this chapter. There can be no guarantee that the tax position or proposed tax position at the date of this PPM or at the time of a subscription in the Fund will endure indefinitely.

Shareholders should consult their professional advisors on the possible tax and other consequences of their subscribing for, purchasing, holding, selling or redeeming Participating Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

The Fund, the Directors, and the Administrator shall have no liability in respect of the individual tax affairs of the Shareholders or in respect of the information in this Chapter.

### Mauritius

Under the provisions of the Mauritian Income Tax Act 1995, the Fund pays tax on its income at the rate of 15%.

Currently, no capital gains tax is payable in Mauritius in respect of the Fund's realized investments. Profits or capital gains made by the Fund on disposal of securities are exempt from income tax in Mauritius. Dividends and redemptions proceeds paid by the Fund to Shareholders are exempt in Mauritius from any withholding tax.

Changes in tax regulations may affect the Fund's operations and profitability.

All exchange control regulations are suspended in Mauritius. Payments made to or by the Fund are not restricted by exchange control regulations in Mauritius. The suspension of these exchange control regulations may be lifted at any time. Although it is unlikely that the suspension of exchange control regulations will be lifted, there can be no assurance this will not happen.

### General tax considerations

The receipt of dividends (if any) by Participating Shareholders, the redemption, transmission or transfer of Participating Shares and any distribution on a winding up of the Fund may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries, which have anti-offshore fund legislation, may have a current liability to tax on the undistributed income and gains of the Fund.

## REPORTS AND FINANCIAL STATEMENTS

The Fund's financial year shall end on 31 December each year.

An annual report and audited financial statements for the Fund in respect of each financial year will be prepared in accordance with International Financial Reporting Standards.

The Annual Meeting of the Shareholders of the Fund shall be held every year at the registered office of the Fund or at any other place in Mauritius as may be specified by the notice of the meeting.

Special Meetings of Shareholders shall be in accordance with the Constitution at such time and place in Mauritius as may be specified by the notice of the meeting.

Notice of any Meeting of Shareholders shall be mailed by registered letter to each registered Shareholder that is entitled to receive notice of a Meeting of Shareholders, at least 14 (Fourteen) Business Days prior to the meeting or sent by electronic means and would be taken to have been received by the Shareholder on the date that it is transmitted.

The Fund will furnish annual audited financial statements to its Shareholders. Shareholders will be sent copies of the audited financial statements prior to the Fund's Annual Meeting each year prepared in accordance with the internationally recognised accounting standards adopted by the Fund. In addition, Shareholders will receive from the Administrator unaudited monthly reports.

## **GENERAL AND STATUTORY INFORMATION**

The information in this chapter includes a summary of some of the provisions of the Constitution and material contracts described below. In the event of a conflict between this PPM and the terms of a material contract, the latter shall prevail.

### **Share capital**

The Fund's share capital is at all times equal to the net assets of the Fund converted into USD, based on the applicable exchange rates on the Business Day. It is represented by fully paid-up registered Participating Shares with no par value.

The Fund may issue additional Participating Shares at any time, at a price determined in compliance with the terms of the Constitutive Documents.

### **Management shares**

Each Management Share will confer on its holder the right to one vote, by poll, at general meetings of the Fund.

In the event of winding-up, the Management Shares shall rank equally between each other but only for return of the nominal amount paid upon them (after return of the nominal amounts paid up on the Participating Shares). The terms relating to the distribution of assets in winding-up are more fully set out under the section headed **Winding Up** below. The Management Shares are not redeemable.

### **Participating shares**

Shareholders will be issued with Participating Shares in the Fund in return for their investment. The value of each Participating Share remains unchanged regardless of whether the number of Participating Shares in issue increases or decreases.

Each Participating Share shall not confer on its holder the right to exercise any vote, except on such matters on which it is entitled to vote as set out in the Constitutive Documents.

Dividends shall be payable to the holders of Participating Shares as set out in the section headed **Dividend Policy**.

The Participating Shares do not carry any rights of pre-emption. The rights attached to the Participating Shares shall (unless otherwise expressly provided by the conditions of issue of such shares) not be varied by:

- (a) the creation, allotment or issue of further Participating Shares ranking equally;
- (b) by the creation, allotment or issue of Management Shares; or
- (c) by the creation allotment, issue or redemption of Participating Shares.





Proposals that would result in a variation of all or any of the rights for the time being attached to the Participating Shares for the time being issued where such variation will materially disadvantage a Participating Shareholder shall require the consent of that Participating Shareholder.

### **Meetings of Shareholders and of the Directors**

Annual general meetings will be held in and chaired from Mauritius. Notices convening each annual general meeting will be sent to Shareholders together with the annual reports and financial statements within 21 (twenty-one) days of the date fixed for the meeting, unless all Shareholders in writing agree to a shorter period.

The procedures for Shareholders meetings and Director meetings, including quorum provisions are set out in the Constitution.

### **Enquiries and Communication with the Fund**

All communications and correspondence with the Fund and enquiries concerning the Fund and the Participating Shares, including information concerning subscription and redemption procedures and current Net Asset Value, should be directed to the Administrator at the address set out in the section headed *Directory*.

### **Directors remuneration**

The Directors shall be entitled to such remuneration as may be voted to them by the Fund in a meeting of Management Shareholders. Such remuneration shall be deemed to accrue from day to day and shall be allocated amongst the Directors as they see fit or, failing agreement, equally. The Directors and any alternate Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund or in connection with the business of the Fund.

### **Special remuneration**

If any Director agrees at the request of the Fund to perform extra services for the purposes of the Fund, the Fund shall remunerate such Director by a fixed sum or a percentage of profits or otherwise as may be determined by the Directors, in accordance with the Companies Act and such remuneration may be either in addition to, or in substitution for his remuneration above provided.

### **Participating shareholder acting as agent**

The Fund recognizes an investor in the Fund and not the underlying clients of the Participating Shareholder or any others with a beneficial interest in the Participating Shareholder's Participating Shares. No contractual relationship will be created or envisaged with clients of the Participating Shareholder or any beneficial holders of the Participating Shareholder's Participating Shares.

The Fund shall not be bound to act in accordance with the instructions of any person other than the Participating Shareholder (but shall be entitled to act in accordance with all instructions given by the Participating Shareholder or purporting to be given by the Participating Shareholder) and the Fund's liabilities under the Constitutive Documents shall be fully discharged by the Fund performing such action in favour of the Participating Shareholder notwithstanding any instructions that the Fund may receive from the Participating Shareholder's principal or any notice that the Fund may receive that authority of the Participating Shareholder to act on behalf of its principal has been revoked or varied.

### **Governing law**

The laws of Mauritius govern the Constitutive Documents.



### **Indemnity**

The Directors, and other officers of the Fund, the Administrator, and their respective officers, directors, employees, agents and representatives shall, except in cases which involve wilful misconduct or gross negligence, be indemnified by the Fund against all expenses (including legal fees), losses or liabilities which they sustain or incur in or about the execution of their duties or otherwise in relation thereto as more fully set out in the Constitution.

### **Winding up**

The Fund may commence to wind up and dissolve by a Special Resolution of the Management Shareholders.

The property of the Fund shall, on its winding up:

- (a) be applied *pari passu* in satisfaction of its liabilities; and
- (b) be distributed among the Shareholders according to their rights and interests in the Fund.

Where the Fund is wound up, the liquidator may, with the sanction of a Special Resolution of the Participating Shareholders, divide in kind amongst the Shareholders the assets of the Fund, whether they consist of property of the same kind or not, and may for that purpose set such value as he deems fair upon any property to be divided and may determine how the division is to be carried out as between the Shareholders or different Class of Shareholders.

### **Documents available for inspection**

This PPM is not intended to provide a complete description of the Constitution or the agreements with the Administrator and the other functionaries of the Fund. Copies of the following documents may be inspected free of charge during normal business hours on any weekday (not on Saturdays, Sundays and public holidays) at the offices of the Administrator or at the registered office of the Fund:

- (a) the Constitution and the Certificate of Incorporation of the Fund;
- (b) the Global Business Category 1 License issued by the FSC
- (c) all material contracts; and
- (d) any interim financial statements published by the Fund and, when available, the audited financial statements of the Fund.

### **AMENDMENTS TO PRIVATE PLACEMENT MEMORANDUM**

The Participating Shareholders agree that the Fund may at any time and in its sole discretion amend this PPM by Special Resolution of Management Shareholders, subject to the approval of the FSC. The Fund shall notify all Participating Shareholders of such amendments within 30 (thirty) days of obtaining the FSC approval and furnish them with a copy of the amended text. In the event of material changes being made to this PPM, the Directors shall notify the Participating Shareholders of such material changes not less than 60 (sixty) days in advance of the effective date of such changes. Any such changes shall be binding on all Participating Shareholders.



**DIRECTORY**

**REGISTERED OFFICE**

1st Floor, 32 Ebene Heights, Cybercity, Ebene,  
Mauritius

**BOARD OF DIRECTORS OF THE COMPANY**

Randhir Mannick  
Mohammad Hossen Goburdhun

**INVESTMENT MANAGER**

African Alliance Mauritius Management Company  
Limited 1st Floor, 32 Ebene Heights, Cybercity,  
Ebene, Mauritius

**ADMINISTRATOR**

Pivot Limited, 1st Floor, 32 Ebene Heights, Cybercity,  
Ebene, Mauritius

**LEGAL ADVISORS MAURITIUS**

Eversheds Sutherland (Mauritius)  
Suite 310, 3rd Floor, Barkly Wharf,  
Le Caudan Waterfront,  
Port Louis  
Mauritius

**MAITLAND MANAGEMENT COMPANY**

Suite 510, 5<sup>th</sup> Floor, Barkly Wharf,  
Le Caudan Waterfront,  
Port Louis  
Mauritius

**BANK**

Barclays Bank Mauritius Limited,  
2nd Floor, Barclays House,  
68-68A, Cybercity,  
Ebene,  
Mauritius

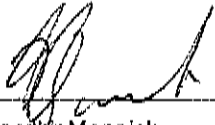
**AUDITOR**

KPMG, KPMG Centre, 31, Cybercity, Ebene,  
Mauritius.



**SIGNATURE**

This Prospectus has been approved for issue by the Directors on the date stated at the beginning of it.



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Randhir Mannick  
Director



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Mohammad Hossen Goburdhun  
Director