

# SafePort LOICK Bio-Products & Bio-Energy Fund

## Offering Memorandum

**31<sup>st</sup> December 2012**

### SafePort LOICK Bio-Products & Bio-Energy Fund

Registered Office:	Administrator's European
Trust House	Representative Office:
112 Bonadie street	Industriestrasse 2
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## I Introduction

This Document is the Offering Memorandum for "SafePort LOICK Bio-Products & Bio-Energy Fund", a Sub-Fund of SafePort Investment Funds Limited and relates to a continuous offering of up to 10,000,000 Non-Voting Participating Preference Shares ("Investor Shares") of SafePort Investment Funds Limited. SafePort Investment Funds Limited (the "Company") was incorporated under the laws of Saint Vincent and the Grenadines on the Incorporation Date as an open-ended investment company and limited liability and registered as a Public Mutual Fund under the Mutual Funds (Amendment and Consolidation) Act, 1998. The Initial Offer is made on the Launch Date, at the Initial Offer Price of EUR 100.- per Investor Share and, thereafter, on the Subscription Day at the prevailing Subscription Price.

The registered office of the Company is at Trust House, 112 Bonadie Street, Kingstown, St. Vincent.

Date of Publication	31 <sup>st</sup> December 2012	
Directors of the Company	Dr. oec. Jürg Schatz Landstrasse 340 9495 Triesen Liechtenstein	
	Mr. Ivan Di Girolamo Landstrasse 340 9495 Triesen Liechtenstein	
Registered Agent / Office	St. Vincent Trust Service Limited Trust House 112 Bonadie Street Kingstown, Saint Vincent	
Investment Manager	SafePort Asset Management Ltd. Trust House 112 Bonadie Street Kingstown, Saint Vincent	
Marketing and Distribution Agent	Perfect Management Services AG Landstrasse 340, FL-9495 Triesen <a href="mailto:perfect@perfect.li">perfect@perfect.li</a> Tel: +423 / 390 01 75	
Fund Administrator / Transfer Agent	CAIAC International Ltd. Trust House 112 Bonadie Street P.O. Box 613 Kingstown, Saint Vincent	European Mailing Address: Industriestrasse 3 P.O. Box 27 9487 Barend, Liechtenstein Tel: +423 / 375 83 33 Fax: +423 / 375 83 38
Legal Advisor	Goran Djajic c/o CAIAC International Ltd. Haus Atzig Industriestrasse 2 9487 Barend Liechtenstein	
Banker / Custodian	Banque Pasche (Liechtenstein) SA Austrasse 61 9490 Vaduz Liechtenstein	
Auditors	ReviTrust Revision AG Bahnhofstrasse 15 P.O. Box 663 FL-9494 Schaan Liechtenstein	

**II Useful Information**

ISIN Number	VCP8244T2077
Valoren Number	
CUSIP Number	P8244T207
Reference Currency	EURO
Duration	Indeterminate period
Initial Offer Price	EUR 100.-
Minimum Initial Subscription	EUR 5'000.-
Valuation day	Thursday
Valuation interval	Weekly
Deadline for subscriptions	Valuation Day, 16:00 (CET)
Deadline for redemptions	Valuation Day, 16:00 (CET)
End of financial year	December 31
Subscription Fee	Depending on the subscription amount between 0% - 6.5%; transfers from other SafePort Funds are free of subscription fees
Maximum Redemption Fee	None
Registrar / Transfer Agent Fee	0.20% (min 60.- max. EUR 1'000.-)
Conversion between SafePort Funds	0.10% (min Euro 30, max. Euro 500.-)
Management Fee	max. 1.8%
Performance Fee	10%
Hurdle Rate	No
High Watermark	Yes
Maximum administrative commission	0.25% p.a. or minimum CHF 25'000.-
Maximum Custodian Fee	0.15% p.a. or minimum CHF 15'000.-
Directors Fee	max. EUR 4'000.- p.a. (only chargeable if the NAV of the fund contains more than EUR 10'000'000.-)

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Appendix A: Subscription Agreement and Application Form (including Beneficial Ownership Declaration)

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### III Notices

The Investor Shares offered pursuant to this Offering Memorandum will be issued only on the basis of the information and representations contained in this Offering Memorandum, including the Appendices attached hereto, and no other information or representation has been authorised. Any subscription made by any person on the basis of statements or representations not contained in this Offering Memorandum or inconsistent with information contained herein shall be solely at the risk of the subscriber. Neither delivery of this Offering Memorandum nor anything stated herein should be taken to imply that any information contained herein is correct at any time subsequent to the date hereof.

#### St. Vincent and the Grenadines Mutual Funds Law

The Company is licensed and qualifies as a public fund under the Mutual Funds (Amendment and Consolidation) Act, 1998 (as amended) (the "Act") of Saint Vincent and the Grenadines (a "Public Fund") and accordingly will be regulated in terms of that Law. As a Public Fund, the Company is required to be registered under the Act prior to the commencement of its business and will be required to pay an annual registration fee of (currently approximately US\$800). Within Saint Vincent and the Grenadines the Investor Shares offered pursuant to this Offering Memorandum may not be sold to or purchased by a Saint Vincent Person, other than a Saint Vincent International Business Company.

The obligations of the Company are:

- a) to register and license the Company with the Registrar of Mutual Funds (the **Regulator**) in St. Vincent and the Grenadines;
- b) to file with the Regulator prescribed details of this Memorandum and material changes to it and any changes to any licensed mutual fund administrator employed by the Company;
- c) to file annually with the Regulator accounts audited by an approved auditor; and
- d) to pay on registration and annually thereafter (currently approximately US\$800) a prescribed registration fee.

As a regulated mutual fund, the Company will be subject to the supervision of the Regulator and the powers exercisable by the Regulator under the Act. The Regulator may take certain actions if it believes that:

- a) a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due;
- b) a regulated mutual fund is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
- c) a regulated mutual fund's direction or management has not been carried on in a fit and proper manner; or
- d) a person holding a position as a director, manager or other officer is not a fit and proper person to hold their respective position.

The powers of the Regulator include, inter alia, the power to ask the Directors to give such information or such explanation in respect of the Company as the Regulator may reasonably require to enable it to carry out its duty under the Act.

The Directors must give the Regulator access to or provide at any reasonable time all records relating to the Company and the Regulator may copy or take an extract of a record to which it is given access. Failure to comply with these requests by the Regulator may result in substantial fines being imposed on the Directors and may result in the Regulator applying to the court to have the Company liquidated. The Monetary Authority is prohibited by the Act from disclosing any information relating to the affairs of a mutual fund other than disclosure required for the effective regulation of a mutual fund or when required to by law or by a court having jurisdiction over the Regulator.

#### General Information

- a) The Company was incorporated on 27<sup>th</sup> October 2007 in St. Vincent and the Grenadines under the provisions of the Companies Law as an international business company with limited liability (registered no.14886 IBC 2007).
- b) There are no outstanding options or any special rights granted by the Company over any Shares.
- c) No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option and no Shares have been issued or are proposed to be issued for a consideration other than cash.
- d) No commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any of its Shares.
- e) The Company is not party to any litigation, arbitration or claim and, so far as the Directors are aware, none are pending or threatened against it.
- f) The Company does not, nor does it expect to, have any employees.



Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries to whose jurisdiction they may be subject for the acquisition, holding or disposal of Investor Shares and any foreign exchange restrictions which may be relevant to them. Investor Shares which are acquired by persons not entitled to hold them in accordance with the provisions contained in this Offering Memorandum may be compulsorily redeemed. No Investor Shares may be transferred without the prior written consent of the Directors.

**Distribution**

The distribution of this Offering Memorandum may be restricted by law in certain countries. Persons to whose attention this Offering Memorandum may come are required to inform themselves of and to observe any such restrictions. This Offering Memorandum does not constitute an offer or solicitation to any person in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

**a) Within Saint Vincent and the Grenadines**

The Investor Shares offered pursuant to this Offering Memorandum may not be sold to or purchased by a Saint Vincent Person, other than a Saint Vincent International Business Company.

As used herein, "Saint Vincent Person" means:

Resident' defined in section 2 of the International Business Companies (Amendment and Consolidation) Act 2007, including a natural person who is ordinarily resident and subject to income tax in St. Vincent under general principles as income taxation; a trust, company, partnership, limited partnership or other body, incorporated, established, formed or organised under the laws of St. Vincent, the majority of shares or other ownership of which is legally or beneficially owned, directly or indirectly by persons who are resident in St. Vincent; any other trust, corporation, partnership, limited partnership or other entity who or which is a resident of, or ordinarily resident or domiciled in St. Vincent under general principles of income taxation; but does not include an international trust registered under the International Trusts Act, an international business company incorporated or continued under the International Business Companies (Amendment and Consolidation) Act 2007, an international insurance company licensed under the International Insurance (Amendment and Consolidation) Act, a mutual fund licensed under the Mutual Funds (Amendment Act) 1998, or an international bank licensed under the International Banks Act;

**b) Within the United States of America**

The Investor Shares offered pursuant to this Offering Memorandum have not been registered under the United States Securities Act of 1933 as amended, nor under any US State securities laws and therefore may not be sold to any US persons, except by any transaction which does not violate United States securities laws. The Directors have determined that, at their sole discretion and subject to certain exceptions with respect to US tax exempt persons, the Investor Shares offered hereby may not be offered, sold or transferred directly or indirectly in the United States or for the benefit of any US Person, or to any person purchasing such securities for re-offer, re-sale or transfer in the United States or for the benefit of any US Person.

As used herein "US Person" means:

(i) a citizen of the United States;

(ii) a natural person who is a resident of the United States; or

(iii) "A United States Person" as defined in Regulation S promulgated under the United States Securities Act of 1933, as amended, or in the United States Internal Revenue Code of 1986, as amended, excluding a United States Person who is a "Qualified Purchaser" as this term is defined in Section 2 (a) (51) of the United States Investment Company Act, 1940.

The Investor Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission or any State securities commission nor has the Securities and Exchange Commission or any State securities commission passed upon the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offence within the United States.

No person is authorised to make representations or give any information with respect to the Company or the offering of Investor Shares made hereby, unless authorised by the Administrator or the Directors.

This Memorandum supersedes any written or verbal information relating to any offering of Investor Shares issued prior to the date of this Memorandum.

Prospective investors are not to construe the contents of this memorandum as legal, tax or investment advice. Important - if you are in any doubt about the contents of this memorandum you should consult your stockbroker, bank manager, counsel and attorneys, tax advisers, accountants and/or other advisers regarding an investment in the fund.

Prospective investors and their representatives, if any, are invited to ask questions of, and to obtain additional information from the Administrator or the Investment Manager concerning an investment in the Fund, the terms and

conditions of this Offering Memorandum and other matters (including additional information to verify the accuracy of the information in this Offering Memorandum). Such information will be supplied to the extent that the Administrator or the Investment Manager possesses or can acquire it without unreasonable effort or expense.

Investment in the company involves a degree of risk and is considered only appropriate for sophisticated investors who can afford the risks associated with equities, bonds, futures, commodities, currencies, options and other derivatives trading. The investor's financial condition must be such that he is capable of losing his entire investment in the company without a material adverse effect on his standard of living or that of his family. Prospective investors should be aware that the value of investments as reflected in the net asset value per investor share and the income there from (if any) can go down as well as up and the attention of investors is drawn to risk factors (see Section 5).

The minimum initial subscription in the Fund is EUR 5'000.-. This minimum can be waived at the sole discretion of the Directors. The Administrator, on the instruction of the Directors, may reject a subscription for any reason and is not obliged to disclose the reason, or reasons, for rejecting any subscription application.

Subscribers will be required to complete the Subscription Agreement and Application Form attached as Appendix A.. A subscriber may be required, upon the request of the Administrator, to provide such information, as the Administrator deems necessary to substantiate the accuracy of the subscriber's representation.

Neither delivery of this Offering Memorandum nor anything stated herein should be taken to imply that any information herein contained is correct at any time subsequent to the date hereof.

## IV Definitions

All references herein to a specific time of day are to Liechtenstein time.

A reference to money in herein is a reference to the currency of the European Union (Euro or EUR) unless expressly and unambiguously stated to the contrary herein.

This Offering Memorandum may be translated into German and other foreign languages, as the case may be. Any such translation shall be a direct translation from this English language version of the Offering Memorandum. In any case of dispute with regard to the text of this prospectus, the English version shall prevail.

<b>Articles of Incorporation</b>	the Articles of Incorporation of the Company as originally framed or as from time to time amended.
<b>Authority</b>	Saint Vincent International Financial Services Authority (IFSA)
<b>Board</b>	the Board of Directors of the Company
<b>Broker</b>	means such broker as may be appointed by the Company from time to time
<b>Business Day</b>	any day except Saturdays and Sundays on which banks in Saint Vincent and the Grenadines, Liechtenstein and Switzerland are open for banking business
<b>By-Laws</b>	the By-Laws of the Company as amended from time to time
<b>Calculation Day</b>	the day on which the NAV is calculated
<b>Company</b>	Company means SafePort Investments Fund Ltd. as per the International Business Companies (Amendment and Consolidation) Act 2007
<b>Custodian</b>	the bank or broker that holds the assets of the fund in custody
<b>Director</b>	a member of the Board of Directors of the Company
<b>Euro/EUR</b>	Euro, the lawful currency of the European Union
<b>Fund</b>	the assets of the Company comprising the assets and liabilities of the Company that are attributable to the Shares (Investor Shares) which are the subject of this Offering Memorandum
<b>Fund Act</b>	the Mutual Fund Act, 1997 as amended by the Mutual Funds (Amendment) Act, 1998, of Saint Vincent and the Grenadines, as revised or amended from time to time
<b>General Shares</b>	the shares of the General Class Investments any investment authorised by the By-Laws of the Company or this Offering Memorandum
<b>Investor Shares</b>	Non-Voting Participating Preference Shares
<b>Members</b>	the holders of General Shares
<b>NAV</b>	the Net Asset Value of the Company or of the Fund, as appropriate
<b>NAV per Investor Share</b>	the NAV of the Fund divided by the number of issued and outstanding Investor Shares
<b>Offering Memorandum</b>	all constituent parts of this Offering Memorandum including the Appendices
<b>Redemption Day</b>	the day on which the Shareholder causes its Shares to be redeemed by the Company
<b>Redemption Price</b>	the price paid on redemption of Investor Shares
<b>Remitting Bank/</b>	the bank or financial institution from which a Subscriber's subscription monies are sent to
<b>Financial Institution</b>	the Fund
<b>Share Register</b>	the principal register maintained by the Company at its Registered Office in which are entered the names and addresses of the Shareholders and their respective shareholdings in the Company
<b>Shareholders</b>	the holders of the Investor Shares
<b>Shares</b>	unless otherwise stated, the General Shares and Non-Voting Participating Preference Shares
<b>Subscriber</b>	any person who subscribes for Investor Shares pursuant to this Offering Memorandum
<b>Subscription Day</b>	the day upon which Investor Shares may be subscribed
<b>Subscription Price</b>	the price at which Investor Shares may be subscribed on any Subscription Day
<b>Swiss Franc/CHF</b>	Swiss Francs, the lawful currency of Switzerland
<b>The Act</b>	International Business Companies (Amendment and Consolidation) Act 2007
<b>US Dollar/USD</b>	US Dollars, the lawful currency of the United States of America
<b>US/USA/United States</b>	the United States of America, its states, territories or possessions, or an enclave of the United States government, its agencies or instrumentalities
<b>Valuation Day</b>	the day of which the closing prices will be used for calculation of the NAV

Potential investors should note that the above definitions are used for convenience only and that the Company, inter alia, has the right, under the terms of the relevant Agreements, to terminate the appointment of various participants and to appoint other persons in their stead.

## **1 Structure of Company - Classes of Shares**

The Articles of Incorporation of the Company empowers the Directors to amend the By-Laws so as to create different classes of Shares from time to time. This Memorandum is specific to the Non-Voting Participating Preference Shares.

The Company is, on the date of this Offering Memorandum, authorised to issue up to 10,000,000 Non-Voting Participating Preference Shares.

All of the General Shares have been issued to the Investment Manager. The holders of the General Shares shall be entitled to attend and vote at all General Meetings and to take any action by written resolution. General Shares carry one (1) vote each on a poll, and carry the right to dividends and to participate in the profits of the General Shares only. The General Shares do not carry any right to dividends or other rights to participate in the profits of the Share Classes and, in the event of liquidation of the Company shall have no rights to share in the profits or assets of the Share Classes or the return of paid-up capital other than after all amounts due to the holders of Non-Voting Participating Preference Shares. Non-Voting Participating Preference Shares shall herein be referred to as "Investor Shares".

Investor Shares have all powers and rights generally pertaining to Shares in the Company under the Act except that Investor Shares shall not carry voting rights. Investor Shares in the Company shall be issued as registered shares.

On a Subscription Day, the Directors may from time to time create and issue additional Investor Shares at the Net Asset Value per Investor Share.

Subject as described in this Offering Memorandum, the Directors may redeem the aggregate value of any Investor Shares as of such Redemption Day. Investor Shares are entitled to full participation in profits of their respective class. The Investor Shares do not carry a right of pre-emption.

When issued, all Investor Shares will be fully paid and non-assessable. There are no outstanding options or any special rights relating to any Investor Shares or General Shares, nor have the Directors agreed conditionally or unconditionally to put Investor Shares or General Shares under option.

The net proceeds from the issue of Investor Shares will be segregated into the Fund (herein after referred to as the "Fund") in the books of the Company. All income, profits and gains earned on the assets of each Sub-Fund shall accrue to such Sub-Fund and all expenses and liabilities related to a Sub-Fund shall be charged to and paid from either the Sub-Fund in question directly or by the General Share Class, and then charged to the Sub-Fund in question. The Directors will ensure that the trading results of the Company in respect of any one Sub-Fund will have no effect on the value of any other Sub-Fund and the trading results of any other Sub-Fund will have no effect on the value of this Sub-Fund by ensuring that the Sub-Funds remain segregated.

All expenses of the Company not directly attributable to a specific Sub-Fund nor to the General Share Class, will be allocated to all Sub-Funds pro rata to the net asset value of each Sub-Fund. To the extent that the assets of a particular Sub-Fund are insufficient to discharge all the debts arising from that Sub-Fund, creditors may have recourse to the assets of the General Share Class, but not of any other Sub-Funds.

Each reference in this Offering Memorandum to the "SafePort LOICK Bio-Products & Bio-Energy Fund" shall be a reference to the Sub-Fund attributable to the Investor Shares.

### **Dividends and Distributions**

As the investment objective of the Company is long-term capital growth, all earnings, dividends and other distributions of whatever kind as well as net realised capital gains arising from the Company's investments shall be reinvested automatically by the Investment Manager pursuant to the investment policy of the Company for the benefit of the Shareholders. Accordingly, it is not the present intention of the Manager to declare dividends or other distributions in the Company.

## **2 Investment Objectives**

### **Investment target**

The Sub-Fund is strived primarily to preserve for the investors the purchasing power of their investments. The Sub-Fund holds a predominant part of the invested capital in shares of LOICK Holding AG and in loans to companies that keep a cooperation basis with the LOICK Company Group. In addition to these investments the Sub-Fund holds cash, physical Gold, physical Silver or funds that represent these assets in order to fulfill the requirements of substantial redemptions. Furthermore the Sub-Fund has the second aim not only to preserve the real purchase power of the investments, but also if possible to achieve a real appreciation of value

The Sub-Fund makes a point of a well accounting liquidity of the fund's asset. That means the Sub-Fund endeavors to be able to serve redemption of shares in a fund at any time and smooth too, if major or not.

**Investment policy**

The Sub-Fund:

- invests in shares of LOICK Holding AG and shares of LOICK Finance AG and in loans to companies that hold a business relationship with the LOICK Company Group
- is allowed to hold part or all assets of the Fund on cash accounts, in gold, in silver or in mutual funds or collective investment instruments that represents these assets
- can invest up to 15 % of the fund's Net Asset Value into other investments

**Risk analysis**

An investment in the Fund is designed as a longer term investment and consequently may not be suitable as a short or medium term investment.

Charges and expenses in connections with the Fund are not made uniformly throughout its life and it is possible that an investor may not receive back the full amount of its investment.

### 3 Parties

**3.1 Directors**

Dr. oec. Jürg Schatz, Triesen, Liechtenstein

Born in 1942, Swiss citizen, resident of Liechtenstein since 1968. Grammar school graduation in St. Gallen, Bachelor's degree and Ph. degree in Economics from the University of St. Gallen. Several years of work experience in management positions in industrial and financial consulting companies. Foundation of his own consulting and asset management company for medical professionals in 1974. Since 1998, he concentrates his studies on monetary policies and currency matters and focuses on precious metals investments. He conceived, structured and developed several investment funds that are specialized in the real value sector.

Ivan Di Girolamo, Triesen, Liechtenstein

Born in 1973, Italian citizen, inhabitant of Switzerland from 1973-2006, now resident of Liechtenstein. Commercial education, continuative degrees in financial planning, commercial and economic law, asset management and business management, MBA in Wealth Management. Several years of experience in financial consulting and long lasting expert knowledge in the insurance industry with specialization in the guidance, management and formation of insurance agents. For many years now specializing in monetary policies and currency matters as well as precious metals and other real values as asset categories.

**3.2 The Investment Manager**

Investment decisions affecting the fund are delegated to

SafePort Asset Management Ltd.

Trust House

11 2 Bonadie Street

Kingstown, Saint Vincent

The Directors of SafePort Asset Management Ltd. are:

Dr. oec. Jürg Schatz, Triesen, Liechtenstein

Please see the Curriculum Vitae under section 3.1.

Ivan Di Girolamo, Triesen, Liechtenstein

Please see the Curriculum Vitae under section 3.1.

### 3.3 The Marketing and Distribution Agent

The Directors have defined Perfect Management Services AG, Landstrasse 340, FL-9495 Triesen as Marketing and Distribution Agent. Perfect Management Services AG was founded on July 1<sup>st</sup> 2004 as an autonomous asset manager in terms of the asset manager law (LGBI Nr. 278 of December 30<sup>th</sup> 2005), including the implementing regulation (LGBI Nr. 289 of December 30<sup>th</sup> 2005). It was established for an unlimited period as an incorporated company with domicile and head office in FL-9495 Triesen. The capitalization of the company amounts CHF 150'000.-.

The executive team of the Perfect Management Services AG are skilled with experiences, organisation and expertise in distributing shares of a fund to private and institutional investors as well as in advising such investment instruments.

### 3.4 The Administrator and Transfer Agent

The Directors have defined CAIAC International Limited as the Administrator (the "Administrator") of the Company. The administrator was incorporated in Saint Vincent and the Grenadines on the 20th December 2009 in order to provide services as an administrator, registrar and transfer agent and provide corporate secretarial services to funds, investment companies and other collective investment undertakings.

The Administrator is inter alia responsible for the administration and the calculation of the NAV of the Funds.

The Directors have also appointed CAIAC International Limited as Shareholder Registrar and Transfer Agent. All investors (banks, private individuals, foundations, insurance companies etc.) may subscribe and redeem shares directly with the Registrar and Transfer Agent. For banks, this possibility is also with the Banker.

It should be noted that, in providing services as an administrator, the Administrator does not act as a guarantor of the Investor Shares herein described. Moreover, the Administrator is not responsible for any trading or investment decisions of the Fund (all of which will be made by the Investment Manager), or for the effect of such trading decisions on the performance of the Fund.

The directors of CAIAC International Limited are Thomas Jahn, Michael Wiederin and Susanna Jahn.

### 3.5 Banker

Banque Pasche (Liechtenstein) SA, Austrasse 61, FL-9490 Vaduz, serves as Custody Bank of the assets.

Banque Pasche SA, with its head office in Geneva, was established on the 1<sup>st</sup> of October 1998 in Liechtenstein (former Bank Wegelin (Liechtenstein AG) It has a 125 year history in private banking and offices in financial centres such as Zurich, Geneva, Monaco, Nassau, Dubai, Liechtenstein and Montevideo. The Pasche Group brings together, along with the utmost discretion, the security and the professional skills required to achieve the highest standards of performance in acting as a custodian and managing assets for its clients.

Banque Pasche SA is the private banking unit of the CM-CIC Group (Crédit Mutuel – Crédit Industriel Commercial) which has a AA- Fitch Credit Rating. The Group represents France's fourth largest banking group combining retail banking, commercial banking and specialized services. Further private banking units of the CM-CIC Group are Banque Transatlantique, Banque CIC (Suisse) and Banque de Luxembourg.

The Bank is responsible for the custody of assets. Moreover the Company will maintain an account with the Banker for the receipt of subscriptions and the payment of redemptions and expenses.

It should be noted that, in providing services as a banker, the Banker does not act as a guarantor to the Investor Shares herein described. Moreover, the Banker is not responsible for any trading or investment decisions of the Fund

(all of which will be made by the Investment Manager), or for the effect of such trading decisions on the performance of the Fund. Furthermore, the Banker is not responsible to monitor the trading and investment activities of the Fund or adherence to the investment policies and restrictions herein described.

The Banker is not a promoter of the Company nor in any way whatsoever involved in the investment process. Legal relations between the Banker and the Company are exclusively subject to Liechtenstein law and jurisdiction. The Banker is not subject to any supervision or authorisation in the home country of the Company. The Banking Agreement may be terminated by the Banker or the Company at any time. The Banking Agreement provides for indemnities in favour of the Banker under certain circumstances.

### 3.6 Broker/Custodian

Presently no Broker/Custodian has been appointed. However, the Company may appoint one at any given time.

### 3.7 Auditor

The auditor is ReviTrust Revision AG, Bahnhofstrasse 15, Postfach 663, FL-9494 Schaan ([www.revitrust.li](http://www.revitrust.li)).

The ReviTrust-Group comprises eminent auditing and consultancy enterprises in Switzerland and Liechtenstein. ReviTrust is a member of Nexia International, a worldwide network of independent accounting and consulting firms.

### 3.8 Investment Committee

The Sub-Fund has appointed the following members of the Investment Committee that has to support the Investment Manager:

Mr. Ivan Di Girolamo, MBA in Wealth Management

Dr. oec. Jürg Schatz

## 4 Investment Types, Policies and Restrictions

### 4.1 Investment Types

As investments of this Fund are permitted except as otherwise noted:

#### 4.1.1 Loans

Loans to companies that are in a business relationship with companies of the Loick Company Group. The Loick Company Group consists of Loick Holding AG, Loick Biowertstoff GmbH, Loick Navasro Handels GmbH and Loick Bioenergy GmbH

#### 4.1.2 Private Equity

- Shares of Loick Holding AG

#### 4.1.3 Currencies

The fund may invest in the Foreign Exchange markets (FOREX) without restrictions of currency pairs traded.

#### 4.1.4 Liquid Assets

The fund may permanently hold unlimited liquid assets.

The liquid assets may be held either in Cash Funds or in the accounting unit of the Fund and in all currencies, in which investments are transacted. As liquid assets apply bank deposits on demand and time deposits with a maturity up to 12 months.

**4.1.5** The fund may invest in physical Gold or physical Silver or collective investment instruments that represents these assets up to 40% of the funds' total net asset value

### 4.2 Investment Policies

#### 4.2.1 Investment Target

The Sub-Fund is strived to preserve for the investors the purchasing power of their investments primarily. This target is aimed by a predominant capital investment in shares of LOICK Holding AG and in loans to companies that hold a business relationship with th LOICK Company Group. In addition to these investments the fund may hold cash or investments in gold and silver or funds that represents these assets in order to be prepared any time to substantial redemptions,.. Furthermore the Sub-Fund has the second aim not only to preserve the real purchase power of the investments, but also to achieve a real appreciation of value, if possible.

The Sub-Fund makes a point of a well accounting liquidity of the fund's asset. That means the Sub-Fund endeavors to be able to serve redemption of shares in a fund at any time and smooth too, if major or not.

#### 4.2.2 Investment policy

The Sub-Fund:

- Invests in shares of LOICK Holding AG and shares of LOICK Finance AG domiciled in Liechtenstein .
- is allowed to hold part or all assets of the Fund on cash accounts or in gold and in silver related assets
- can give loans to companies that hold a business relationship with companies of the Loick Company Group especially to LOICK Finance AG that is domiciled in Liechtenstein
- The fund may invest in physical Gold or physical Silver or collective investment instruments that represents these assets up to 40% of the funds' total net asset value.

#### **4.2.3 Lending and Borrowing**

##### **4.2.3.1 Lending to Third Parties**

The Fund is not allowed to lend money to private individuals. It can give loans to addresses as mentioned here above under point 4.2.2.

##### **4.2.3.2 Borrowing**

The Fund may borrow money for investments and for short term financing of redemptions as well. Therefore the Fund may take loans by debiting the Fund of maximum 20% of the NAV (Net Asset Value) without a time-limit (leverage).

Standard market conditions and interests will be used.

The definition of the credit height is incumbent on the asset manager in arrangement with the management company and the custodian bank, with consideration of the performance of the fund. The Fund has no claim on the grant of the maximally permissible credit framework by the custodian bank.

##### **4.2.3.3 Securities Lending**

The Fund does not lend securities.

##### **4.2.3.4 Securities Borrowing**

The Fund does no securities borrowing.

#### **4.2.4 Liabilities on the Fund's Assets**

The assets of the Fund may be pledged, assigned, promised, committed, mortgaged, or used as guarantee.

#### **4.3 Restrictions**

The articles do not contain any restrictions on the company's investment. However, as a matter of policy, the company will not:

- Invest directly in physical commodities;

## **5 Risk Factors**

### **5.1 Specific Risks**

The performance of the fund is dependent upon the investment policy as well as on the market development of the individual investments of the respective segment, and cannot be determined in advance. In this context it is important to note that the value of a unit relative to its issue price can rise or fall at any time. It cannot be guaranteed that the investor will receive back his invested capital.

In addition to the general risks, investments in the fund are subject to the following specific risks:

#### **Focussed Investment**

On account of the fact that the SafePort LOICK Bio-Products & Bio-Energy Fund makes the largest proportion of its investments only in the investment types, mentioned in 4.1., it is exposed to market and issuer risks with this type of investment which can have a negative impact on the net asset value of the Fund. Also the performance of the fund can therefore differ from the general performance of shares and capital markets.

#### **Entrepreneurial risks**

Subject to all functions in conjunction with the selections, the participation and the administration of the Fund's portfolios, the investment manager will apply due diligence to achieve the overall aim of the Fund. So the investment manager assumes no liability and responsibility that the selected investments, especially in the context of changing market- or other framework requirements, increase as expected.

#### **Portfolio risk**

The investments are individual projects which are subject to the typical risks, singular or in its entirety of an investment.

### **5.2 General risks**

In addition to the specific risks, investments in the Fund can be subject to general risks.

All investments in investment companies are associated with risks. These risks can include or be related to share and bond market risks, exchange rate, interest, credit and volatility risks as well as political risks. Every one of these risks



can also arise in conjunction with other risks. Some of these risks are described in this section. You should nevertheless be aware that this is not a conclusive list of all possible risks.

**Potential investors should be aware of the risks relating to investment in shares and only make a decision to invest when they have been comprehensively advised by their legal, tax and financial advisors, auditors or other experts of the suitability of an investment in shares in this fund, taking into account their personal finance and tax situation and other circumstances, as well as information contained in this prospectus and the investment policy of the fund.**

#### **Counterparty risk**

The risk is represented by the fact that the performances of transactions, which are concluded on account of the segment's assets, are endangered by solvency problems or insolvency on the part of the corresponding counterparty.

The settlement of the transactions may not be delivery vs. payment.

#### **Monetary value risk**

Inflation can reduce the value of investments in the segment's assets. The purchasing power of the invested capital falls when the inflation rate is higher than the proceeds yielded by the investments.

#### **Economic cycle risk**

This is a question of the danger of exchange losses, caused by the fact that, when making the investment decision, no account or insufficient account was taken of cyclical trends, leading to investments in securities being made at the wrong time, or securities being retained during an unfavourable economic phase.

#### **Country risk**

Investments in countries where the political situation is unstable are subject to particular risks. These may lead to extremely rapid and significant fluctuations in rates. These risks include, for example, currency restrictions, transfer risks, moratoria or embargos.

#### **Liquidity risk**

In the case of shares in smaller companies (second-line stocks) there is a risk that the market may sporadically not be liquid. This can result in it not being possible to trade shares at the required time and/or not in the required quantity and/or not at the anticipated price.

#### **Market risk (Foreign exchange risk)**

This is a general risk associated with all investments, which consists of the value of a certain investment potentially changing counter to the interests of the segment.

#### **Psychological market risk**

Moods, opinions and rumours can cause significant declines in market prices, although the profit situation and the future prospects for the company, in which an investment has been made, may not have undergone a sustained change. A psychological market risk has a particular effect on shares.

#### **Settlement risk**

This is a question of a risk of loss for the segment, caused by a concluded transaction not being completed as anticipated, because counterparty has not paid or delivered, or a loss occurring because of mistakes in operations when handling a transaction.

#### **Tax risk**

Buying, holding or selling investments in the segment may be subject to the provisions of tax legislation (e.g. tax deducted at source) outside the country of domicile of the fund.

#### **Business risk**

Investments in shares represent a direct involvement in the economic success or failure of a company. In extreme cases – in the event of insolvency - this can mean the complete loss of the corresponding investments.

#### **Currency risk**

Should the segment contain assets, which are expressed in a foreign currency, investments are exposed to a direct currency risk (where foreign currency positions are not secured). Falling exchange rates lead to a reduction in the value of foreign currency investments. In the opposite case, the currency market also offers opportunities for profits. In addition to direct as well as indirect currency risks, international companies are more or less greatly dependent on changes in exchange rates, which can also have an indirect effect on the price performance of investments.

**Interest rate risk**

Where the segment invests in interest-bearing securities, investments are exposed to an interest rate risk. Should the market rate raises, the market value of the interest-bearing securities forming part of the segment's assets may fall significantly. This applies all the more where the segment's assets also contain interest-bearing securities with longer remaining terms and lower nominal interest.

**5.3 Value of Investment**

The value of investments in the Fund can fall as well as rise resulting in an adverse effect on the value of the Investor Shares.

**5.4 Duration of Investment**

Investments in the markets may experience periods of draw down or loss. For this reason investors should plan to commit funds for at least five years, although this is not an obligation.

**5.4 Income**

As described above, the Directors do not intend to declare dividends on the Investor Shares. An investor who wants to get liquidity is obliged to make a redemption of investment parts.

**5.6 Past Performance**

Past performance of the Investment Manager or the Fund is not necessarily indicative of future results attributable to the Investor Shares.

**5.7 Volatile Markets**

Price movements in the markets in which the Fund will invest can be volatile and are influenced by, among other things: changing supply and demand relationships; government trade and fiscal policies; national and international political and economic events and changes in exchange rates and interest rates.

**5.8 Leverage**

The Fund may leverage its assets through borrowing as stated in section 4. This may cause a certain fluctuation of the Fund's NAV.

**5.9 Illiquid Markets**

In some circumstances, the markets in which the Fund will invest can become illiquid, making it difficult to acquire or dispose of assets at the prices at normal market offers.

**5.10 Tax and Regulatory Change**

The tax consequences to the Company and Shareholders in the Company, the ability of the Company as a foreign investor to invest in certain markets, ability of the Company to repatriate its assets, including any income and profit earned on those assets, and other operations of the Company are based on existing regulations, which are subject to change through legislative, judicial or administrative action in the various jurisdictions in which the Company may operate or invest. It is recommended that an investor seek advice from his tax adviser before making an investment in the Company as to the potential tax consequences of such an investment.

**5.11 Effect of Substantial Redemptions**

Substantial redemptions of Investor Shares could require the Fund to liquidate investments/positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Investor Shares. Substantial redemptions might also cause the liquidation of the Fund.

**5.12 Limited Ability to Redeem**

Although Shareholders may generally require the Company to redeem any or all of their Investor Shares on any Redemption Day at the prevailing Redemption Price, restrictions apply in certain circumstances (see Section 13).

**5.13 Cross Liability**

The Articles of Incorporation of the Company empowers the Directors to amend the By-Laws so as to create different classes of Shares from time to time. The Directors will ensure that the trading results of the Fund will have no effect on the value of any other Fund and the trading results of any other Fund will have no effect on the value of this Fund.

**5.14 Exchange Rate Fluctuations**

Certain of the investments of the Fund may be in currencies other than Euro. Accordingly, adverse exchange rate fluctuations may cause the value of the investments of the Fund to diminish.

**5.15 Trading Costs**

All trading costs will be borne by the fund.

**5.16 Broker**

The Company will rank as one of the Broker's unsecured creditors in relation to assets which the Broker borrows, lends, pledges or hypothecates and, in the event of the insolvency of the Broker, the Company might not be able to recover equivalent assets in full. In addition, the Company's cash held with the Broker will not be segregated from its own cash and will be used by the Broker in the course of its investment business, and the Company will therefore rank as an unsecured creditor in relation thereto.

**6 Fees, Compensation and Expenses**

The Fund will be responsible for its various administrative and operational expenses.

**6.1 Issue commission**

To cover the costs caused by the placement of the units, the Company may charge an issue commission on the net asset value of the newly issued units in favor of the Company, the Depository Bank and/or the marketing agents in this or other countries as stated in Section "Useful Information".

**6.2 Redemption commission**

For the payment of redeemed units, the Company can charge a redemption commission on the net asset value of the redeemed units in favor of the Company, the Depository Bank and/or the marketing agents in this or other countries as stated in Section "Useful Information".

When paying the liquidation balance, in the event that the fund is dissolved, the management company can charge a redemption commission pursuant to Section "Useful Information".

**6.3 Registrar / Transfer Agent Fee**

For the registrar and transfer agent duties the Administrator can charge a commission of 0.20 %, minimum EUR 60.- and a maximum EUR 1'000.-, upon subscription and redemption, as well as 0.10 %, minimum EUR 30.- and a maximum EUR 500.- upon conversion between SafePort-Funds, payable by subscriber.

Further on the Administrator charges any mailing or emailing costs of statements and account statements, payable by the Fund.

**6.4 Fund Fees**

The Fund will pay an annual management/distribution fee, payable quarterly in arrears pro rata temporis, in the amount of max. 1.8 % of the average value of the Fund. The Fund will pay an annual administration, registrar and transfer agent fee, payable quarterly in arrears pro rata temporis, in the amount of 0.25% of the average value of the Fund, subject to a minimum of CHF 25'000 per annum.

**6.5 Performance Fees**

The Fund will pay a performance fee of 10% p.a.

**6.6 Custodian and Brokerage Fees**

The Fund will be liable to pay an annual fee, payable quarterly in arrears, not to exceed 0.15% or Minimum CHF 15'000.- of the average value of the Fund per annum, plus all third party custodian costs.

**6.7 Trading Fees**

All trading fees, such as brokerage fees, stock exchange fees, taxes, etc., shall be paid by the Fund.

**6.8 Directors Fees and Expenses**

The Directors may charge a director's fee of yearly EUR 4'000 as far as the total net asset value will exceed EUR 10'000'000.

**6.9 Operating Expenses**

The Fund will also reimburse the fund parties, including but not limited to the Investment Manager and Administrator, for any travel, accommodation or other properly incurred and documented out-of-pocket expenses incurred in carrying out their duties for the fund.

In addition to the fees and expenses referred to above, the Fund will be liable to pay any operating expenses incurred by the Company in respect of the Fund, including legal, auditing, registration, company secretarial, licensing, governmental filing fees and printing costs.

#### **6.10 Organisation and Offering Expenses**

The expenses incurred by the Company in connection with the organisation of the Company and as attributable to the Fund and initial and on-going offerings of Investor Shares, which, at the date of this Memorandum, are estimated not to exceed EUR 50'000.- will be reimbursed by the Fund. These expenses may be amortised over a period of max. sixty (60) months, or such shorter period as the Directors may determine, so long as the Fund remains operating. Offering expenses incurred in any subsequent offerings of the Investor Shares will be paid by the Fund.

#### **6.11 Regular and Extraordinary Expenses**

The Directors and the Administrator are also entitled to the reimbursement of the following outlays that have resulted for them from the exercise of their function:

- costs for the preparation, printing and dispatch of annual business report, the half year report and other publications prescribed by law;
- costs for legal counselling incurred by the Management Company or Depository Bank when they are acting in the interests of the investors;
- costs for the publication of notices of the Fund including price reports addressed to investors in the gazettes and possibly also in newspapers and electronic media decided by the Management Company;
- fees and costs for permits and the supervision of the Fund in SVG and other countries;
- all taxes that are charged on Fund assets, earnings and outlays to the debit of the Fund;
- fees due in connection with any quotation of the fund and with the permission to market it in this country and others (e.g., counselling, legal and translation expenses);
- fees for paying agents, representatives and other persons with a comparable function in this country and others;
- a reasonable proportion of the costs incurred for printed matter and advertising directly related to the offering and sale of units;
- Advertising costs and printed matter of sales (Marketing Agent) up to a lump sum of EUR 40'000.- per annum, from a fund volume of EUR 30 million up to EUR 80'000.- per annum; for the first 6 months after fund launch these costs will not be charged. The marketing agents are free to extend this phase;
- Organization of conferences and visits by sales, to a lump sum of EUR 25'000.- per annum; for the first 6 months after fund launch these costs will not be charged. The marketing agents are free to extend this phase;
- Economically reasonable representation costs and travel expenses of distribution up to a lump sum of EUR 40'000.- per annum, from a fund volume of EUR 30 million up to EUR 80'000 .- per annum; for the first 6 months after fund launch these costs will not be charged. The marketing agents are free to extend this phase;
- auditors' and tax consultants' fees;
- costs of any extraordinary dispositions that may be necessary in terms of the Fund (e.g., amendments to Fund documents);
- costs for consultants and other experts;

The Fund also, in the presence of extraordinary circumstances and if the management in terms of the investors deemed as necessary, be charged:

- Possible extraordinary expenses, arising from but not limited to legal fees, government fees, or other regulatory issues, or any other unanticipated expenses, shall be paid by the Company and, if appropriate, apportioned to the Funds pro rata. When any third party must pay an expense on behalf of the Company, the third party shall be reimbursed by the Company.
- Auditor: costs for extraordinary and agreed fees on rising costs of the auditors, occurred from the expertise;
- Legal advice: costs for legal opinion and legal expertise commissioned by the management company.

#### **6.12 Allocation of Expenses**

All initial and continuous expenses of the Company which are attributable to a specific Sub-Fund shall be borne by that Sub-Fund.

All expenses of the Company not directly attributable to a specific Sub-Fund will be allocated to all Sub-Funds pro rata based on the net asset value of each Fund.

**6.13 Earnings from kickbacks of the target funds**

The fund aims to receive kickbacks of the management fees of the target funds in favour of the assets of the fund.

**6.14 Ensuring of the concerns of the investors**

Neither the directors of the company nor the investment managers or the marketing and distribution agents are allowed to receive provisions for the distribution of target funds. Referring to this every provision has to accrue to the assets of the fund.

**7 Net Asset Value**

The By-Laws of the Company provide for the valuation of the Investor Shares of the Fund by reference to the NAV of the Fund. The NAV of the Fund and the NAV per Investor Share will be determined on the Calculation Day by the Administrator, on the basis of the prevailing prices at the close of business of the markets on the Valuation Day.

The NAV shall be determined by or at the direction of the Directors or by the Administrator and made available at its Registered Office or such other office as the Directors may determine.

The Calculation Day shall be the first business day of the Administrator following the Valuation Day.

The Valuation Day shall be weekly, on Thursday.

In the case, that the main markets in which the fund trades are closed on this day, the Valuation Day shall be the day before. If any clarification is necessary to approve the valuation of an investment of the Fund, the publication of the NAV may be delayed up to max. the last business day of the following month.

**7.1 Determination of the NAV of the Fund**

The assets shall be valued as follows:

- a) In accordance with generally accepted accounting rules (e.g. Managed accounts, which are kept with a broker, determined by the Directors of the Company, can be booked with their end-of-period profit/loss statements. The Administrator is not obliged to book each single trade).
- b) Securities, which are traded on official exchanges or traded on other organised markets, are valued at the closing price on the valuation day on the principal market on which such securities are traded.
- c) Securities for which the prices do not conform to the market, as well as all other permitted assets including securities that are not publicly traded (for instance the shares of Loick Holding AG) or traded on an official or other organised market) will be valued in the first month after the purchase of the shares by the purchase price and in the following periods by an adequate price earning ratio method that is based on the equity yield of the company. The directors of SafePort Investment Funds Ltd are entitled to use any other method of valuation that is appropriate in order to set a fair valuation value of the assets mentioned here above for instance reliable price offer from the investment market.
- d) Collective investments: the basis for the valuation of the investment positions is the most recently available net asset value of the respective investment position on the respective valuation date. All assets which are not denominated in the Fund currency shall be converted into the unit of account pursuant to the foreign exchange closing price on the respective valuation date.
- e) The liquid assets will be valued on the basis of their nominal value plus accrued interest.
- f) Assets that are denoted in a currency other than the fund's reference currency will be converted using the closing exchange rate of that currency.

**7.2 Temporary Suspension**

The determination of the NAV per Investor Share may be suspended for any reason outlined in Section 13. No Investor Share may be issued or redeemed during a period of suspension.

In the event of a suspension of the determination of NAV per Investor Share, a Subscriber/Shareholder may withdraw his request for purchase or redemption of Investor Shares, provided such a withdrawal notice is actually received before the termination of the period of suspension. Where the request is not so withdrawn, the purchase or redemption of the Investor Shares will be made on the next Subscription/Redemption Day following the end of the suspension.

## 8 Taxation

Under current legislation in Saint Vincent, the Company and its Shareholders who are not resident or deemed a resident of St. Vincent and the Grenadines and who, during the relevant taxable year, has not engaged in a trade or business in St. Vincent and the Grenadines, either personally or through a representative or agent in St. Vincent and the Grenadines, are exempted from all Saint Vincent income tax (including income tax on dividends (if any), withholding tax, capital gains taxes, capital transfer taxes, estate duties or inheritance duties).

The Company and its Directors can in no way be held responsible for the personal tax liabilities of any Shareholder as a consequence of applying for Investor Shares or investing in the Investor Shares.

The Fund may be liable to certain taxes where it carries out its investment and trading activities. Furthermore, the amounts and effect of withholding and other taxes on the Fund will depend on the types of investments made by it and the laws and regulations of countries where investments are made.

### Shareholders

Shareholders may be subject to taxation in a variety of jurisdictions. Apart from the information provided below with respect to Saint Vincent and the Grenadines, this Offering Memorandum does not contain any statements, representations or warranties regarding the taxation of Shareholders. Shareholders should consult their own advisors with respect to any taxes applicable to the acquisition, holding or disposition of Preferred Shares and the effect, if any, of withholding or other taxes imposed on interest income received by the Company or gains realized by the Company under the laws of the countries of their respective citizenship, residence and/or domicile.

Under current Saint Vincent and the Grenadines laws, decisions and regulations, Shareholders (other than those who are citizens or residents of Saint Vincent and the Grenadines) will not be liable to Saint Vincent and the Grenadines taxation on income, capital gains or capital transfer except in respect of income derived from sources situated within Saint Vincent and the Grenadines.

Please note:

References to taxation reflect the Manager's interpretation of current laws, regulations, decisions and practice. Only a brief summary is provided, and fiscal rules are liable to change in the future. Individual tax positions will depend upon personal circumstances. Potential subscribers and Shareholders should seek independent professional advice.

## 9 Reports

The Company keeps its books on an accrual basis with a fiscal year ending 31st of December. The financial statements of the Company will be prepared in accordance with internationally or nationally (e.g. Switzerland, Germany, Austria, Liechtenstein) accepted accounting standards and will be audited annually at the Company's expense by an independent firm of auditors appointed by the Directors. A copy of the Annual Audited Report and Accounts will be made available to the Shareholders not later than four (4) months after the end of the period to which such report relates.

## 10 Subscriptions

### 10.1 Minimum Subscription

The minimum initial subscription permitted for Investor Shares is EUR 5'000. -.

This minimum can be waived at the sole discretion of the Directors.

### 10.2 Subscription Price

Investor Shares will be offered at the Initial Offer Price on the Launch Date and, thereafter, at the relevant prevailing Subscription Price on each Subscription Day.

The Subscription Price shall be calculated as the NAV per Investor Share on the relevant Subscription Day plus any applicable Subscription Fees.

In the event the Company has suspended or postponed calculation of the NAV per Investor Share, the Subscription price on the Subscription Day occurring after receipt of the order will be utilised.

### 10.3 Subscription Fee

The Directors may charge a Subscription Fee of up to 6,5%.

**10.3.1 Registrar / Transfer Agent Fee**

A Registrar / Transfer Agent fee of 0.20% shall be payable, with a minimum of EUR 60.- and a maximum of EUR 1'000.- per subscription.

**10.4 Subscription Day**

Weekly. The Valuation day. In the case that the main markets are closed on this day, the foregoing Business Day.

**10.5 Subscription Applications**

Applications for the subscription of Investor Shares must be made in accordance with Section 10.5.1 and the Subscription Agreement and Application Form which accompanies this Offering Memorandum (see Appendix A). The Company and Registrar are entitled to require additional documents, such as, but not limited to, trust instruments, appointments as executor or administrator and certificates of corporate authority prior to accepting any subscription.

Applications to subscribe for Investor Shares must be received by the Administrator no later than 16:00 CET at the Valuation Day of each week. If an application to subscribe is received less than the Valuation Day of the week prior to the relevant Subscription Day, the subscription will be made on the Subscription Day subsequent to the relevant Subscription Day; however the Company may, if conditions allow, accept a shorter notice period for any application.

Subscription monies must be received by the Bank no later than 16:00 CET on the Launch Date and, thereafter, no later than 16:00 CET on the relevant Subscription Day.

**10.5.1 Subscription and Application Procedures**

Subscription of units is possible at valuation date at net asset value per unit. Settlement of orders is facilitated at NAV of units calculated on the valuation date plus the issuing commission and any taxes and duties incurred. The respective maximum issuing commission is specified in Sector "Useful Information".

All taxes due through the issue of units will likewise be invoiced to the investor. If units are acquired through banks not entrusted with the marketing of the units, these banks may make additional charges for such transactions.

The Custodian, the Company and/or Marketing Agents have the right to refuse subscription applications at their absolute discretion.

If payment is made in a currency other than the currency of account, the counter value from the conversion of the currency of account, less charge, is applied for the acquisition of units.

The Company may also take the decision concerning the complete or temporary suspension of the issue of units if new investments could have a negative effect on the attainment of the investment objective.

The custodian bank and/or the Company may at any time independently redeem units, if these are held by investors, who are not entitled to the acquisition or to the possession of these units.

In order to subscribe Investor Shares in the fund a prospective investor must:

- a) complete and sign the Subscription Agreement alias Application form marked Appendix A, which accompanies this Offering Memorandum. (see "Instructions for Completion of Appendices");
- b) pay the subscription amount to the Bank by bank transfer.
- c) send the signed and completed Subscription Agreement alias Application form, together with a copy of the Bank Transfer Payment Instructions, to the Administrator, enclosing any documents indicated on the relevant forms.

A copy of the Subscription Agreement alias Application Form should be retained by the investor for the investor's personal reference and records.

**10.6 Share Certificates**

The company will not issue share certificates.

**10.7 Subscriptions in Specie**

The Directors may recommend that the Company also issue Investor Shares for a price to be satisfied partly by the transfer of Investments (shares etc.) and/or partly for cash. It is at the sole discretion of the Directors as to whether or not the particular Investments and/or cash which may be transferred to the Company shall be satisfactory for the price of the Investor Shares to be subscribed for. The cash component shall be a balancing amount to equalise any difference between the value of the Investments and the NAV per Investor Share for which the subscription is being made, plus an allowance for any fees or charges payable by the Company in respect of the transfer and registration of the Investments as part-payment for the subscription.

## 11 Redemptions

A Shareholder may cause any or all of his Investor Shares to be redeemed on any Redemption Day by the Company.

### 11.1 Redemption Price

Investor Shares will be redeemed at the prevailing Redemption Price which will be the NAV per Investor Share on the relevant Redemption Day, less any applicable Redemption Fees or expenses owed.

In the event the Company has suspended or postponed the NAV per Investor Share, the Redemption Price on the Redemption Day occurring after receipt of the order will be utilised.

### 11.2 Redemption Day

Weekly, the Valuation day. In the case that the main markets are closed on this day, the foregoing Business Day.

### 11.3 Redemption Requests

Units are redeemed weekly at valuation date at net asset value per unit. The settlement takes place to the NAV less possible redemption commission and any taxes.

Redemption orders must be received by the Custodian before the deadline. If an order is received by the Custodian after the deadline it will be recorded for the next valuation date. Should the execution of a redemption order lead to the holdings of the given investor falling below a minimum investment, the Company may without further notifying the investor treat this redemption order as an order to redeem all the units of the Fund held by the said investor.

**In the event of a large volume of redemption applications, the Management Company may decide to settle a redemption application only when, without an unreasonable delay, corresponding assets of the Fund can be sold. This can take (e.g. due to the sale of the investments on auctions) several months up, so that the settlement of redemptions can take place over up to twelve months later. If such action is necessary, all the redemption applications received on the same day will be settled at the same price.**

If, instead of at the absolute discretion of the Depository Bank, the payment is to be made at the demand of the investor in a currency other than the currency in which the units in question were launched, the sum to be paid is calculated from the proceeds of the conversion of the currency of the account into the payment currency.

After the payment of the redemption price, the unit in question is invalid.

Requests for the redemption of Investor Shares must be made in accordance with the Redemption Request Form which accompanies this Offering Memorandum (see Appendix B).

The Company and Registrar are entitled to require additional documents, such as, but not limited to, trust instruments, death certificates, appointments as executor or administrator and certificates of corporate authority prior to making any payment in respect of redemptions.

Requests for redemption of Investor Shares must be received by the Administrator no later than 16:00 CET on the relevant Redemption Day. If a Redemption Request is received less than 16.00 CET to the relevant Redemption Day, the Investor Shares will be redeemed on the Redemption Day subsequent to the relevant Redemption Day; however the Company may, if conditions allow, accept a shorter notice period for any redemptions.

Investor Shares will be redeemed with effect from the relevant Redemption Day. Upon final calculation of the Net Asset Value per Investor Share, written confirmation will be sent to investors within five (5) Business Days of the number and value of Investor Shares redeemed.

### 11.4 Redemption Restrictions

No special restrictions.

### 11.5 Redemption Fee

The Fund does not charge a Redemption Fee.

#### 11.5.1 Registrar / Transfer Agent Fee

A Registrar / Transfer Agent fee of 0.20% shall be payable, with a minimum of EUR 60.- and a maximum of EUR 1'000.- per subscription.

### 11.6 Payment of Redemptions

Normally the Company will arrange for payment to the shareholder the net proceeds within ten (10) Business Days after the Redemption Day. Payment on redemption may be delayed in the case of extraordinary circumstances, such as the inability to liquidate existing positions, or the default or delay in payments due to the Company from banks or other persons.



Payment will be made by telegraphic transfer (with charges for the account of the recipient), or by cheque or bank draft, in accordance with the instructions of the Shareholder given in the Redemption Request. Requests for redemption in the proper form will be honoured and the Fund's positions in the Markets will be liquidated to the extent necessary (if any) to discharge its liability on the Redemption Day.

### **11.7 Redemption in Specie**

The Company may also redeem Investor Shares, if recommended to do so by the Directors at their sole discretion, by way of transferring investments (shares etc.) and or cash. The cash component shall be a balancing amount to equalise any difference between the value of the investments and the Redemption Price per Investor Share for which the redemption is being made, plus an allowance for any fees or charges payable by the Company in respect of the transfer and registration of the investments as part-payment for the redemption.

No redemption will be made until the Shareholder has completed and delivered a Redemption Notice in the form set out at Appendix B and satisfied all the requirements of the Directors as to such a redemption request.

### **11.8 Compulsory Redemptions**

The Directors can affect a compulsory redemption of Investor Shares at its absolute discretion. In the event that Investor Shares are redeemed by way of a compulsory redemption, those shares shall be redeemed at the normal Redemption Price. The Directors, at their discretion, may waive any applicable Redemption Fees.

In the case where the compulsory redemption is made due to a breach by the shareholder of the terms of this Memorandum, which causes the fund to not be in compliance with the limitations and restrictions on the ownership of Investor Shares set forth in this Memorandum, a further Redemption Fee of 1 % may be applied by the Directors.

## **12 Transfers of Investor Shares**

Requests for the transfer or assignment of Investor Shares must be made in writing. Transfers or assignments of the Investor Shares may not be made without the prior approval of the Board, which approval will not be unreasonably withheld (See Section 12.1). Any attempted transfer or assignment without such approval will be void and without effect. A Shareholder desiring to transfer his Investor Shares must make available to the Administrator such information as the Board may require, including information necessary to satisfy the Board that the proposed transfer complies with applicable laws. In addition, the proposed transferee must agree to take such Investor Shares subject to the same conditions, warranties and restrictions pursuant to which the Investor Shares were held by the transferor.

### **12.1 Refusal to Approve Transfer of Investor Shares**

If, within thirty (30) days of receipt by the Administrator of an acceptable instrument of transfer, the Board does not deny permission for the transfer, the Board shall be deemed to have approved the transfer. However, the Board may only refuse to approve the proposed transfer of any Investor Share if the manner, form or evidence of transfer is unacceptable, if the transfer might violate applicable laws or when such transfer is deemed by the Board in its absolute discretion to be contrary to the best interests of the Company by virtue of resulting in legal, pecuniary, regulatory, taxation or administrative disadvantage to the Company.

### **12.2 Transfer of Investor Shares in SafePort-Funds**

The investor is allowed to transfer its investor shares to other SafePort-Funds without any limitation. For the registrar and transfer agent duties the Administrator can charge a commission of 0.10 %, minimum EUR 30.- and a maximum EUR 500.- upon conversion between SafePort-Funds, payable by subscriber.

## **13 Suspensions of Issue and Redemption of Investor Shares**

The Directors may, at any time, suspend the determination of Net Asset Value, and the issue and redemption of Investor Shares, for the whole or any part of any period:

- a) during which any of the Markets on which any significant portion of the assets of the Company comprised in the Fund from time to time are quoted or dealt in is closed other than for customary holidays and weekends, or during which dealings thereon are restricted or suspended;
- b) during the existence of any state of affairs which, in the opinion of the Directors, constitutes an emergency as a result of which disposition or valuation of assets owned by the Company for the Fund is not reasonably practicable or would be seriously prejudicial to the interest of the Company or the holders of the Investor Shares;
- c) when any breakdown occurs in the means of communication or computation normally employed in determining the price or value of any of the assets owned by the Company for the Fund or the current price or values on any

exchange in respect of the assets owned by the Company for the Fund or when, for any other reason, the prices or values of any such assets cannot reasonably be promptly and accurately ascertained;

d) when the Company is unable to repatriate monies for the purposes of making payments on the redemption of the Investor Shares or during which any transfer of monies involved in the realisation or acquisition of investments or payments due on redemption of Investor Shares cannot in the opinion of the Directors be effected at normal rates of exchange;

e) when a notice has been published convening a meeting of Members for the purpose of resolving a winding up of the Company; or

f) during which, in the opinion of the Directors, redemptions would seriously impair the Company's ability to operate or to jeopardise its tax status.

In the event of a suspension as described above, the Administrator shall immediately notify the Registrar of Mutual Funds in St. Vincent and the Grenadines that dealing in the Investor Shares ceased or is suspended. Furthermore, notice that dealing is suspended shall be given in written form to the relevant subscribers and shareholders advising them of the suspension and that they may withdraw their applications for subscription and/or redemption by giving written notice to the company provided that the notice is received before the end of the suspension period.

## **14 Material Contracts**

Subject to an investment management agreement between the Company and SafePort Asset Management Limited under which the Company has appointed the Investment Manager, the Investment Manager has agreed to act, as Investment Manager to the Company with regard to the assets of the Fund.

The agreement shall continue in force unless and until terminated by either party giving the other party not less than ninety (90) days' written notice (or such shorter notice as the other party may agree to accept), except that the agreement may be terminated forthwith by either party if the other party shall commit any breach of its obligations under it. An administration agreement between the Company and CAIAC International Limited under which the Company has appointed the Administrator and the Administrator agrees to provide administrative and share registration services to the Company.

The agreement shall continue in force unless and until terminated by either party giving not less than ninety (90) days' written notice to the other party (or such shorter notice as the other party may agree to accept) provided that the agreement may be terminated forthwith by notice in writing by either party, if the other party shall commit any breach of its obligations under it.

## **15 Documents Available for Inspection**

Copies of the following documents will at all times be available for inspection by prospective investors or their representatives at the registered office of the Company or the offices of the Administrator:

- a) The Articles of Incorporation, Certificate of Incorporation and By-Laws;
- b) The Investment Advisory Agreement;
- c) The Administration Service Agreement; and
- d) Past audited statements of the Company.

## **16 Indemnities**

The Company has agreed that it will indemnify the Directors, officers and liquidators without limitation as permitted by law save where the Directors, officers and liquidators have acted negligently or in bad faith.

The Company may purchase and maintain insurance in relation to the Directors against any liabilities asserted against them.

In addition, the Company has granted indemnities to the Investment Manager, the Administrator and Registrar and the Custodian in respect of actions brought against them in their respective capacities, where they have acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Company and provided again such actions did not involve gross negligence, wilful default, fraud or dishonesty.

## **17 Accounting Practices**

The accounts of the Company will be kept and the financial statements will be prepared on the basis of internationally or nationally (e.g. Switzerland, Germany, Austria, Liechtenstein) accepted accounting standards.

## **18 Minimum Amounts**

The minimum amount which must be raised before the fund commences trading is CHF 100,000.-. If such an amount is not reached, monies will be returned to subscribers with interest at prevailing money market rates.

## **19 Litigation**

The Company is not and, has not since incorporation, been involved in any legal or arbitration proceedings which may have or have had since incorporation of the Company, a significant effect on the Company's financial position nor, so far as any of the Directors is aware, are any such proceedings threatened or pending against the Company.

## **20 Director's Interest**

None of the Directors or any person connected with any of them has an interest, direct or indirect, in the capital of the Company, saved as disclosed under Section 21. The Directors may subscribe for Investor Shares at any time at the prevailing Subscription Price.

None of the Directors has a service contract, existing or proposed, with the Company, other than the contract for their Director's services.

None of the Directors has any interest in any transactions which are unusual in their nature or significant to the business of the Company, except as disclosed under Section 21.

No loan or guarantee has been granted or provided by the Company to any Director.

No agreement or transaction between the Company and one or more of its Directors or any person in which any Director has a financial interest or to whom any Director is related, including as a Director of that other person, is void or voidable for this reason only or by reason only that the Director is present at the meeting of Directors or at the meeting of the committee of Directors that approves the agreement or transaction or that the vote or consent of the Director is counted for that purpose (i) if the material facts of the interest of each Director in the agreement or transaction and his interest in or relationship to any other party to the agreement or transaction are disclosed in good faith or are known by the other Directors and (ii) the agreement or transaction is approved or ratified by a resolution of the shareholders.

The Directors, with the prior approval of the Members, may fix the emoluments of Directors with respect to services to be rendered in any capacity to the Company.

The Directors may, by resolution, exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party, subject to Section 4 of this memorandum.

Directors must be at least 18 years of age.

## **21 Conflicts of Interest**

The Investment Manager will not devote its time exclusively to the management of the Company and may perform similar or different services for others and may sponsor, establish or manage other investment funds during the same period that it acts for the Company. The Investment Manager may, therefore, have conflicts of interest in allocating management time, services and functions among the Company and such other persons for which it provides services.

However, at all times the Investment Manager will ensure a fair and equitable allocation of their management time, services, functions and investment opportunities between the Company and any other person to whom it provides services.

It should be noted that, while not a conflict of interest per se, the investment management company holds the management shares of the investment company.

Should a conflict of interest arise, the Directors of the Company will endeavour to ensure that it is resolved fairly.

## **22 Anti-Money Laundering**

As part of the Company's responsibility for the prevention of money laundering, the Administrator may require a detailed verification of a prospective investor's identity as well as information concerning the origin of the assets. Depending on the circumstances of each application, a detailed verification may not be required if:

- a) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution; or
- b) the application is made through a recognised intermediary.

These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised as having efficient money laundering regulations.

An individual may be required to produce a copy of his passport or identification card certified by a notary public. Corporate, trust or partnership applicants will be required to produce (as applicable) a certified copy of the Certificate of Incorporation (and any change of name), Articles of Incorporation and By-Laws (or other document evidencing the existence of the legal entity), trust deed or partnership agreement, the names and addresses of the beneficial owners or partners, the register of Directors or an extract from the trade register held at the relevant chamber of commerce and the signatory card verifying the authority of the directors, officers or partners to sign on behalf of the legal entity or partnership.

The Company 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 Company may refuse to accept the application and the subscription monies in relation thereto.

In the case of pooled or institutional investments, the subscribing institution is obliged to conduct appropriate due diligence on its clients. The Company may, at its absolute discretion, request information from such subscribing institution on its anti-money laundering procedures regarding the investors in the Company.

## **23 Rights of Shareholders**

The Fund is open-ended in the sense that, at any time, new shareholders may acquire shares in one or more of the Company's funds and that other shareholders may, at any time leave a fund either by requesting redemption of shares or transferring to one or more of other funds.

In acquiring shares in one or more funds, a shareholder is bound by all the provisions of the Articles of Incorporation, By-Laws and the Offering Memorandum of the specific funds. Each shareholder has an undivided interest in the assets proportional to the number of his or her shares.

The Subscriber may have a right to withdraw from a subscription agreement to purchase shares, a right to a remedy for rescission, or in some instances or circumstances a right to compensation for damages. Furthermore, if this Offering Memorandum contains any misrepresentation relating to the provision of full and accurate disclosure of all such information as investors would reasonably require and expect to find for the purpose of making an informed decision, any investor who purchases shares pursuant to said Offering Memorandum or amendment(s) thereto is deemed to have relied upon the misrepresentation and shall have the following rights:

- a) a right of action for the rescission of the purchase; or
- b) for damages jointly and severally against the Fund, and every member of the Board of Directors (by whatever name called) who while aware of the misrepresentation, or would have been aware of the misrepresentation had he made reasonable investigations consistent with his duties, authorized the signing of or approved the Offering Memorandum or amendment thereto and consented to its publication and filing or caused it to be signed or published and filed.

For the purposes of the foregoing, a "misrepresentation" means an untrue or misleading statement of the aforementioned disclosures or an omission to disclose any of such aforementioned disclosures. No person shall be liable under this clause if he proves that the Subscriber purchased the shares offered by the Offering Memorandum or amendment thereto with knowledge of the misrepresentation.

## 24 Subscribers' Undertakings and Warranties

Subscribers should take notice that by completing and executing the Subscription Agreement and Application Form which forms Appendix A of this Offering Memorandum, the Subscriber is entering into the following undertakings and giving the following warranties:

The Subscriber irrevocably subscribes for the Investor Shares as specified in the Subscription Agreement and Application Form, as may be determined in accordance with the Articles of Incorporation, By-Laws of the Company and this Offering Memorandum following acceptance of this application by the Company. The Subscriber understands that fractional shares may be issued.

The Subscriber agrees that subscriptions made in currencies other than EUR will be sold on behalf of the Company by the Bank at the market rate for EUR and Investor Shares will be issued to the value of the currency proceeds and the Subscriber accepts the exchange risk and costs relating to that transaction.

The Subscriber acknowledges and confirms that he has received, read, is familiar with and understands this Offering Memorandum including all relevant Appendices. In evaluating the suitability of an investment in the Fund the Subscriber has not relied upon any representations or other information (whether verbal or written) other than as set forth in this Offering Memorandum.

The Subscriber has taken the advice of professional advisers who have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of this investment and the Subscriber is fully capable of assessing and bearing the risks involved in the Subscriber's own right or with the benefit of such professional advice received.

The Subscriber agrees that the Investor Shares hereby subscribed for will be held subject to the terms and conditions of the Articles of Incorporation and By-Laws of the Company as amended from time to time and that the Company will fully protect and indemnify its Directors, the Investment Manager, the Administrator and the Bank against liability in the terms set out under Section 16.

The Subscriber fully appreciates the Company's rights to accept or reject all applications for subscription in its sole discretion. To induce the Company to accept this subscription, the Subscriber agrees, represents and warrants that the Investor Shares hereby subscribed for are not being acquired for the account of any person who is, directly or indirectly:

a) a citizen or resident of the United States, its territories or possessions;

or

b) a corporation or other entity organised or created under the laws of any of the United States, its territories and possessions; or

c) an entity controlled, directly or indirectly, by a person described in a) or b) above; or

d) a citizen or resident of St. Vincent other than a St. Vincent International Business Company.

The Subscriber agrees that no Investor Shares hereby subscribed for may at any time be transferred to any other person without first seeking the approval of the Company in accordance with the provisions of Section 12.

The Subscriber acknowledges and accepts that this Subscription Agreement and Application is governed by St. Vincent law and hereby submits to the nonexclusive jurisdiction of the Courts of St. Vincent. The Subscriber confirms that, to the best of the Subscriber's knowledge and belief, the Subscriber's subscription monies are not in whole or in part, the proceeds of drug trafficking or other such criminal activity, nor do they represent, in whole or in part, directly or indirectly, such proceeds.

The Subscriber acknowledges that the Company, the Administrator or other service provider to the Company may be required by applicable laws and/or regulations to take further reasonable steps to establish the identity of the Subscriber or of any other person whom the Company, the Administrator or other service provider knows or has reason to believe is a person for whom or on whose behalf the Subscriber is acting, and the Subscriber undertakes to co-operate with and assist the Company, the Administrator or other service provider in relation to such steps and the Subscriber acknowledges that the Company, the Administrator or other service provider shall be held harmless and indemnified by the Subscriber against any loss arising as a result of a failure to process the Subscription Application if any information required by the Company, the Administrator or other service provider has not been provided by the Subscriber.

The Subscriber agrees that redemption payments will only be made to the account of the Subscriber at the remitting bank/financial institution or to another account in the Subscriber's name or, in the case of payment by cheque or draft, redemption payments will only be made payable to the registered Shareholder.

The Shareholder agrees that, where redemption requests made by the Shareholder are sent to the Administrator by facsimile, the Shareholder shall immediately send the original of such notice to the Administrator by post or by courier but that the Administrator shall, nonetheless, be entitled, but not obliged, to treat such facsimile notice at face value

and to act thereon if the original has not arrived by the relevant Redemption Day. The Shareholder further agrees to indemnify and hold harmless the Administrator, its directors and other officers, servants, employees and agents from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the negligence, fraud or wilful default of the Administrator, its directors or other officers, servants, employees or agents in its treatment of such facsimile notice) which may be imposed on, incurred by or asserted against Administrator, its directors or other officers, servants, employees or agents in its treatment of such facsimile notice.

31<sup>st</sup> December 2012

SafePort LOICK Bio-Products & Bio-Energy Fund