

Information about the Underlying Segregated Portfolio - EMC SP

THE FOLLOWING DESCRIPTION IS VALID AS OF THE DATE OF THIS PUBLICATION AND THE INFORMATION PROVIDED MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY OR ON BEHALF OF THE SEGREGATED PORTFOLIO. NONE OF THE ISSUER OR THE AGENTS OR ANY OF THEIR AFFILIATES HAS VERIFIED THE INFORMATION ABOUT THE SEGREGATED PORTFOLIO AND, ACCORDINGLY, NONE OF THEM MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO ITS ACCURACY OR COMPLETENESS. PROSPECTIVE PURCHASERS OF THE ETI UNITS SHOULD MAKE THEIR OWN INVESTIGATION OF THE SEGREGATED PORTFOLIO (INCLUDING, WITHOUT LIMITATION, WITH REGARD TO ITS FINANCIAL CONDITIONS AND CREDITWORTHINESS) AND ITS TERMS.

I. Information about the Segregated Portfolio Company

Pecunia SPC is an investment special purpose vehicle established as a segregated portfolio company incorporated with limited liability under the laws of Cayman Islands on 26 July 2016 with registration number CY-313693.

The registered office of Pecunia SPC is c/o Conyers Trust Company (Cayman) Limited, P.O. Box 2681, SIX, 2nd Floor, Cricket Square, George Town, Grand Cayman KY1- 1111, Cayman Islands and its telephone number is +1 (345) 232 1382.

Pecunia SPC only accepts investors that are iMAPS group companies. Most jurisdictions, including Switzerland and the European Union, consider companies or other vehicles only accepting group companies as investors not as mutual funds. Pecunia SPC is exempt from licensing by the Cayman Islands Monetary Authority as a regulated mutual fund or private fund as it is a debt issuing company. Pecunia SPC has no subsidiaries.

Portfolio Securities

Pecunia SPC may constitute an unlimited number of segregated portfolios (the “Segregated Portfolios”) which have segregated assets and liabilities between themselves and with Pecunia SPC. Pecunia SPC may issue portfolio securities in respect of each Segregated Portfolio it establishes (“Portfolio Securities”). All Portfolio Securities of a Segregated Portfolio participate equally in the net assets of that Segregated Portfolio that are represented by the appropriate class(es) of Portfolio Securities on liquidation and in any dividends and other distributions attributable to that Segregated Portfolio as may be declared. All Portfolio Linked Notes (“PLN”) of a Segregated Portfolio track equally the performance of that Segregated Portfolio. Pecunia SPC has issued a portfolio security for EMC SP named EMC PLN (ISIN: KYG6974MAF02). Investors’ attention is brought to the fact that a certain number of jurisdictions, including Switzerland, might not recognise this structure as a mutual fund.

Management of Pecunia SPC

The board of directors of Pecunia SPC has responsibility for managing Pecunia SPC in accordance with its memorandum and articles of association of Pecunia SPC, Cayman Islands law and other relevant legal and regulatory requirements. The board of directors of Pecunia SPC is also responsible for selecting service providers and any other agents as may be necessary from time to time. Meetings of the board of directors of Pecunia SPC are held in the Cayman Islands. The directors of Pecunia SPC as at the date of this Publication are Andreas Wölfel and Ian Morgan.

Andreas Wölfel

Having completed his Master in Business Administration at Vienna University Economics and Business, Mr. Andreas Wölfel started his career in investment services at the Vienna Stock Exchange in 2000 within the index and derivatives team. Soon he headed the Austrian Indices team. Since 2004 Mr. Wölfel acts as an entrepreneur and he has been a director in asset management companies domiciled in Switzerland and Liechtenstein, a German bank and a Securitisation company in Luxembourg. Since 2007 Mr. Wölfel has been engaged in the business of securitisation and structured investment products and has already coordinated several listings of securitised products at the Regulated Unofficial Market of Deutsche Boerse AG, the MTF operated by the Vienna Stock Exchange, the EWSM and the Gibraltar Stock Exchange. Mr. Wölfel has been appointed director of Pecunia SPC since its inception on the 26th July 2016. Investors' attention is brought to the fact that Mr. Wölfel is connected with the sole holder of the issued Management Shares of Pecunia SPC, namely iMAPS Capital Markets SEZC, the Arranger of the Programme. Mr. Andreas Wölfel is a director of iMAPS Capital Markets SEZC and an indirect beneficial owner.

Ian Morgan

Mr. Morgan is a qualified accountant and a fellow of the Association of Chartered Certified Accountants, a global professional accounting body. He has 14 years of fund accounting and administration experience and 7 years of trust company experience. He began his accounting career with a large UK insurance company before moving in 1996 to the Cayman Islands to join a fund administration company as an Account Manager. He has also been an account manager and later the assistant manager of Fund Accounting with Butterfield Fund Services Ltd., Butterfield Fulcrum Group and Vice President of Client On-Boarding for Maples Fund Services. Since 2011, he has been the Senior Client Accountant for Itaú Bank and Trust Company (Cayman) Limited and the Accountant and Vice President of Bessemer Trust Company (Cayman) Limited. Mr. Morgan was appointed a director of Pecunia SPC on 31st May 2018. Investors' attention is brought to the fact that Mr. Morgan is connected with the sole holder of the issued Management Shares of Pecunia SPC, namely iMAPS Capital Markets SEZC, the Arranger of the Programme. Mr. Ian Morgan is a director and C.E.O. of iMAPS Capital Markets SEZC.

It shall be the duty of the directors of Pecunia SPC to:

- keep the assets and liabilities of Pecunia SPC separate and separately identifiable from the assets and liabilities of each of its Segregated Portfolios; and
- keep the assets and liabilities of each of the Segregated Portfolios separate and separately identifiable from the assets and liabilities of the other Segregated Portfolios of Pecunia SPC.

Segregated Portfolio Structure and Segregated Assets

The assets and liabilities of each Segregated Portfolio constituted by Pecunia SPC are and shall be treated for all intents and purposes of law as, a pool of assets and liabilities separate from the assets and liabilities of each other Segregated Portfolio. Accordingly, the liabilities incurred in respect of a Segregated Portfolio shall be paid out of the assets forming part of the pool assets and liabilities of such Segregated Portfolio.

II INVESTMENT MANAGER

The Company has appointed Royalfid SA., having its registered office situated at Via Cantonale 20, 6942 Savosa, Switzerland, as Investment Manager to the Segregated Portfolio EMC SP pursuant to an agreement entered into between the parties (the “Investment Manager Agreement”).

Royalfid SA. is subject to the supervision of PolyReg, a Swiss SRO. The board of directors of the Investment Manager are Eros Lombardo and Claudio Pereira.

The Investment Manager is responsible for implementing the investment policy of EMC Segregated Portfolio. In consideration of the services rendered by the Investment Manager, the Investment Manager is entitled to receive from the Segregated Portfolio an investment management fee and performance fee as described below. The Investment Management Agreement also contains provisions whereby the Investment Manager cannot be responsible for any loss or damage caused to the Segregated Portfolio or any investor unless such losses result from its wilful misfeasance, bad faith, negligence or a reckless disregard of its duties and obligations. No investment advisor(s) has been appointed by the Company or the Investment Manager.

III INVESTMENT OBJECTIVE AND STRATEGY

The investment strategy will be to deliver medium term absolute returns across all market conditions through investments, both long or short, in a liquid portfolio of currencies, stock indices, commodities indices and bond indices.

There is no guarantee that the investment objective of the Company will be achieved, and investment results may vary substantially over time.

Investment Policies

The Company will mainly invest, both long or short, in a liquid portfolio of currencies, stock indices, commodities and bond indices.

The Company will try to exploit inefficiencies in correlation between the different asset classes managed or within the instruments of the same asset class.

The choice of investments will neither be limited by an economic sector nor in terms of currencies in which investments will be denominated. However, depending on financial market conditions, a particular focus can be placed in a single country (or some countries) and/ or in a single currency and/or in a single economic sector.

For hedging or for any other purposes, the Company may use all types of financial derivatives instruments traded on a regulated market and/or over the counter (OTC) provided they are contracted with leading financial institutions specialized in this type of transactions and subject to regulatory supervision. In particular the Company may take exposure through any financial derivative instruments such as but not limited to warrants, futures, options, swaps and forwards on any underlying in line with the investment restrictions as well as the investment policy of the Company, included but not limited to, currencies (including NDF), interest rates, transferable securities, basket of transferable securities, indices including, but not limited to, volatility indices .

If the Investment Manager, where applicable, considers this to be in the best interest of the Noteholders, the Company may also hold up to 100% of its net assets in liquidities such as cash deposits, money market funds and money market instruments.

The Company is permitted to invest in securities and instruments denominated in a currency other than the base currency of the Company and may purchase currencies to meet settlement requirements.

Investments in and between the above-mentioned instruments and securities shall be made in such portions and according to asset allocation criteria determined by the Investment Manager as deemed appropriate to attain the Company's investment objective.

The description of the Company's underlying investments type and selection process, and strategies in general, are not intended to be exhaustive. The exact details may vary over time. There is no assurance that the investment strategies to be adopted will be profitable or that an investor will not lose some or all of its investment.

The Company may make use of leverage through borrowing arrangements or by entering into contracts for differences, futures contracts, forward agreements, options as well as other financial derivative instruments. The use of leverage has the potential to magnify the gains or the loss on the Company's investments, particularly in times of significant market volatility.

The leverage employed in the Company will in no instance exceed 1000% (one thousand percent) of the Company's net asset value calculated in accordance with the Gross method.

The Company will not engage in collateral or asset re-use arrangements.

CHANGES TO THE INVESTMENT OBJECTIVES AND STRATEGY OF THE SEGREGATED PORTFOLIO ARE SUBJECT TO PRIOR NOTICE TO INVESTORS. INVESTORS WILL BE GIVEN AT LEAST TWENTY (20) CALENDAR DAYS' NOTICE IN ADVANCE OF THE CHANGE. THE CHANGE IN THE INVESTMENT OBJECTIVES AND STRATEGY WILL ONLY BECOME EFFECTIVE AFTER ALL REDEMPTION REQUESTS RECEIVED DURING SUCH NOTICE PERIOD, HAVE BEEN SATISFIED. ANY APPLICABLE REDEMPTION FEE SHALL BE WAIVED IN CASE OF CHANGES TO THE INVESTMENT OBJECTIVE AND STRATEGY OF THE SEGREGATED PORTFOLIO.

IV INVESTMENT RESTRICTIONS, LEVERAGING AND BORROWING

Investors' attention is brought to the fact that there are no investment restrictions, there will be no limits on the leverage, and there will be no restrictions on borrowing.

The segregated portfolio will not invest in physical property but only in bankable assets and physical commodities.

V FEES, CHARGES AND EXPENSES

Management Fee

In consideration for the management of the Segregated Portfolio's assets, the Segregated Portfolio will pay to the Investment Manager a Management Fee as follows: 1.5% of the Gross Asset Value of the Segregated Portfolio at the last business day of the month.

Performance Fee

In addition to the Management Fee described above, the Investment Manager shall also be entitled to a Performance Fee which shall be calculated as follows: 20% of the increase in the NAV above the previous high-water mark ("High-water Mark"), where the High-water Mark shall mean the NAV after deduction of the Investment Manager Annual Fee payable to the Investment Manager. For the avoidance of doubt, the Performance Fee shall be calculated on a cumulative or High-water Mark basis and will not be payable where the NAV is less than the previous High-water Mark at which a Performance Fee was paid.

Arranger Fee

The Segregated Portfolio shall pay the Arranger an arranger fee, for the performance of its services under an arranger agreement entered into between the Arranger and the Company, based on the value of the assets of the Segregated Portfolio. The fees are: • Fixed Fee: CHF 20,000 p.a. • Volume based fee: 15bps • Trading fees for ETI Units: US\$50 plus 0.50% of the transaction value • 100% mark-up on trading fees at Interactive Brokers LLC.

The Arranger Fee is subject to a yearly review.

Custody and Banking Fees

The Segregated Portfolio will pay the Main Banker and the Brokers a fee for their services (the "Custody and Banking Fee") in accordance with their standard contract terms. The Custody and Banking Fee will accrue on every Dealing Day and will be payable in accordance with the terms of the agreements between the Company on behalf of the Segregated Portfolio and the Main Banker and Brokers, respectively.

Subscription Fee

Holders of Portfolio Linked Notes in the Segregated Portfolio or a Class thereof shall not be charged a subscription fee.

Redemption Fee

Holders of Portfolio Linked Notes in the Segregated Portfolio or a Class thereof shall not be charged a redemption fee.

Set-Up Fee

A set-up fee of CHF 25,000 shall be charged to the Segregated Portfolio

Variation of Fees

The Board of Directors may, from time to time, agree to a variation of the Arranger Fee, Investment Manager Annual Fee, Performance Fee, Custody and Banking Fee and of any other fee provided for in this Information Summary provided such change in fee(s) is in line with market practice and provided further, all existing Noteholders affected by such variation shall be notified accordingly.

VI BANKERS AND BROKERS

Banker

The Company has appointed Baader Bank AG to act as Main Banker to the Segregated Portfolio. Baader Bank AG is incorporated under the laws of Germany as a credit institution. Baader Bank AG is subject to the regulatory surveillance of and has been granted a banking license by BaFin in Germany. The office of Baader Bank AG is located at Weihenstephaner Straße 4, D-85716 Unterschleißheim, Germany (tel: +49 89 5150 1907). Baader Bank AG shall establish a cash account for the Segregated Portfolio into which cash of the Segregated Portfolio will be deposited from time to time.

Brokers

Interactive Brokers LLC (US)

The Company has appointed Interactive Brokers LLC (US) to act as broker to the Segregated Portfolio. Interactive Brokers LLC (US) is subject to the regulatory surveillance of and has been granted a securities dealers' license by the US Securities and Exchange Commission and the Commodity Futures Trading Commission. Interactive Brokers LLC (US) is duly registered under the laws of the United States as a limited liability company and is a member of NYS – FINRA – SIPC. The headquarters are situated at One Pickwick Plaza, Greenwich, CT 06830 USA. Interactive Brokers LLC (US) will not provide any other services or perform any other functions except for brokerage and securities dealing services in respect of the assets of the Segregated Portfolio and will have no other duties or responsibilities relating to the Segregated Portfolio. All financial instruments held by the Segregated Portfolio will be held in custody by Interactive Brokers LLC (US) in accordance with its standard terms of business.

VII Financial Statements of the Segregated Portfolio

The Segregated Portfolio was established in July 2020 and therefore no Financial Statements were prepared as of the time of this publication.