

- Confidential -

AERO FUND PCC LIMITED

**A Gibraltar Multi Class Protected Cell
Open-Ended Experienced Investor Fund**

Minimum Initial Subscription: €100,000 or equivalent

PRIVATE PLACEMENT MEMORANDUM

1st January 2011



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DIRECTORY

NAME OF FUND:	AERO FUND PCC LIMITED
REGISTERED OFFICE:	210 Neptune House P.O. Box 300 Marina Bay Gibraltar
DATE OF INCORPORATION:	8th January 2009
COMPANY NUMBER:	101866
DIRECTORS:	FACEL ASSET MANAGEMENT COMPANY S.A. P.H Proconsa II Building Beatriz M. De Cabal Street Panama Republic of Panama RAYMOND JOUBAUD 210 Neptune House P.O. Box 300 Marina Bay Gibraltar IAN ANGUS Leonor de Castilla Sotogrande 11310 Cadiz Spain
INVESTMENT MANAGER:	HUBER & CO LIMITED 210 Neptune House P.O. Box 300 Marina Bay Gibraltar
ADMINISTRATOR:	VELAY FINANCAL SERVICES LIMITED 210 Neptune House P.O. Box 300 Marina Bay Gibraltar
COMPANY SECRETARY:	VELAY FINANCAL SERVICES LIMITED 210 Neptune House P.O. Box 300 Marina Bay Gibraltar
DEPOSITARY:	LOMBARD ODIER DARIER HENTSCH PRIVATE BANK LIMITED Suite 921 Europort Gibraltar
CO-DEPOSITARY TO CELL C	BANK OF CHINA (SUISSE) S.A 3, Rue du Général-Dufour, Geneva, Switzerland
AUDITOR:	DELOITTE (GIBRALTAR) LIMITED Merchant House 22/24 John Macintosh Square P.O. Box 758 Gibraltar
LEGAL ADVISORS	HASSANS INTERNATIONAL LAW FIRM 57/63 Line Wall Road Gibraltar

NOTICE TO INVESTORS

This Private Placement Memorandum (originally issued on the 21st January 2009 and updated and re-issued on 9th November 2009 and 1st January 2011) which contains certain information about **Aero Fund PCC Limited** (the “Fund” and the “Company”) invites selected individuals or entities to apply for subscription to Participation Shares (as defined herein) of the Fund. This document may not be reproduced.

The distribution of this document and the offering of the Participation Shares in certain jurisdictions may be restricted. Accordingly this document may not be used for the purpose of and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The directors of the Fund have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The directors accept responsibility accordingly.

THIS FUND HAS BEEN ESTABLISHED IN GIBRALTAR AS AN EXPERIENCED INVESTOR FUND. IT IS SUITABLE ONLY FOR THOSE WHO FALL WITHIN THE DEFINITION OF “EXPERIENCED INVESTOR” CONTAINED IN THE FINANCIAL SERVICES (EXPERIENCED INVESTOR FUNDS) REGULATIONS 2005.

REQUIREMENTS WHICH MAY BE DEEMED NECESSARY FOR THE PROTECTION OF RETAIL OR NON-EXPERIENCED INVESTORS, DO NOT APPLY TO EXPERIENCED INVESTOR FUNDS. BY ACKNOWLEDGING THIS STATEMENT YOU ARE EXPRESSLY AGREEING THAT YOU FALL WITHIN THE DEFINITION OF AN “EXPERIENCED INVESTOR” AND ACCEPT THE REDUCED REQUIREMENTS ACCORDINGLY.

YOU ARE WHOLLY RESPONSIBLE FOR ENSURING THAT ALL ASPECTS OF THIS FUND ARE ACCEPTABLE TO YOU. INVESTMENT IN EXPERIENCED INVESTOR FUNDS MAY INVOLVE SPECIAL RISKS THAT COULD LEAD TO A LOSS OF ALL OR A SUBSTANTIAL PORTION OF SUCH INVESTMENT. UNLESS YOU FULLY UNDERSTAND AND ACCEPT THE NATURE OF THIS FUND AND THE POTENTIAL RISKS INHERENT IN THIS FUND YOU SHOULD NOT INVEST IN THIS FUND.

FURTHER INFORMATION IN RELATION TO THE REGULATORY TREATMENT OF EXPERIENCED INVESTOR FUNDS IN GIBRALTAR MAY BE OBTAINED FROM THE GIBRALTAR FINANCIAL SERVICES COMMISSIONER.

No person is authorised to issue any advertisement, give any information or make any representation in connection with the offering, subscription or sale of Participation Shares if it is not contained in this document. Any advertisement so issued or information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Fund. The delivery of this document at any time and the allocation of Participation Shares do not imply that information contained in this document is correct at any time subsequent to its date.

Persons into whose possession this Private Placement Memorandum comes are required by the Fund to inform themselves about and to observe any such restrictions. This Private Placement Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to

whom it is unlawful to make such offer or solicitation. Participation Shares will not be offered to the general public.

THE SHARES OF THE FUND HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 AS AMENDED (THE "SECURITIES ACT") AND THE FUND HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940 AS AMENDED (TOGETHER WITH THE SECURITIES ACT, THE "ACTS"). SHARES MAY NOT BE AND WILL NOT BE OFFERED FOR SALE OR SOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE "UNITED STATES" OR TO A "U.S. PERSON" (BOTH AS DEFINED UNDER REGULATIONS OF THE SECURITIES ACT), EXCEPT IN A TRANSACTION WHICH DOES NOT VIOLATE THE ACTS.

Prospective investors should not construe the contents of this Private Placement Memorandum as legal, tax or financial advice. The Fund's assets and portfolio are subject to normal market fluctuations as well as the risks inherent in the investment instruments and assets described below and there can be no assurance that appreciation of the Fund's assets will occur or that losses will not be realised. Consequently, the value of Participation Shares may be subject to volatile movements and may fall as well as rise. Investment in Participation Shares should be considered speculative and suitable only for persons who can assume the risk of loss. Each prospective investor should consult his own professional advisers as to (a) the legal requirements within the country of his residence for the purchase, holding or disposal of participation shares, (b) any foreign exchange restrictions that may be relevant to him and the income and other tax consequences that may be relevant to the purchase, holding or disposal of participation shares in the Fund.

This Private Placement Memorandum is intended solely for the person to whom it has been delivered by the Fund for the purpose of evaluating a possible investment by the recipient in the Participation Shares, and it is not to be reproduced or distributed to any other persons (other than professional advisers of the prospective investor receiving this document from the Fund).

The value of any investment can go down as well as up and no representation is made as to any return that investors will earn on their investment in the Fund.

UNITED KINGDOM

For the purposes of UK legislation, this Memorandum is directed only at and may only be communicated to the following types of persons: (i) persons outside the United Kingdom, (ii) persons who have professional experience in matters relating to investments as defined in Article 19(5) Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) ("FPO"), (iii) persons who fall within Article 49(2)(a) to (d) FPO (high net worth companies, unincorporated associations etc.) and (iv) any other persons to whom it may otherwise lawfully be communicated (together, "Relevant Persons"). This Memorandum is exempt from the general restriction in section 21 of the Financial Services and Markets Act 2000 ("FSMA") on the communication of invitations or inducements to engage in investment activity on the grounds that it is a communication made to such Relevant Persons and it has not been approved by an authorized person, as would otherwise be required by section 21 of FSMA. Reliance on this Memorandum for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property invested. The contents of this Memorandum must not be acted on or relied upon by any persons who are not Relevant Persons. Any investment or investment activity to which this Memorandum relates is available only to Relevant Persons, and will be engaged in only with Relevant Persons.

SWITZERLAND

The Shares may only be offered, distributed and sold to "institutional investors with professional treasury department" by means of offering methods which are typical in this type of business (e.g. individual solicitation, road shows) within the meaning of Swiss investment fund legislation and as defined in Swiss Federal Banking Commission Circular 03/1 of May 28, 2003 (as amended on January 25/26, 2006) ("Circular"). According to the Circular (i) "Institutional investors" are banks and securities dealers, fund management companies, insurance companies, pension funds, public law entities and industrial and commercial undertakings; (ii) an institutional investor is deemed to have a "professional treasury department" ("*professionelle Tresorerie*") if it has appointed at least one person that is professionally qualified and experienced in finance to permanently manage its financial resources and (iii) high net worth individuals and independent asset managers are not considered to be institutional investors with a professional treasury department.

PART A

SUMMARY

This Summary should be read in conjunction with and is qualified in its entirety by reference to the information appearing in the main text of the Private Placement Memorandum and the documents described herein.

THE FUND

Aero Fund PCC Limited is a protected cell investment company incorporated in Gibraltar on the 8th January 2009 with registration number 101866. The Fund's legal status as a protected cell company means that the Directors may create separate classes of shares with differing investment objectives to which specific assets and liabilities are attributed (each, a "Cell"), as described below.

THE CELLS

Each Cell shall constitute a separate cell (a "Cell") with a separate class of shares under the Protected Cell Companies Act 2001 (the "PCC Act") of Gibraltar. Specific information relating to each Cell is detailed in Part B of this Private Placement Memorandum.

INVESTMENT OBJECTIVE

The investment objective and policy of each Cell is detailed in Part B of this Private Placement Memorandum.

SUBSCRIPTIONS

The Fund is offering redeemable preference shares (the "Participation Shares") for subscription in each Cell as set out in Part B hereof. Participation Shares may be issued and redeemed in each Cell based on the underlying net value of a Cell's assets. The Board of Directors reserves the right to vary any of the subscription requirements of the Fund.

REDEMPTIONS

The terms for the redemption of Participation Shares, in respect of each Cell are set out in Part B hereof. The Board of Directors reserves the right to vary any of the redemption requirements of the Fund.

DIVIDENDS

The dividend policy of each Cell is set out in Part B hereof.

ELIGIBLE INVESTORS

Participation Shares may be subscribed to only by experienced investors as defined under the Financial Services (Experienced Investor Funds) Regulations 2005. Experienced Investors are generally persons or entities whose business or profession includes dealing with investments or who have a net worth in excess of €1,000,000 or who invest a minimum of €100,000 or its equivalent in the Fund.

Notwithstanding the above, Participation Shares may generally not be subscribed to by investors who are U.S. Persons (as defined in this Private Placement Memorandum).

BOARD OF DIRECTORS	Facel Asset Management Company S.A, Ian Angus and Raymond Joubaud are the directors of the Fund.
INVESTMENT MANAGER	Huber & Co Limited has been appointed as Investment Manager of the Fund under the terms of an Investment Management agreement dated 1 st January 2011.
ADMINISTRATOR	Velay Financial Services Limited (the “Administrator”) has been appointed as administrator, under the terms of an Administrative Services Agreement dated on or about 21 st January 2009 (amended 1 st January 2011).
AUDITOR	Deloitte (Gibraltar) Limited accepted the appointment as the Fund’s auditor (the “Auditor”).
DEPOSITARY	The Fund has appointed Lombard Odier Darier Hentsch Private Bank Limited (“LODHPB”) as its Depositary under the terms of a Depositary Agreement dated 21 st January 2009 (amended 28th October 2009) except for the assets of Cell C which are invested in certificates of Chinese A-Shares and B-Shares.
TAXATION	The Fund will apply to the Commissioner of Income Tax for a certificate of exemption from income tax under the Income Tax (Allowances, Deductions and Exemptions) Rules, 1992.
CHANGES TO THE PRIVATE PLACEMENT MEMORANDUM	This Private Placement Memorandum (and any and all Part B thereof) may be amended and any such amendment will be notified in advance to the Financial Services Commission and thereafter to the Shareholders of the Fund. Neither the delivery of this document, nor the offer, issue or sale of Shares in the Fund shall under any circumstances constitute a representation that the affairs of the Fund have not changed since the date hereof.
FEES AND EXPENSES	<p><i>Initial Organisational Costs</i></p> <p>Initial organisation costs, did not exceed €50,000 and will be paid by the Fund and will be amortised over a period of 60 months. It is important to note that under International Financial Reporting Standards the amortisation of such costs are not allowed and such costs should be expensed in full in the audited financial statements of the Fund in order for the financial statements to be prepared in accordance with IFRS. The Directors acknowledge that amortising such costs are in line with industry practice.</p> <p><i>Directors Fees</i></p> <p>The aggregate director’s fees paid by the Fund to Ian Angus, Raymond Joubaud and Facel Asset Management S.A will be £15,000 per annum.</p>

Investment Manager Fees

Huber & Co Limited will receive management and performance fees in respect of each Cell, details of which are set out in Part B hereof.

Administration Fees

The Fund will pay Velay Financial Services Limited as the Administrator fees for each Cell as set out in Part B hereof.

Depository Fees

The Fund will pay Lombard Odier Darier Hentsch Private Bank Limited as Depository a fee as disclosed in Part B.

Legal, Audit and Other Expenses

The Fund will pay its own legal, audit and other expenses. These are estimated not to exceed €50,000 per annum. These expenses will be split between the Cells pro rata based on their net assets or otherwise as the directors may, in their absolute discretion determine.

Subscription and Redemption Fees

A Subscription Fee of 1% may be charged by the Administrator on behalf of Facel Asset Management Company S.A on subscription to the Fund. The Subscription Fee is based on the value of, and added to the purchase price of Participation Shares. Details of the Subscription Fee with respect to each Cell are listed in Part B of this Memorandum. Any fees may be retained by the Facel Asset Management Company S.A or split with any broker or other introducer introducing investors to the Fund.

A Redemption Fee of up to 1% may be charged by the Administrator on behalf of Facel Asset Management Company S.A on redeeming Participation Shares of the Company. The Redemption Fee is based on the value of, and subtracted from the redemption proceeds of Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction and other banking charges. Any rebates shall be for the benefit of the Fund and the relevant Cell.

Subscribers should consult their tax advisers as to their own tax position.

DEFINITIONS

"Business Day"	means any day, other than a Saturday or Sunday that is not a public holiday or a day on which banks are generally authorised or obliged by law or regulation to close in Gibraltar.
"Board" or "Directors"	means the board of directors of the Company, as shall be from time to time.
"Company" or "Fund"	means "Aero Fund PCC Limited", a Gibraltar protected cell company.
"Euro" or "€"	The lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated 25 th March 1957 (as amended by the Maastricht Treaty dated 7 th February 1992).
"Financial Services Commission" and/or "FSC"	means the Financial Services Commission, Gibraltar.
"Financial Year End"	means the 31 st of December each year.
"Net Asset Value"	means the net asset value of the relevant Cell as defined and determined in accordance with the section on Net Asset Valuations in Part B below.
"Net Asset Value per Share"	means the net asset value per share of the relevant Cell as defined and determined in accordance with the section on Net Asset Valuations in Part B below.
"Nominal Shares"	means the Shares in the Company to be issued by the Directors as nominal shares pursuant to the Articles of Association of the Company.
"Ordinary Shareholder(s)"	means the members registered as the holders of Ordinary Shares in the Company.
"Ordinary Shares"	means shares in the Fund issued by the Directors as ordinary shares under the Articles carrying an entitlement to vote at meetings of the Company
"Participation Shares"	means shares in the Fund issued as redeemable preference shares pursuant to the Articles and termed a Participation Share.
"PCC Act"	means the Protected Cell Companies Act 2001 of Gibraltar.
"GBP" or "£"	means the lawful currency of the United Kingdom.

"Redemption Fee"	means the fee, if any, charged to investors when they redeem Participation Shares in the Company and in a Cell, details of which are set out in Part B hereof.
"Redemption Notice"	means a written notice served on the Company by a holder of Participation Shares in which it requests to redeem all or part of its Participation Shares.
"Cell"	means the directors of the Company acting in relation to the cell
"Subscription Amount"	means in respect of each Participation Share the amount paid by a shareholder to acquire such share (less any Subscription Fee (as defined below)).
"Subscription Fee"	means the fee, if any, charged to investors when they subscribe for shares in the Company and in a Cell, details of which are set out in Part B hereof.

THE FUND

Aero Fund PCC Limited was incorporated on 8th January 2009 under the laws of Gibraltar as a private protected cell investment company with registration number 101866. It has its registered office and its principal business office at:

210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

The Fund is a protected cell company for the purposes of the PCC Act which means that under Gibraltar law the Directors may create separate classes of shares (each, a “Cell”) with differing investment objectives and to which specific assets and liabilities are attributed.

1. INVESTMENT OBJECTIVES, STRATEGY AND POLICY

The investment objective, strategy and policy of each Cell are detailed in Part B of this Private Placement Memorandum as relates to each specific cell.

The Directors may create new Cells with other investment objectives, through different cells, on terms to be disclosed at that time.

2. INVESTMENT GUIDELINES AND RESTRICTIONS

The investment guidelines and restrictions of each Cell are detailed in Part B of this Private Placement Memorandum as relates to each specific cell.

The Directors may create new Cells with other investment guidelines and restrictions, through different cells, on terms to be disclosed at that time.

RISK FACTORS

3. GENERAL RISK FACTORS

Subscribers who invest in Participation Shares of Aero Fund PCC Limited will be exposed to certain general risks associated with investing in a Gibraltar Experienced Investor Fund. Subscribers to Cell A, Cell B, Cell C or any other Cell established in the future will be exposed to the same general risks.

Specific Risk Factors associated with the underlying investments made by each specific Cell are set out in part B of this Private Placement Memorandum.

Investors will not have an opportunity to select or value any of the investments of each Cell. All Cell investments will be selected by the Directors or their advisers as described in the investment objectives, strategies and policies of each Cell and as set-out in Part B of this Private Placement Memorandum. The likelihood that investors will realize income or gain will depend on the skill and expertise of the Directors and the legal structure and operations it has created.

At any point in time, the Participation Shares may be worth less than the price paid for them. Investment in Participation Shares is intended only for, and limited to, the professional or sophisticated investor who can afford the risks inherent in this type of investment.

There may be a change in government regulation or policies which materially adversely affects the Fund's activities. This is true with respect both to the regulation and policies of the Government of Gibraltar as well as that of the governments of any countries where the Fund invests.

Prospective investors are recommended to review this Private Placement Memorandum in its entirety before deciding whether to invest in Participation Shares and should specifically consider the following general risks together with the specific ones associated with each Cell detailed in Part B hereof:

1. Investment in a Fund

The shares of the Fund have not been registered, listed or admitted to trade on any stock exchange nor is any such registration, admission or listing currently being contemplated.

2. Stock Market Fluctuations

General fluctuations in the prices of securities on the stock markets may affect the value of the investments held by the relevant Cell. In recent years, the securities markets have exhibited substantial volatility. The value of each Cell and the applicable Participation Shares can fall as well as rise, in line with the underlying portfolio, sometimes rapidly and unpredictably. In addition to market risk the said value may also move independently of the underlying assets due the legal structure, leverage and the track record and judgement of the Board of Directors.

3. Exchange rate

The Fund accepts subscriptions, pays redemptions and computes its Net Asset Values in the base currency of each Cell. However, many or all of the Fund's investments may be in instruments denominated in currencies other than in the base currency of the Cell. Accordingly, currency exchange rates are expected to play an important role in the Fund's

return to investors. A change in the value of currencies against the base currency of a Cell will result in a corresponding change in base currency value of the Fund's assets denominated in these currencies.

4. Regulatory supervision

The Fund and its Administrator are subject to the authority of the Financial Services Commission of Gibraltar (the "FSC"), but the Fund's investments are not monitored or supervised by the FSC or any other regulatory body (although if the Fund shall invest in listed companies such companies may be regulated by the local regulators). As an Experienced Investor Fund the Fund will provide annual audited accounts to the FSC and will comply with the relevant regulatory regime, details of which can be found at the FSC's website: www.fsc.gi.

5. Taxation

The Board of Directors will attempt to structure the Fund in a manner that is tax efficient. However, there can be no assurance that such structure will be tax efficient in general or for any particular investor or that any particular tax result will be achieved. In general, tax laws, treaties, rules and procedures are extremely complex and are subject to changes on a frequent basis, which in some cases may reduce existing tax benefits, and may also have a retroactive effect. Accordingly, each potential investor is urged to consult his, her or its own tax advisor regarding the applicability, effects and implications of the various tax laws with respect to the potential investor.

U.S. investors who are eligible to invest in the Fund (see Investors' Suitability for more details) should be aware that the Fund may be treated as a "passive foreign investment company" for U.S. federal income tax purposes and that they may be subject to adverse tax consequences. Potential U.S. purchasers should consult their own tax advisers regarding the potential tax consequences of an investment in the Participation Shares.

6. Reliance upon Directors

The success of the Fund will be dependent to a large extent upon the efforts and skills of the Directors, their associates and/or advisors.

7. Lack of Operating History

Although the Directors of the Fund are experienced investment professionals, it should be noted that the Fund is recently formed and has no operating history as such.

8. Substantial Expenses

The Fund and each Cell will pay various fees and other costs regardless of whether it is profitable. Each Cell must therefore generate significant net investment income in order to break even.

9. Effect of Redemption

If significant redemptions of Participation Shares are requested it may not be possible for a Cell to liquidate its investments at the fair value of the investments when the request for redemption is received, resulting in a decreased value of the investments.

10. Speculative Position Limits

Some exchanges have established speculative position limits, which govern the maximum position which any person may hold or control. It is possible that the Directors may have to modify trading strategies or liquidate positions in order to avoid exceeding the position limits. Such modification or liquidation, if required, could adversely affect the relevant Cell's objective to achieve capital appreciation.

11. Small Capitalisation Market Shares

The relevant Cell may invest in shares of companies and funds which are traded on small capitalisation markets. Investments in such companies involve substantial risks. There may not be a market for the shares in such companies and the relevant Cell may be required to hold its investment for a substantial period of time without there being any market for the investment and/or any prospect of realising the investment. In addition investment in small companies carries the additional risk that these companies may not have sufficient resources to successfully deliver on the strategies they may have undertaken.

12. Limited Liquidity/Redemptions

The shares of the relevant Cell are likely to be illiquid as there is no anticipated secondary market for such shares.

The Board may, in its absolute discretion, refuse to redeem any Participation Shares if in its opinion the relevant Cell does not have sufficient cash resources to complete the redemption (see "Redemption" below). This will restrict the ability of shareholders to redeem.

13. Emerging/Developing Country Risks

The relevant Cell may invest in certain emerging market countries which are more speculative in nature, are subject to greater market fluctuations and risk of loss than normally associated with investments in more developed and more politically and economically stable jurisdictions with more sophisticated capital markets and regulatory regimes, such as the United States and Western Europe.

14. Protected Cell Company

The Fund is a protected cell company for the purposes of the Protected Cell Companies Act 2001 (the "PCC Act") which means that under Gibraltar law, provided the conditions laid down in the PCC Act are complied with, assets attributable to each Cell of the Company shall only be available to creditors in respect of that cell and the assets of that cell shall be protected from creditors of the Company who are not creditors in respect of that cell. Potential investors should be aware that the segregation of assets and liabilities in this manner under Gibraltar law might not necessarily be recognised in jurisdictions where the Company's assets are located.

15. Forward Looking Statements

Certain statements in the Private Placement Memorandum constitute "forward-looking statements". When used in this Private Placement Memorandum or in any marketing material, the words "project," "anticipate," "believe," "estimate," "expect," and similar expressions are generally intended to identify forward-looking statements. Such forward-

looking statements, including the intended actions and performance objectives for the Fund, involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Fund to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements in this Private Placement Memorandum or in any Marketing Material speak only as of the date hereof. The Fund and the Board of Directors expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

16. Loss of Investment

Any investment may not perform as well as forecast, either because of changes in the economic climate or otherwise, resulting in the total loss of the Fund's investment.

17. Political, Economical and Environmental Risks

The Net Asset Value of the Fund may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, taxation and interest rates, acts of god, war or acts of terror and other political and economic developments in law or regulations and, in particular, the risk of, and change in, legislation relating to the level of foreign ownership of a project.

18. Gibraltar Investor Compensation Scheme

Investors in Gibraltar Experienced Investor Funds are not protected under the provisions of the Financial Services (Investor Compensation Scheme) Act 2002 and are therefore not entitled to recover losses.

19. Counterparty Risk

Any monies or assets held by counterparty on behalf of the Fund may be at risk and be unrecoverable if the counterparty defaults.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING. ADDITIONAL RISK FACTORS IN RELATION TO A PARTICULAR CELL ARE DETAILED IN THE APPLICABLE PART B OF THIS PRIVATE PLACEMENT MEMORANDUM. PROSPECTIVE INVESTORS SHOULD READ THIS ENTIRE MEMORANDUM AND CONSULT WITH THEIR PROFESSIONAL ADVISERS BEFORE DETERMINING WHETHER TO INVEST IN THE COMPANY.

MANAGEMENT

4. BOARD OF DIRECTORS

The Directors of the Fund have overall authority over, and responsibility for, the operations and management of the Fund and each Cell, pursuant to Directors Service Agreements between the Directors and the Fund dated on 21st January 2009 and 1st January 2011.

The Directors directly, or through advisers, may provide all investment management services which may be required for the Fund's operations or may decide to appoint an investment manager to manage the investments of a particular Cell. The Directors are required to ensure compliance by the Fund with all laws and regulations that are applicable to it.

The Board of Directors will meet at least every quarter to review the investment and administrative affairs of the Fund.

The Board of Directors shall only adopt material changes to any Cell's investment policies, investment restrictions and operating and valuation policies after obtaining the consent of the holders of the majority of the issued Ordinary Shares (through the passing of an ordinary resolution of the Ordinary Shares), and following a 30 day prior notice to the holders of Participation Shares.

The members of the Board of Directors are elected by the holders of the majority (in nominal value) of the Ordinary Shares of the Fund by an ordinary resolution to serve for an indefinite term. The Directors also have the power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. The members of the Board of Directors will serve until their resignation, incapacity, death or removal. Directors may only be removed from office by extraordinary resolution of the holders of the majority of the Ordinary Shares, as described in the Articles.

Currently, the Board of Directors is comprised of the following:

FACEL ASSET MANAGEMENT COMPANY S.A.

Facel Asset Management Company S.A is a company incorporated on 4th September 2008 in the Republic of Panama.

RAYMOND JOUBAUD

Mr. Joubaud joined consulting firm Cap Gemini Sogeti, Switzerland, in October 1969 where he was responsible for the design and implementation of computer systems for financial institutions until June 1974. From July 1974 to June 1995 Mr. Joubaud worked for Lombard Odier & Cie in Geneva, Switzerland. He was appointed Senior Vice President with responsibility for development and co-ordination of offshore trusts and banking affiliates of Lombard Odier & CIE in July 1992 where he served until June 1995. In June 1995 Mr. Joubaud was appointed Chief Executive Officer of Lombard Odier Darier Hentsch Private Bank Limited (Gibraltar). He was awarded an MBA from the University of Chicago in March 1996. Since July 1998 Mr. Joubaud has served as Director of Velay Financial Services Ltd. Mr. Joubaud also holds several executive and non-executive directorships including several hedge funds. Mr. Joubaud is a founding member of the Gibraltar Fund and Investment Association.

IAN ANGUS

Ian was senior partner of PwC Gibraltar for 10 years until his retirement in 2005. He is a fellow of the Institute of Chartered Accountants in England and Wales and a member of the Instituto de Auditores Censores Jurados de Cuentas de Espana. Ian has in-depth experience of serving both national and multinational clients in a very wide variety of industries in 5 European countries, where he has developed his fluency in French, Spanish and Italian. He is consulting editor of the Multilingual Dictionary of Financial Reporting (London 1994) and of the Diccionario de Informes Financieros (Bilbao 1983 and 1989). Ian has also been a member from its formation in 1990 until 2005 of the Spanish State Auditing Standards Board and of the accounting and auditing technical committees of the REA (Registro de Economistas-Auditores) and the IACJCE.

5. INVESTMENT MANAGER

Huber & Co Limited has been appointed by the Fund to provide investment management services to the Fund and its subsequent Cells under the terms of an investment management agreement dated 1st January 2011.

Huber & Co Limited is a Gibraltar company which was licensed in April 2010 by the Gibraltar Financial Services Commission as a Category 3 investment manager. Huber & Co Limited offers investment management and advisory services to institutions and private clients.

6. DEPOSITARY

Pursuant to a Depositary Agreement dated 21st January 2009 (amended on 28th October 2009), the Fund has appointed Lombard Odier Darier Hentsch Private Bank Limited (hereinafter “LODHPB”) as its depositary for the Fund and the Cells assets except for the assets of Cell C which are invested in certificates of Chinese A-Shares and B-Shares.

LODHPB will provide Safe Custody services to the Fund subject to the terms of the Depositary Agreement. According to the Depositary Agreement, LODHPB as a Depositary shall only be liable for the safekeeping of the Fund's assets held by it and will have no other duties or responsibilities relating to the Fund. The Depositary will not act as sponsor, promoter, director(s), adviser, administrator. The Depositary agreement makes no provision for other services provided to the Fund.

In addition to the Depositary services mentioned in this Agreement, LODHPB may provide other banking facilities to the Fund, such as but not limited to, the placement of cash in bank deposits, brokerage services, foreign exchange dealings and securities lending facilities. However, such other banking facilities, if offered by LODHPB, will not be regulated by the Depositary Agreement and will be regulated by the Account Opening Documents (hereinafter “AOD”) of LODHPB or by specific agreement(s) entered into between LODHPB and the Fund.

The Depositary shall not supervise, control or assume any responsibility for the activities of the directors, the Fund, the Administrator or any other services provider to the Fund. The Depositary will not monitor the investment management activities or investment strategies of the Fund nor compliance of investments with the Memorandum, the Fund's investment policy, restrictions or other investment guidelines applicable to the assets of the Fund. The Depositary will not be involved in the management, administration or Net Asset Value calculation of the Fund, nor will it monitor compliance with the Memorandum of such valuation or of the net asset value calculation of the Fund's shares or of the calculation of the prices at which any shares of the Fund are allotted,

issued or redeemed. Potential investors should not rely upon the Depositary in deciding whether or not to invest in the Fund.

Under the Depositary Agreement, the Fund will indemnify and hold the Depositary harmless against all actions, proceedings, claims, costs, charges, demands, outstanding liabilities or commitments which may be incurred by the Depositary in connection with the performance of its obligations unless the Depositary is in wilful default of its duties under the terms of the Depositary Agreement.

The Depositary shall be entitled to have recourse to the assets of one cell of the Fund, including the right to sell or otherwise dispose of the assets of the cell of the Fund held by the Depositary, and appropriate all or part of the cash proceeds thereof with a view to meeting and discharging the cost of any indemnity to which it is entitled under the provisions of the Depositary Agreement or at law or otherwise. The right to sell or dispose of assets shall be limited to assets within individual cells”

7. ADMINISTRATOR

The Fund has appointed Velay Financial Services Limited as the administrator of the Fund. Velay Financial Services Limited was incorporated in Gibraltar on the 6th March 1998. Its registration number is 64204. It's Registered Office and operating address is at 210 Neptune House, P.O. Box 300, Marina Bay, Gibraltar.

Pursuant to an Administrative Services Agreement dated on or about 21st January 2009 (amended 1st January 2011) between the Administrator and the Fund, the Administrator will be responsible, among other things, for the following matters, under the general supervision of the Board:

- Communicating with shareholders;
- Maintaining the Fund's share register in coordination with the Company Secretary;
- Processing subscriptions and redemptions;
- Maintaining the Fund's financial and accounting records;
- Calculating the Net Asset Values;
- Preparing accounting records;
- Arranging for the provision of accounting, clerical and administrative services.

The Fund may remove the Administrator in accordance with the terms of the Administrative Services Agreement.

8. AUDITOR

The Fund has appointed Deloitte (Gibraltar) Limited as the Fund's initial auditor. At each Annual General Meeting the Company shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.

The Auditor may be removed by the Directors in accordance with terms of their agreement with the Fund.

The Directors may fill any casual vacancy in the office of Auditors but while any such vacancy continues the surviving or continuing Auditors if any may act.

9. COMPANY SECRETARY

Velay Financial Services Limited has agreed, pursuant to the Secretarial Services Agreement dated on or about 21st January 2009 (amended 1st January 2011), to act as Company Secretary. The Secretary may be removed in accordance with the terms of the Secretarial Services Agreement.

10. BROKERS

The Fund may appoint brokers through which it will transact its trades. Agreements will be entered into on the Brokers' standard terms and conditions of appointment and the Fund will be able to remove the Broker in accordance with such agreements.

11. INVESTMENT ADVISORS

The Fund may appoint investment advisors in relation to an individual cell to advise on its trades. Investment Agreements will be entered into whereby Fund will be able to remove the investment advisors in accordance with such agreements.

FEES AND EXPENSES

12. ORGANISATION COSTS

Costs and expenses associated with the initial organisation of the Fund, including government incorporation charges and professional fees and expenses in connection with the preparation of the Fund's information documents, and the preparation of its corporate documents and contracts, did not exceed €50,000 and were paid by the Fund out of the initial proceeds of the offering of the Fund's shares. Such organisational costs and expenses will be amortised by the Fund over a period of 60 months

13. FEES OF THE DIRECTORS

The Fund will pay aggregate directors fees to Ian Angus, Raymond Joubaud and Facel Asset Management Company S.A of £15,000 per annum. These fees will be reviewed on an annual basis. These fees will be accrued monthly and paid annually in advance.

14. FEES OF THE INVESTMENT MANAGER

The Fund will pay fees based on management and performance to Huber & Co Limited for the provision of investment management services to each of the Cells of the Fund. These fees will be paid by each individual Cell and are set-out in Part B.

15. FEES OF THE ADMINISTRATOR

A one-off set-up fee of €3000 was paid by the Fund to the Administrator to review the Private Placement Memorandum and the service provider contracts. This was included in the organisation costs of the Fund.

The Fund will pay administration fees for each Cell as set out in Part B.

16. FEES OF THE DEPOSITARY

The Fund will pay depositary fee for each Cell as set out in Part B.

17. FEES OF THE COMPANY SECRETARY

The Fund will pay the Company Secretary a fee for each Cell as set out in Part B.

Disbursements and "out of pocket expenses" such as telecommunication, fax, mail and office costs are charged separately.

18. OTHER OPERATING EXPENSES

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

The Fund, or, in the discretion of the Directors, the relevant Cell, will bear all other expenses incidental to its operations and business, including:

- i. Bankers' transfer fees;
- ii. Brokerage commissions;
- iii. Fees of the Fund's legal advisers and the auditors;
- iv. Any income tax, withholding taxes, transfer taxes and other governmental charges and duties occurring for the Fund; and
- v. The costs of printing and distributing any prospectuses, reports as well as notices to the shareholders.

The Fund's legal, audit and other running expenses are estimated not to exceed €50,000 per annum. These expenses will be split between the Cells pro rata based on their net assets or otherwise as the directors may, in their absolute discretion determine.

19. TRANSACTIONAL COSTS

For its trading activities, the Fund may use the services of one or more brokerage firms to execute and clear its transactions and to carry its accounts. The Directors will select the brokers for the Fund and will negotiate fees and commissions. The Fund will pay all expenses incurred in connection with its trading and investment activities, including but not limited to all execution, other transaction costs and expenses, custody expenses and all other related expenses and costs.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction. Any rebates received shall be for the benefit of the Fund.

20. DIVISION OF FEES BETWEEN CELLS

The fees payable to the Directors and Auditor shall be split between the Cells on a pro-rata proportional basis, unless due to special circumstances the Directors shall, in their absolute discretion, determine that a different allocation is fair and reasonable.

The fees payable to the Investment Manager, Administrator, Company Secretarial and Depositary shall be paid separately by each Cell as set out in Part B.

SHAREHOLDERS RIGHTS, SUBSCRIPTIONS AND REDEMPTIONS

The rights and obligations of the holders of Participating Shares are governed by the Articles of Association. Prospective investors should examine the documents carefully and consult with their own legal counsel concerning their rights and obligations before subscribing for Participating Shares. Copies of the Articles are available for inspection by an interested investor at the Administrator's office during normal business hours on any Business Day. The following statements and other statements in this Memorandum concerning the Articles of Association and related matters are only a summary, do not purport to be complete, and in no way modify or amend the Articles.

21. SHARE CAPITAL AND VOTING RIGHTS

Characteristics of shares

Subject to restrictions contained in the Gibraltar Companies Acts, the Articles and as set out in this Memorandum, all authorised but unissued shares in the share capital of the Company are under the control of the Directors who may (without prejudice to any special rights for the time being conferred on the holders of any shares or class of shares in the Company), allot and dispose of, or grant options over the shares, to such persons on such terms (and with such rights or restrictions whether in regard to dividend, return of capital, voting or otherwise as the Company may determine) and in such manner as the Directors think fit.

The Fund has an authorised share capital of €21,000 divided into:

- a) 2,000,000 Class A Participation Shares ("Cell A Participation Shares") of €0.001;
- b) 2,000,000 Class B Participation Shares ("Cell B Participation Shares") of €0.001;
- c) 2,000,000 Class C Participation Shares ("Cell C Participation Shares") of €0.001;
- d) 2,000,000 Class D Participation Shares ("Cell D Participation Shares") of €0.001;
- e) 2,000,000 Class E Participation Shares ("Cell E Participation Shares") of €0.001;
- f) 10,000,000 Nominal Shares of €0.001 (collectively "Nominal Shares"), each which may be issued as separate classes of Nominal Shares;
- g) 1000 Ordinary Shares of €1 each (the "Ordinary Shares").

Participation Shares - Each class of Participation Share shall be constituted as a separate cell for the purposes of the PCC Act. In the event of a winding-up of the Cell, each Participation Share carries an entitlement, with respect to the assets of the Cell in which it has been constituted, to a return of the nominal capital paid up in respect of each share in priority to the repayment of the nominal capital paid up on the Nominal and Ordinary Shares. Only Participation Shares carry the right to share in surplus assets legally available for distribution.

Save as provided herein and in the Articles of Association of the Company, Participation Shares of the same class issued in respect of a Cell shall rank *pari passu* in all respects. However, as set out in the Articles, separate classes of Participation Shares may have different rights as to redemptions

and distributions, in accordance with the applicable Cells. Further details as to the Subscription and Redemption policies of each Cell are set out in Part B below.

The holders of Participation Shares are not entitled to be invited to, participate in or vote at any General Meetings of the Company, except in a meeting on a resolution to change the Memorandum and Articles of Association of the Company so far as such a change adversely affects the rights and obligations of the respective class of share, or at separate class meetings of the holders of the relevant Participation Share or any class thereof.

The rights of Participation Shares are deemed not to be varied by (a) the creation of a new Cell, the issue or redemption of any other Participation Shares within the same Cell or other Cells, in accordance with the Articles; (b) a reduction of issued share capital of any class of Shares (other than the affected Class); (c) the exercise by the Directors of their discretion under the Articles or, if the Company should be wound up, the exercise by the liquidator of their powers under the Articles; (d) the payment of a dividend on other class of Participation Shares; (e) the removal and appointment of an investment manager or (f) the removal and appointment of any Director.

If at any time the Participation Shares in issue are divided into separate classes, different amounts of dividends may be payable in respect of the separate classes. No dividend shall be declared or paid other than from the profits or gains of the relevant Cell.

Ordinary Shares - The Ordinary Shares shall have voting rights but shall not participate in any profit or distribution of the Fund that is attributable to any of the Cells (save for the repayment of the nominal amount paid up on them in the event of liquidation of the Company). All Ordinary Shares will be owned by the Facel Asset Management Company S.A

Nominal Shares - Nominal Shares are required in order to maintain the same issued share capital of the Fund following the redemption of Participation Shares. In order to allow such redemption without reducing the Fund's issued share capital, Nominal Shares will be issued at par to the Administrator allowing the redemption of the Participation Shares after set-off of such nominal amount from the redemption proceeds. Nominal Shares shall have no voting rights except on a resolution to wind up the Fund and shall not participate in any profit or distribution of the Fund (except the repayment of the amount paid up on the Nominal Shares in the event of liquidation of the Cell or the Fund).

All Classes of Shares. All shares are, when issued, shall be fully paid and non-assessable. No shares have pre-emptive, conversion, exchange or other rights or privileges, save as set out in the Memorandum and Articles of Association of the Fund.

The Company shall hold its Annual General Meeting each year in addition to any other meeting which may be called in that year. Such meetings may be held at such time and place as may be determined by the Directors.

The Directors may at any time convene a separate meeting of any class of holders of Shares. A separate meeting of any class may also be convened by such requisitionists as provided in section 159 of the Companies Act. Notices of every general meeting of the Fund shall be given in the manner authorised in the Articles to every member. The Articles provide further details of the manner in which meetings of the Fund will be held.

No shareholders of any class have rights in respect of any specific property or assets of the Company or of any Cell. No shareholders, for example, have any right to vote at any meeting called by a company or other vehicle whose securities or interests are owned by the Cell in question or by the Company.

Shareholders are not directly liable for the debts of the Company, and are not obliged to contribute towards the assets of the Company (or of any Cell) in any amount in excess of the price which they have agreed to pay for their shares and have not done so yet.

Protected Cell Company - The Company is a protected cell company for the purposes of the PCC Act, which means that under Gibraltar law, provided the conditions laid down in the PCC Act are complied with, assets attributable to each Cell of the Company shall only be available to creditors in respect of that Cell and shall be protected from creditors of the Company who are not creditors in respect of that Cell. However, potential investors should note that the Company and the Cells are one legal entity and assets and property in the Cells are legally the property of the Company; therefore the segregation of assets and liabilities in the manner set forth above under Gibraltar law might not necessarily be recognised in jurisdictions where the Company's assets are located and a Cell's assets may be subject to attack by any third party.

22. SUBSCRIPTIONS

Participation Shares will be available for subscription in each Cell as set out in Part B hereof.

The minimum initial subscription that will be accepted from a new investor in the Fund will be €100,000 or its equivalent. The Board reserves the right to alter the above-mentioned minimum subscription requirements and any other subscription requirements at its absolute discretion. The Board also reserves the right to receive tradable securities in lieu of or in addition to cash for payment of Subscription monies. The Directors, on the recommendation of the Administrator, shall determine the cash value of any such *in specie* subscription as at the Valuation Date.

The Board may, on an exceptional basis and provided that it is satisfied, at its sole discretion, that the terms of any such subscription would be for the benefit of the remaining Shareholders, elect that instead of subscribing for Participating Shares in cash, the subscription shall be made *in specie* by the transfer to the applicable Cell of certain investments, provided that:

- (a) in the case of a person who is not an existing Shareholder no Participating Shares shall be issued until the person concerned shall have completed and delivered to the Administrator the Subscription Agreement required under this Memorandum (or otherwise) and/or otherwise satisfied all the requirements of the Directors and Administrator as to such person's application;
- (b) the nature of the investments transferred into the Cell are such as would qualify as investments of such Cell in accordance with the investment objectives, policies and restrictions of such Cell;
- (c) no Participating Shares shall be issued until the investments shall have been vested in the Depositary to the Depositary's satisfaction; and
- (d) any exchange shall be effected upon the terms (including provision for paying any expenses of exchange and any preliminary charge as would have been payable for Participating Shares issued for cash) that the number of Participating Shares issued shall not exceed the number which would have been issued for cash against payment of a sum equal to the value of the investments concerned calculated in accordance with the procedures for the valuation of the assets of the Fund. Such sum may be increased by such amount as the Directors may consider represents an appropriate provision for duties and charges which would have been incurred by the Fund in the acquisition of the investments by purchase for cash or decreased by such amount as the Directors may consider represents any duties or charges to be paid to the Fund as a result of the direct acquisition by the Fund of the investments.

Subscription Amounts and relevant documentation should be received at least two Business Days prior to the relevant Subscription Day. The acceptance of subscriptions is subject to confirmation of

the prior receipt of cleared funds credited to the Cell's subscription account with the Depository. The Board reserves the right to reject subscriptions in its absolute discretion. Any interest earned by the Fund on Subscription Amounts will be for the benefit of the applicable Cell and the subscriber shall have no right to receive interest or other sums from the Cell in respect of such sums.

A Subscription Fee of 1% may be charged by the Administrator on subscription to the Fund. The Subscription Fee is based on the Subscription Amount and shall be deducted from the Subscription Amounts received by the Fund.

23. REDEMPTIONS

Detailed description of the manner and terms for the redemption of Participation Shares in respect of each Sub Fund/Cell are set out in Part B hereof.

The Directors may, in their absolute discretion refuse to redeem any Participation Shares if in their opinion the respective Cell does not have sufficient cash resources to complete the redemption and/or in the event the Directors believe that such an action will be materially detrimental to the remaining investors, as described in "suspension of redemption" below. The Directors will notify the shareholder of such refusal. The Directors shall not be required to sell any assets or borrow any monies to obtain the resources to redeem any Participation Shares. If the Company does not complete the redemption on the first Redemption Day requested then the Redemption Notice shall be deemed withdrawn by the member who shall be required to submit a new Redemption Notice in order to redeem the shares.

Save if allowed in relation to a Cell, a partial redemption request for an amount of less than €10,000 or equivalent will not be accepted. The Board has the right to require the compulsory redemption of all Participation Shares held by a shareholder who is a U.S. Person (see "Investor Suitability"), or otherwise, at its sole discretion. Any such compulsory redemption will be made at the Net Asset Value per Share on the Valuation Day next following the issuance of a notice of redemption to the shareholder.

Save if otherwise decided in relation to a Cell, the redemption price is equal to the Net Asset Value of the applicable Participation Shares of the Cell at the relevant Redemption Day (see "Net Asset Valuation").

The Board may, on an exceptional basis and provided that it is satisfied, at its sole discretion, that the terms of any such exchange would be for the benefit of the remaining Shareholders and with the agreement of a Shareholder seeking the realisation of Participating Shares in any Fund, elect that instead of the Participating Shares being redeemed in cash, the redemption shall be satisfied *in specie* by the transfer to the Shareholder a portion of the underlying investments which equal to an amount not exceeding the amount which otherwise would have been payable on a cash redemption. The shortfall (if any) between the value of the investments transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption shall be satisfied in cash.

If the discretion conferred upon the Board by the above paragraph is exercised, the Board shall notify the Depository and shall supply to the Depository particulars of the investments to be transferred and the amount of cash to be paid to the Shareholder. All stamp duties, transfer and registration fees in respect of such transfers shall be payable by the Shareholder.

The redemption proceeds will be normally remitted within five Business Days, unless otherwise specified in Part B hereto, after the approval by the Board of the relevant Net Asset Value on the

Valuation Day on which the redemption is based, without interest for the period from this date to the payment date.

The proceeds of the redemption will be retained and held by the Fund in its bank account in trust for the relevant shareholder (but without interest or further obligation whatsoever), and will be paid against surrender of the certificate or certificates (if issued) representing the Participation Shares previously held by such person or the proffering of such other evidence as to title as the Directors may require. In the normal course of events, the Fund or its service providers will retain all share certificates at the time of issue or transfer of Participation Shares in order to assist in the redemption procedure.

Redemption payments will be made in the base currency of the Cell and will be remitted to the shareholder by wire transfer to such account as specified by the shareholder in his Redemption Notice.

The Board reserves the right to vary any of the redemption requirements of the Fund.

24. SUSPENSION OF REDEMPTIONS AND SALE

The Board may suspend the calculation of the Net Asset Value of the Participation Shares and consequently may suspend the sale of Participation Shares and the right of shareholders to require the Fund to redeem Participation Shares, and/or in their discretion refuse to redeem Participation Shares in any of the following events:

- a) When any securities exchange or organised inter-dealer market on which a significant portion of a Cell's assets is regularly quoted or traded is closed (other than for holidays) or trading thereon has been restricted or suspended;
- b) When as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund, disposal of the assets of a Cell is not reasonable or normally practicable without being seriously detrimental to shareholders' interests;
- c) If it is not reasonably practicable to determine the Net Asset Value of the Participation Shares on an accurate and timely basis;
- d) If, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of a Cell are rendered impracticable or if purchases and sales of a Cell's assets cannot be effected at normal rates of exchange;
- e) Upon the decision to liquidate and dissolve the Fund or any Cell; or
- f) In the event the Directors deem such action will be materially detrimental to the remaining investors.

25. NET ASSET VALUATIONS

The value of the assets and liabilities attributable to classes of Participation Shares and the method of valuation of such assets and liabilities shall be determined by the Directors.

In accordance with the Fund's Memorandum and Articles of Association Net Asset valuations in respect of each Cell will be calculated by the Administrator at the close of business in Gibraltar on each Valuation Day, based on the guidelines set forth herein and as determined by the Board which may consult with and rely on the advice of the Administrator and/or the Auditors, and shall be approved by the Board. Normally the Valuation Day will be the last Business Day of each calendar month, as described in Part B; however, the Board, at its discretion, may determine any other day as being the Valuation Day.

Net Asset Value calculations are determined in the following manner:

(a) Aggregate Net Asset Value

The Aggregate Net Asset Value of the relevant Cell at a particular Valuation Day is computed by subtracting from the total value of the assets attributable to the Cell an amount equal to all liabilities and contingencies for which the Administrator determines that reserves or accruals should be made.

(b) Net Asset Value per Share

The Net Asset Value per Share on any Valuation Day is equal to the Aggregate Net Asset Value of the relevant Cell divided by the total number of Participation Shares outstanding in respect of such Cell on the Valuation Day, calculated prior to the recording of issuances and redemption of Participation Shares requests for which have been delivered effective as of that date. The Net Asset Value per Share will be rounded to two decimal places.

(c) Methods of Valuation

Calculations are made by the Administrator as set out herein in accordance with international accounting standards, including provision for proper accruals and reserves.

Equities are valued on the Valuation Day at the last traded price on the principal exchanges on which the equities are traded. For derivatives and long option positions, the Net Asset Value will be calculated based on the closing price for the relevant day. For short option positions, the Net Asset Value will be calculated based on the closing price for the relevant day. For bonds, both long and short, the Net Asset Value will be calculated based on the last reported bid or ask price on Bloomberg or such other reputable reporting agency.

If an investment is quoted, listed or normally dealt in on more than one regulated market, the Directors may, in their absolute discretion, select any one of such markets for the foregoing purposes (provided that the Directors have determined that such market constitutes the main market for such investment or provides the fairest criteria for valuing such securities) and once selected a market shall be used for future calculations of the Net Asset Value unless the Directors otherwise determine.

(d) Foreign Exchange Rates

The Fund's accounts are maintained in EUROS and the accounts for each of the Cells are maintained in the base currency of that Cell. Assets and liabilities denominated in other currencies are translated at the rate of exchange in effect at the relevant Valuation Day and translation adjustments are reflected in the results of operations. Portfolio transactions and income and expenses are translated at the rates of exchange in effect at the time of each transaction.

26. REGISTRATION AND TRANSFER OF SHARES

The Fund will maintain a current list of the registered names and addresses of the Fund's shareholders at the registered office of the Fund in Gibraltar.

Share certificates representing Participation Shares (if such certificates were issued) will be held by the Administrator in trust for the shareholders, unless an original share certificate has been specifically requested by the shareholder.

Transfers of Participation Shares can only take effect by serving upon the Fund an instrument of transfer signed by or on behalf of the transferor and the transferee. In the event that any share certificates in respect of Participation Shares which are to be transferred are held by investors, those share certificates must be endorsed by the shareholder and returned to the Fund.

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

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

The Participation Shares are not listed nor proposed to be listed on any securities exchange. As of the date of this Private Placement Memorandum it is not anticipated that there will be any secondary market for trading in the Participation Shares.

Participation Shares may not be transferred to any U.S. Person.

27. DIVIDEND POLICY

The dividend policy of each Cell is set out in Part B of this Private Placement Memorandum.

28. INVESTOR SUITABILITY

Experienced Investors

The Fund is an Experienced Investor Fund as defined under the Financial Services (Experienced Investor Funds) Regulations, 2005 (the "Experienced Investor Regulations"). Participation Shares may be subscribed to only by experienced investors as defined under the Experienced Investor Regulations.

An experienced investor is generally -

- (a) a person or partnership whose ordinary business or professional activity includes, or it is reasonable to expect that it includes, acquiring, underwriting, managing, holding or disposing of investments, whether as principal or agent, or the giving of advice concerning investments;

- (b) a body corporate which has net assets in excess of €1,000,000 or which is part of a group which has net assets in excess of €1,000,000;
- (c) an unincorporated association which has net assets in excess of €1,000,000;
- (d) the trustee of a trust where the aggregate value of the cash and investments which form part of the trust's assets is in excess of €1,000,000;
- (e) an individual whose net worth, or joint net worth with that person's spouse, is greater than €1,000,000, excluding that person's principal place of residence; or
- (f) a participant who invests a minimum of €100,000 in the Fund.

Non-US Investors

Each prospective investor will be required to certify that the Participation Shares are not being acquired directly or indirectly for the account or benefit of a U.S. Person. "U.S. Person" means:

- i. Any natural person resident in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (collectively referred to herein as the "United States");
- ii. Any partnership or corporation organized or incorporated under the laws of the United States;
- iii. Any estate of which any executor or administrator is a U.S. person;
- iv. Any trust of which any trustee is a U.S. person;
- v. Any agency or branch of a foreign entity located in the United States;
- vi. Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- vii. Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- viii. Any partnership or corporation if:
 - A. Organized or incorporated under the laws of any foreign jurisdiction; and
 - B. Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts.

PROVIDED THAT a person or entity shall not be considered a U.S. Person if he or she or it qualifies under any exemption in the Securities Act.

Each prospective investor will be required to certify that the Participation Shares are not being acquired directly or indirectly for the account or benefit of a politically exposed person such as a senior political figure or the spouse or associate of a senior political figure, unless the Directors decide otherwise, or a person on any European Union, United States of America, Swiss or UK Foreign Office Money Laundering or Terrorism "Watch List".

It is the responsibility of each investor to verify that the purchase of and payment for the Participation Shares is in compliance with all relevant laws of the investor's jurisdiction of residence.

29. GIBRALTAR LEGAL AND ANTI-MONEY LAUNDERING REQUIREMENTS

As part of the Fund's responsibility for the prevention of money laundering and protection of the investor, the Fund shall require a detailed verification of an investor's identity and origin of their investment funds, and is required to document the investment objectives, financial situation, knowledge and experience of the investor as follows:

An individual shall be required to produce a copy of a passport and a copy of an identification card and proof of residence certified by a lawyer, accountant, or banker. The Fund may require that such document be certified by a notary public.

In the case of corporate applicants, they may be required to produce a certified copy of the certificate of incorporation (and any change of name), Memorandum and Articles of Association (or equivalent), the names, occupations, nationality, dates of birth and current residential and business addresses of all directors, shareholders and beneficial owners, along with certified copies of a passport or ID card and proof of residence as detailed for individual investors.

The Administrator may request an investor to produce a letter of reference from a banker, lawyer or accountant in the attached format. Please note the different formats for individual and corporate investors.

An individual shall be required to complete a Subscription form detailing their investment objectives, their financial situation (including origin of funds and expected activity on the account) and their knowledge and experience of financial investments.

In the case of corporate applicants, they shall be required to complete a Subscription form detailing (for their beneficial owners) their investment objectives, their financial situation (including origin of funds and expected activity on the account) and their knowledge and experience of financial investments.

The Fund or the Depositary reserves the right to request such information as is necessary to verify the identity of an applicant, origin of funds and appropriateness of the investment. In the event of delay or failure by the applicant to produce any information required for verification and protection of investor purposes, the Fund may refuse to accept the application and the subscription monies relating thereto.

Any information supplied to the Fund will, subject to any legal restrictions, be made available by the Fund to the Administrator and Depositaries.

30. DATA PROTECTION

As part of the application process all subscribers are required to submit various documents to the Administrator. These are required to enable completion of the application process and to comply with all relevant legislation. Any information received will be kept by the Administrator in accordance with any applicable Data Protection legislation and, in the normal course of business, will not be made available to anyone other than the Administrator and the Company.

However, it may become necessary to transfer data at any time to comply with legislation in force either now or at any time in the future (see under ‘Anti Money Laundering Legislation’ for further details). Further, should the administrative functions, in whole or in part, be transferred to another entity, data will be transferred to the extent necessary for such new entity to carry out its functions effectively.

By subscribing to the Fund all subscribers should note the above, and also note that, by completion of the application form, they are agreeing to any transfer of data carried out for any of the reasons given above, or for any reason that the Administrator deems necessary to comply with legislation in force at the time.

Further, the subscribers, the Company and its service providers consent that any and all data required by the Administrator (in its capacity as such or in its capacity as Registrar or Company Secretary) in exercise of its duties on behalf of the Company may be transferred to and/or from the Administrator (in its capacity as such or in its capacity as Registrar or Company Secretary) in accordance with any applicable data protection legislation.

TAXATION

The following is a summary of certain material Gibraltar tax consequences to purchasers of Participation Shares. This summary does not discuss all the aspects of Gibraltar tax law that may be relevant to a particular investor in light of his or her personal investment circumstances or to some types of investors subject to special treatment under Gibraltar law. To the extent that the discussion is based on new tax legislation that has not been subject to judicial or administrative interpretation, we cannot assure you that the tax authorities will accept the views expressed in the discussion in question. The discussion is not intended, and should not be taken, as legal or professional tax advice and is not exhaustive of all possible tax considerations. In addition, the tax discussion herein assumes that the Fund will not conduct its business in Gibraltar or with Gibraltarians.

31. THE FUND

The affairs of the Company and its Cells will be managed so as to minimise the possibility of any tax liability arising in Gibraltar. There can be no assurance that all potential tax liability will be fully eliminated.

The Fund will apply to the Commissioner of Income Tax for a certificate of exemption from income tax under the Income Tax (Allowances, Deductions and Exemptions) Rules, 1992. There can be no assurance that the Fund will obtain an exemption certificate.

However, even if the Fund will not obtain the certificate of exemption set forth above, and although the Company is managed and controlled in Gibraltar, it will not be liable for Gibraltar income tax on profits arising from property situated outside of Gibraltar or profits which are generated by sources of income the activities of which take place outside Gibraltar. The Company will also not be liable for Gibraltar income tax on dividends from quoted companies or dividends arising from companies in which it has a 10% holding as long as the Company has a relevant participation in a subsidiary that is registered and managed within the European Union.

Dividends, interest and capital gains (if any) the Fund receives with respect to its investments may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located.

No stamp duty is currently levied in Gibraltar on the issue or transfer of shares in the Company. There is a capital duty of £10 on the creation of share capital of the Company and on any increase thereof, the costs of which form part of the establishment expenses which are borne by the Company.

There is no withholding tax on dividends distributed by the Company. Accordingly, payments made on the issuance of dividends may be paid without deduction of any withholding taxes to shareholders.

No death duties, capital gains tax, gift, inheritance or capital transfer taxes are presently levied in Gibraltar. Investors that are not fiscally resident in Gibraltar are not liable to Gibraltar tax on dividends or capital gains received as a result of their ownership of the Shares.

Gibraltar tax reform

On the 18th December 2008 the European Court of Justice issued a judgement confirming that Gibraltar, as a separate jurisdiction, can set different tax rates from the United Kingdom, the member state which represents Gibraltar. The Government of Gibraltar has issued a statement to

the effect that it will lower the corporate tax rate from 27% to 10% on assessable income derived in Gibraltar. It is the directors' view that the Fund is not likely to have any Gibraltar assessable income and therefore the change in tax rate should not affect the Fund.

32. THE SHAREHOLDERS

Persons interested in purchasing the Participation Shares should inform themselves as to any tax consequences particular to their circumstances and arising in the jurisdiction in which they are resident or domiciled in connection with the acquisition, ownership, redemption or disposition of the Participation Shares.

Each shareholder should consult a tax adviser as to his or her own tax position.

ADDITIONAL INFORMATION

33. REPORTING

The reporting details for each Cell are contained in Part B of this Private Placement Memorandum.

The Fund's financial year ends on 31st of December. The first financial period of the Fund will end on the 31st of December 2009.

The accounts for the Company will be produced in the operating currency for the Fund, which is EUROS.

34. RELEVANT DOCUMENTATION

This Private Placement Memorandum is not intended to provide a complete description of the Fund's Memorandum and Articles of Association or the agreements with its Directors, Administrator, or Depositary. Copies of all such documents are available for inspection by interested investors who have lawfully received this Private Placement Memorandum, at the office of the Administrator during normal business hours.

Shareholders may inspect copies of the annual audited report and accounts, when available, and the register of shareholders of the Fund at the offices of the Administrator.

35. ENQUIRIES

Enquiries concerning the Fund and its Participation Shares (including information concerning subscription and valuation of the Participation Shares) should be directed to the Administrator at:

210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar
Tel: +350 200 51431
Fax: +350 200 51429
info@vfs.gi

36. MATERIAL CONTRACTS

The following contracts have been entered into by the Fund since incorporation and are, or may be, material.

Directors Service Agreements dated 1st January 2011 and 9th November 2009 between the Fund and the Directors specify the terms whereby the Directors agree to act as Directors of the Fund and, as such, are responsible for the investments of the Fund's assets. The agreements will continue in force unless and until terminated by any party giving to the other not less than 90 days' written notice, except that the agreements may be terminated immediately by either of the parties if the other shall commit any material breach of its obligations under it subject or go into liquidation or otherwise become insolvent. The Directors are empowered under the respective agreements to delegate their functions, powers, discretions, privileges and duties as they deem appropriate and as permitted by law. The Directors are required to ensure compliance by the Fund with all laws and regulations that are applicable to it.

Investment Management Agreement dated 1st January 2011 between the Fund and Huber & Co specifies the terms whereby the Investment Manager agrees to provide investment management services to the Fund and the respective Cells. The Investment Management Agreement will continue in force unless and until terminated by any party giving to the other not less than 90 days' written notice, except that the agreements may be terminated immediately by either of the parties if the other shall commit any material breach of its obligations under it subject or go into liquidation or otherwise become insolvent.

Administrative Services Agreement dated 21st January 2009 (amended on 1st January 2011) between the Fund and the Administrator specifies the terms whereby the Administrator agrees to act as administrator for the Fund. This agreement will continue in effect until terminated at any time by either party without the payment of any penalty, upon not less than 90 days written notice to the other party, except that this agreement may be terminated immediately by either party if the other shall commit any breach of its obligations under it. The agreement contains an indemnity from the Administrator to the Fund in respect of all liabilities, losses, damages, actions, proceedings and claims which may be brought against, suffered or incurred by the Fund to the extent that they are directly attributable to the gross negligence, fraud or wilful misconduct on the part of the Administrator in the performance of its duties.

Depositary Agreement dated 21st January 2009 (amended 28th October 2009) between the Fund and the Depositary specifies the terms whereby Lombard Odier Darier Hentsch Private Bank Limited (the "Depositary") agrees to act as depositary for the Fund and the Cells assets except for the assets of Cell C which are invested in certificates of Chinese A-Shares and B-Shares. The Fund may appoint additional depositaries in the future if the Directors deem that this would assist the running of the Fund, and will inform all investors accordingly of the appointment.

The Fund has appointed Lombard Odier Darier Hentsch Private Bank Limited as Depositary for the Fund's assets. The Fund may appoint additional depositaries in the future if the Directors deem that this would assist the running of the Fund, and will inform all investors accordingly of the appointment.

The Agreement shall be for an indefinite period unless terminated by either party giving to the other 90 days written notice of the date upon which the Agreement is to terminate (the "Termination Date"). At least 15 days prior to the Termination Date, the Fund shall give to LODHPB instructions specifying the names of the persons or institutions to whom LODHPB shall deliver the Safe Custody Assets.

The Agreement may be terminated forthwith by LODHPB if a Regulator or Supervisory Authority of the Fund imposes terms, conditions, limitations or restrictions directly or indirectly to LODHPB other than those specified in this Agreement.

The Agreement may be terminated forthwith by either party giving notice in writing to the other party if at any time that other party goes into liquidation or a receiver, examiner or administrator (or equivalent) is appointed over all or any part of either party or its assets or either party commits a breach of any provision hereof, which is capable of remedy and shall not have been remedied within 30 days from the service of notice to do so.

Any termination of the appointment of LODHPB under the provision of the Agreement shall be without prejudice to any antecedent liability of LODHPB and the Fund respectively. LODHPB shall be entitled to receive all fees and other money due until the Termination Date. Neither party shall be entitled to compensation in respect of such termination.

Any termination shall not affect any right or liability arising out of events occurring prior to his effectiveness of the termination.

Brokerage Services supplied by LODHPB to the Fund are applicable to all assets of the Fund including Cell C but exclude assets of Cell C which are invested in certificates of Chinese A-Shares and B-Shares, governed by the General Conditions as stated in the Corporate Account opening documents dated 8th January 2009. Article 1 of the General Conditions states that for the purpose of executing any and all transactions on the Fund's behalf, the Fund agrees these general conditions will also be subject to the regulations and practices of any relevant stock exchanges, markets and clearinghouses, and to the laws and regulations which apply in the countries where such client transactions are carried out. Article 22 states that purchases and sales of securities made through LODHPB shall be subject to local stock-exchange regulations and practices. LODHPB may make purchases and sales through sub-agents, in which case, in the event of errors, omissions or faulty execution on their part, LODHPB's liability shall extend only to the care with which it has selected and instructed them. Article 30 states that LODHPB and the Fund may terminate their relationship at any time, effective immediately, in which case, unless otherwise agreed to in writing, LODHPB reserves the right to cancel all credit lines and to declare that all of its claims against the Fund have become payable. Unless otherwise agreed in writing, the contractual relationship between the Fund or the Fund's attorneys and LODHPB shall not be terminated by the death, legal incapacity or bankruptcy of the Fund.

Secretarial Agreement dated 21st January 2009 (amended 1st January 2011) specifies the terms under which Velay Financial Services Limited has agreed, to act as Company Secretary. This agreement will continue in effect until terminated at any time by either party without the payment of any penalty, upon not less than 90 days written notice to the other party, except that this agreement may be terminated immediately by the Company if the Secretary is no longer permitted to discharge its duties hereunder pursuant to any applicable law in Gibraltar. The agreement contains an indemnity from the Administrator to the Fund in respect of all liabilities, losses, damages, actions, proceedings and claims which may be brought against, suffered or incurred by the Fund to the extent that they are directly attributable to the gross negligence, fraud or wilful misconduct on the part of the Administrator in the performance of its duties.

37. CONFLICTS OF INTEREST

There may arise instances where the interest of the Directors, the Administrators or their affiliates conflict with interests of the Fund and its shareholders. Such conflicts include, but are not limited to the following:

The Directors may be engaged in other substantial activities apart from the activities with respect to the Fund and may devote to the Fund only as much time as is reasonably necessary, in their judgement, for its management.

One of the Directors of the Fund is also a director of the Administrator.

One or more of the Directors are directors of other companies or funds that trade similar instruments and/or invest in similar assets to that traded by the Company.

The Directors are being appointed or removed by the holders of Ordinary Shares of the Fund. The Ordinary Shares of the Fund are currently held by the Facel Asset Management Company S.A.

In the event of a conflict of interest between its duties and offices as shareholder in and directors of the Fund, the directors' duty to act in the interests of the shareholders of the Fund shall prevail.

There may be circumstances where an investment opportunity may be open to more than one Cell but the amount that can be invested is limited. In such circumstances the Directors will determine, in their absolute discretion, which Cell should make the investment.

38. VOTING OF THE FUND ASSETS

Any options or rights, including voting rights, in any of the assets owned by the Fund and/or any of the Cells will be exercised by the Directors, in a manner which in their opinion is in the best interests of the Fund.

39. GOVERNING LAW

The Fund is governed by the law of Gibraltar and any dispute relating to the Fund shall be submitted in first instance to a competent court of Gibraltar.

PART B

Part B contains particulars relating to the Cells launched as part of Aero Fund PCC Limited (the “Fund”).

The Fund initially launched two Cells, entitled Aero Fixed Income and Aero Equity, as Cell A and Cell B of the Fund, details of which are described in this Part B.

On the 9th November 2009 the Fund launched an additional Cell, entitled Aero China Cell C, details of which are described in this Part B.

On the 1st January 2011, Cell B, Aero Equity, was open to investors to subscribe and will actively invest after an initial subscription period.

The Fund may launch additional Cells at various times in the future, when suitable investor interest has been identified. Subject to any legal restrictions the Fund reserves the right to amalgamate or merge existing Cells into or with other Cells of the Fund. The details set out in the attached Part B form part of the Private Placement Memorandum issued on 1st January 2011 and should be read, together with Part A above, as one document.

CELL A

AERO FIXED INCOME

This Part B contains particulars relating to the Cell entitled "Aero Fixed Income" which is launched as Cell A (the "Cell") of Aero Fund PCC Limited (the "Fund").

The Cell will be open to investors on a monthly basis.

SUMMARY

Investment objective

Cell A - Aero Fixed Income - seeks to achieve a positive absolute return through investment in fixed income vehicles which will, in the opinion of the Board of Directors, give above market returns while retaining a good level of security. The Board of Directors will implement different strategies it feels will make the best return such as barbell/bullet, duration, maturity and/or credit strategies, but it is anticipated that the Cell will not be involved in active trading and turnover.

Subscriptions

The Fund is offering Class A Participation Shares in Cell A "Aero Fixed Income".

The Fund is offering subscription for Class A Participation Shares in Cell A at a net price per Share equal to the Net Asset Value per Share (as defined herein) of Cell A at the close of business on the Valuation Day immediately preceding the relevant Subscription Day. Class A Participation Shares may be subscribed for on each Subscription Day (as defined herein), after the Subscription Agreement and any monies due in respect of such shares have been received by the Fund.

The minimum initial investment by each investor is €100,000 or its equivalent. Additional subscriptions are permitted, subject to a minimum of €10,000 per transaction or its equivalent.

A Subscription Fee of up to 1% may be charged by the Administrator on behalf of Facel Asset Management Company S.A on subscription to the Cell. The Subscription Fee is based on the value of, and added to the purchase price of the Class A Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The Board reserves the right to vary any of the subscription requirements of the Cell. Further information in respect of subscriptions to each Cell is contained in this Part B.

Redemptions

Class A Participation Shares may be redeemed at the Net Asset Value per Share on the Valuation Day (as defined below), following the expiry of not less than fifteen days' written notice of redemption from the shareholder to the Fund. The Cell may, in the absolute discretion of the Board, redeem Class A Participation Shares within less than the fifteen day notice period.

A Redemption Fee of up to 1% may be charged by the Administrator on behalf of the Facel Asset Management Company S.A on redeeming Class A Participation Shares of the Cell. The Redemption Fee is based on the value of, and subtracted from the redemption proceeds of the Class A Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The minimum redemption amount is €10,000 or equivalent. The redemption of Class A Participation Shares by a shareholder resulting in the value of Class A Participation Shares held by the shareholder in any one class totalling less than €100,000 or equivalent may cause redemption of the whole position of the entire holding of the shareholder in that class.

The Board reserves the right to vary any of the redemption requirements of the Fund.

Fees and Expenses

Directors Fees

Cell A will pay a proportion of the fees paid to the Directors, excluding the additional directors fees based on management and performance.

Investment Management Fees

Cell A will pay Huber & Co Limited a fixed fee of 1.00% (one percent) of the Net Assets of the Cell A. Further detail is set-out below.

Administration Fees

Cell A, Aero Fixed Income, shall pay the Administrator fees based on the net assets of Cell A calculated and accrued on each valuation day and paid quarterly in arrears. Further information is set-out below.

Company Secretarial Fees

Cell A shall pay the Company Secretary €2000 per annum for the provision of company secretarial services.

Depository Fees

Cell A will pay Lombard Odier Darier Hentsch Private Bank Limited as Depositary an annual fee of 0.15 % of the total assets of Cell A, calculated and accrued on a monthly basis, paid quarterly in arrears (no minimum fees will apply)

Legal, Audit and Other Expenses

Cell A will pay its own legal, audit and other expenses. These are estimated not to exceed €50,000 per annum. These expenses will be split between the Cells pro rata based on their net assets or otherwise as the directors may, in their absolute discretion determine.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction and other banking charges. Any rebates shall be for the benefit of the Fund and the relevant Cell.

Disbursements such as telecommunication, fax, mail and office costs are charged separately.

Each shareholder should consult his or her tax adviser as to his or her own tax position.

DEFINITIONS

In this Part B - Cell A – Aero Fixed Income - unless the context otherwise requires the following expressions shall have the following meanings:

Cell A	means Cell A – Aero Fixed Income.
Class A Participation Shares	means Class A Participation Shares issued in consideration for subscription to Cell A.
Redemption	means the redemption of a Participation Share by the Fund, as described below.
Redemption Day	means, in respect of redemptions, last day of each calendar month in each year unless determined otherwise by the Board.
Redemption Fee	means the fee, if any, charged to investors when they redeem Participation Shares in the Company and in a Cell, details of which are set out in Part B hereof.
Redemption Notice	means a written notice served by a shareholder on the Company asking to redeem Participation Shares, in the manner set forth herein.
Subscription Amount	means in respect of each Participation Share the amount paid by a shareholder to acquire such share (not including any Subscription Fee (as defined below)).
Subscription Day	means, in respect of subscriptions, the first business day of each calendar month in each year unless determined otherwise by the Board.
Subscription Fee	means the fee, if any, charged to investors when they subscribe for shares in the Company and in a Cell, details of which are set out in Part B hereof.
Valuation Day	means the last day of each calendar month. The Board may however determine any other date as being the Valuation Day.

Capitalized terms not defined herein shall have the meaning ascribed to them in Part A.

1. INVESTOR INFORMATION

The Directors of the Fund in relation to Cell A agree to compute and provide the following reports to investors, or their nominees, each in a form acceptable to the Directors and prepared in accordance with International Accounting Standards.

Monthly Net Asset Value: The Monthly Net Asset Value per Share of the Cell will be computed by the Administrator and reported to the investors within 5 business days of the Net Asset Value having been approved by the Directors.

Audited Statements: Annual audited financial statements will be provided, upon request, within six months of the financial year-end.

Whilst the Cell will endeavour to provide the aforementioned by the time deadlines stated, the Cell shall not be held liable for any delays in providing the relevant reports and/or publishing the relevant information which result from unexpected contingencies, such as delays in receiving necessary information from which to prepare such reports or information; equipment failure; fire or other physical damage to office or equipment or power failures.

2. INVESTMENT OBJECTIVES AND POLICY

Investment objective

Aero Fixed Income seeks to achieve a positive absolute return through investment in fixed income vehicles which will give above market returns while retaining a good level of safety. The fixed-income vehicles will include, but will not be limited to, bonds, notes, subordinated debt, fixed-income funds and non-bearing interest debt from issuers such as Governments, agencies, municipalities, supranational entities and corporations. The Board of Directors will implement different strategies it feels will make the best return such as barbell/bullet, duration, maturity and/or credit strategies, but it is anticipated that the Cell will not be involved in active trading and turnover.

3. INVESTMENT RESTRICTIONS

The following investment restrictions will apply to the Cell:

- No more than 20% of the gross assets of the Cell may be invested in the securities of any one issuer. However, this restriction shall not apply to securities issued or guaranteed by a government, government agency or instrumentality of any European Union or OECD Member State or by any supranational authority of which one or more European Union or OECD Member States are members.
- The Cell will not employ leverage or take a credit loan in cash from any bank or financial institution.
- There will not be a minimum rating required for the Cell to be able to invest in a fixed income vehicle.

The Directors will ensure that corrective action is taken where the Cell is in breach of any of the above investment restrictions.

4. RISK FACTORS

In addition to the risk factors set forth in Part A hereto, the following additional risk factors exist in connection with the Cell's investment policy to invest fixed-income vehicles.

a) Manager Risk

The success of the Cell's investments in fixed-income vehicles is subject to the ability of the Board of Directors to achieve the Portfolio Fund's investment objectives.

b) Inflation Risk

Inflation risk is the risk that the value of assets or income from fixed-income investments will be worth less in the future as inflation decreases the value of money. Inflation also tends to lead to higher interest rates which in turn cause bond prices to fall.

c) Non-Diversification Risk

If the Cell's investment in fixed-income vehicles represents a relatively significant percentage of the Cell's portfolio, the value of the portfolio will be more impacted by a loss on that vehicle than if the portfolio were more diversified.

d) Interest Rate Risk

Interest rate risk is the risk that the value of fixed-income vehicles will fall if interest rates increase. These securities typically fall in value when interest rates rise and rise in value when interest rates fall. Fixed income securities with longer periods before maturity are often more sensitive to interest rate changes. Hence when interest rates rise, fixed-income vehicles prices fall and conversely when interest rates fall, fixed-income vehicles prices rise. The longer the time to a bond maturity, the greater the interest rate risks.

e) Default Risk

Default risk is the risk that the issuer of the fixed income vehicle defaults with any payment in relation to the fixed income vehicle issued.

5. BROKERS

The Fund will use Lombard Odier Darier Hentsch Private Bank Limited as acting broker to transact its trades.

The Fund may appoint additional brokers if the board decides it are necessary. Agreements will be entered into on the Brokers' standard terms and conditions of appointment and the Fund will be able to remove the Broker in accordance with such agreements.

FEES AND EXPENSES

In addition to the Fees set out in Part A of this Private Placement Memorandum, the following fees apply to this Cell.

6. FEES OF THE DIRECTORS

The Fund on behalf of Cell A shall pay the Directors its proportional part of the Fees set out in Part A hereto.

7. FEES OF THE INVESTMENT MANAGER

The Cell shall pay Huber & Co Limited for the provision of investment management services the following fees:

- (a) an annual fee of 1.00% of the Net Assets (as defined below) of the Cell (as calculated by the Administrator on each Valuation Day and approved by the Directors).

The fixed fee is will be accrued monthly and paid quarterly in arrears.

Disbursements such as telecommunication, fax, mail and office costs are charged separately.

8. FEES OF THE ADMINISTRATOR

The Cell shall pay the Administrator an annual administration fees in an amount equal to:

0.10% of the Net Assets of Cell A per annum accrued monthly and payable quarterly in arrears. This is subject to a minimum annual fee of €10,000.

The fees are subject to review after one year.

Disbursements and “out of pocket expenses” such as telecommunication, fax, mail and office costs will be charged separately.

These fees will be accrued monthly and paid quarterly in arrears.

9. FEES OF THE COMPANY SECRETARY

The Cell shall pay the Company Secretary €2000 per annum for the provision of company secretarial services to Cell A.

10. FEES OF THE DEPOSITARY

Pursuant to the Depositary Agreement LODHPB Ltd will charge a fee based on the total assets of the Fund.

LODHPB Ltd as Depositary will receive from the Fund an annual fee of 0.15 % of the total assets of the Cell, calculated and accrued on a monthly basis, paid quarterly in arrears (no minimum fees will apply).

Additional transaction fees will be charged by the Depositary as agreed with the Fund from time to time.

These fees will be accrued monthly and paid quarterly in arrears.

11. FEES OF THE BROKER

The fees of the Broker shall be in accordance with their standard terms and conditions of appointment.

12. OTHER OPERATING EXPENSES

Other fees in respect of this Cell are set out in Part A.

13. TRANSACTIONAL COSTS

For its trading activities, the Fund may use the services of Lombard Odier Darier Hentsch Private Bank Limited to execute and clear its transactions and to carry its accounts. The Fund will pay LODHPB brokerage fees at agreed commercial rates.

The Fund may appoint additional brokers and will negotiate fees and commissions. The Fund will pay all expenses incurred in connection with its trading and investment activities, including but not limited to all execution, other transaction costs and expenses, custody expenses and all other related expenses and costs.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction. Any rebates received shall be for the benefit of the Fund.

ADDITIONAL INFORMATION

14. SUBSCRIPTIONS

The Fund is offering Class A Participation Shares in Cell A for subscription at a net price per Share equal to the Net Asset Value per Share (as defined in the section on Net Asset Valuations above) of the Cell at the close of business on the Valuation Day immediately preceding the relevant Subscription Day. Subscription will be accepted on the first Subscription Day after an executed copy of the Subscription Agreement and the applicable Subscription Amounts due in respect of the Participation Shares have been received by the Fund. The minimum initial investment per subscriber is €100,000 or its equivalent. Additional subscriptions are permitted, subject to a minimum of €10,000 per transaction or its equivalent.

Subscription Amounts and relevant documentation should be received at least two Business Days prior to the relevant Subscription Day. The acceptance of subscriptions is subject to confirmation of the prior receipt of cleared funds credited to the Cell's subscription account with the Depositary. The Board of Directors reserves the right to reject subscriptions in its absolute discretion. Any interest earned by the Fund on Subscription monies will be for the benefit of the Cell and the subscriber shall have no right to receive interest or other sums from the Cell in respect of such sums.

A Subscription Fee of 1% may be charged by the Administrator on the subscription to the Cell. The fee is based on the Subscription Amount. The Subscription Fee shall be deducted from the subscription monies received by the Cell, and only the net Subscription Amount shall be considered as amount paid for the Participation Shares.

The Board reserves the right to alter the above-mentioned subscription requirements at its absolute discretion. The Board reserves the right to receive tradable securities *in lieu* of or in addition to cash for payment of Subscription monies. The Administrator shall determine the cash value of any such *in specie* subscription.

15. REDEMPTIONS

Participation Shares may be redeemed on the Redemption Day (as defined above) following the expiry of not less than fifteen days' written notice of redemption from the shareholder to the respective Cell (such Valuation Day on which the redemption of the shares is calculated is referred to herein as the "Redemption Day"). The Fund may, in the absolute discretion of the Board, redeem Participation Shares within less than the fifteen day notice period.

The redemption price is equal to the Net Asset Value Per Share of the Participation Shares in respect of the Cell at the relevant Redemption Day (see "Net Asset Valuation").

The Directors may, in their absolute discretion refuse to redeem any Participation Shares if in their opinion the respective Cell does not have sufficient cash resources to complete the redemption and/or in the event the Directors believe that such an action will be materially detrimental to the remaining investors, as described in "Redemption" and "Suspension of Redemption" in Part A above. The Directors will cause the Cell to notify the shareholder of such refusal. The Directors shall not be required to sell any assets or borrow any monies to obtain the resources to redeem any Participation Shares. If the Company does not complete the redemption on the first Redemption Day requested then the Redemption Notice shall be deemed withdrawn by the member who shall be required to submit a further notice of redemption to redeem any shares.

A partial redemption request for an amount of less than €10,000 or equivalent will not be accepted. The Board has the right to require the compulsory redemption of all Participation Shares held by a shareholder who is a U.S. Person (see “Investor Suitability”), or otherwise at its sole discretion. Any such compulsory redemption will be made at the Net Asset Value per Share on the Valuation Day next following the issuance of a notice of redemption to the shareholder.

A Redemption Fee of 1% may be charged on the redemption of Class A Participation Shares of the Cell. The Redemption Fee is based on the redemption proceeds. The Redemption Fee shall be deducted from the redemption proceed, and only the net Redemption Amount shall be paid to the redeeming shareholder.

The Board reserves the right to vary any of the redemption requirements of the Fund.

16. DIVIDEND POLICY

The Directors do not anticipate that any dividends shall be paid to shareholders out of the Cell’s earnings and profits, but rather such income will be reinvested. The Directors reserve the right to change this policy.

17. ADDITIONAL INFORMATION

ISIN Number: GI000A0Q6545
WKN: A0Q654
Class A Participation Shares
Issuer: Aero Fund PCC Limited – Cell A: Aero Fixed Income
Type: Participation Shares

18. MATERIAL CONTRACTS

No other contracts deemed to be material have been entered into by the Fund on behalf of the Cell (other than in the ordinary course of business) since incorporation in addition to those contracts referred to in Part A above.

19. CONFLICTS OF INTEREST

There are no conflicts of interest in respect of this Cell in addition to those referred to in Part A.

SUBSCRIPTION AGREEMENT

Aero Fund PCC Limited

Cell A – Aero Fixed Income

Aero Fund PCC Limited

c/o Velay Financial Services Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

Dear Sirs,

The undersigned (“the Subscriber”) acknowledges having received the Private Placement Memorandum dated 1st January 2011 for the offering of redeemable preference shares (the “Participation Shares”) in Cell A – Aero Fixed Income of **Aero Fund PCC Limited** (the “Fund”) on the terms of the Private Placement Memorandum and subject to the provisions of the Memorandum and Articles of Association of the Fund.

The undersigned confirms that he is an experienced investor within the meaning of the Financial Services (Experienced Investor Funds) Regulations, 2005 and acknowledges that he has received and accepted the investment warnings set out in the Private Placement Memorandum.

The undersigned wishes to subscribe for Class A Participation Shares on the terms of the Private Placement Memorandum and subject to the provisions of the Memorandum and Articles of Association of the Fund and this Subscription Agreement (which includes the attached Subscription Information). The undersigned acknowledges that except as provided under applicable securities laws, this subscription is and shall be irrevocable, except that the undersigned shall have no obligations hereunder if this subscription is for any reason rejected or this offering is for any reason cancelled.

The Subscriber represents and warrants that:

- 1) the Class A Participation Shares are not being purchased with a view to immediate resale or active trading;
- 2) all consents required to be obtained and all legal requirements necessary to be complied with or observed in order for this Agreement or the issuance of the Class A Participation Shares to be lawful and valid under the laws of any jurisdiction to which the Subscriber is subject have been obtained, complied with or observed;
- 3) none of the Class A Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a Politically Exposed Person (“PEP”) such as a senior political figure or the spouse or associate of a senior political figure, unless the Directors have determined otherwise;
- 4) none of the Class A Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a person on any European Union, United States of America, Swiss or Foreign Office or any other OECD Money Laundering or Terrorism “Watch List”;
- 5) the Subscriber has not relied on any representations or other information purported to be given on behalf of the Fund except as set forth in the Private Placement Memorandum which he has

fully read and hereby acknowledges, any documents referred to therein or the published financial accounts of the Fund, and has consulted his/her/its own attorney, accountant and/or investment manager with respect to the investment contemplated hereby and its suitability for the Subscriber;

- 6) none of the Class A Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a U.S. Person and none of the Participation Shares will be transferred to any person who has failed to supply a similar representation. "U.S. Person" means:

- i) Any natural person resident in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (the "United States");
- ii) Any partnership or corporation organized or incorporated under the laws of the United States;
- iii) Any estate of which any executor or administrator is a U.S. person;
- iv) Any trust of which any trustee is a U.S. person;
- v) Any agency or branch of a foreign entity located in the United States;
- vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- viii) Any partnership or corporation if:
 - A. Organized or incorporated under the laws of any foreign jurisdiction; and
 - B. Formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended, (the "Securities Act"), unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts;

PROVIDED THAT a person or entity shall not be considered a U.S. Person if he or she or it qualifies under any exemption in the Securities Act.

- 7) None of the Class A Participation Shares (nor any interest therein) are being acquired or will be acquired at any time by a person who is Gibraltarian or who is a resident of Gibraltar, excluding any person which has been granted the status of a category 2 individual or any company which has been granted the status of a tax-exempt company.
- 8) The Fund has made available to the Subscriber, during the course of this transaction and prior to the purchase of any of the Class A Participation Shares, the opportunity to ask questions of and receive answers from any Director of the Fund concerning the terms and conditions of the offering described in the Private Placement Memorandum and in any documents referred to therein, and to obtain any additional information necessary to verify the information contained therein or otherwise relative to the financial data and business of the Fund, to the extent that such parties possess such information or can acquire it without unreasonable effort or expense, and all such questions, if asked, have been answered satisfactorily and all such documents, if examined, have been found to be fully satisfactory.
- 9) The Subscriber will promptly inform the Fund of any changes to the information disclosed, or to any of the above representations.

The Subscriber agrees to indemnify and hold harmless the Fund, its promoters, directors and officers and each other person or entity, if any, who controls it, against any and all loss, liability, claim, damage, costs and expense whatsoever (including but not limited to any and all expenses whatsoever reasonably incurred in investigating preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the Subscriber to comply with the covenant or agreement made by the Subscriber herein or in any other document in connection with this transaction.

The Subscriber has evaluated the risks of investing in the Class A Participation Shares, and has determined that the Class A Participation Shares are a suitable investment for the Subscriber. The Subscriber acknowledges that there can be no assurance that appreciation of the Fund's assets will occur or that losses will not be realized and that the value of Class A Participation Shares may be subject to volatile movements and may fall as well as rise. Accordingly, the Subscriber can bear the economic risk of this investment and can afford a complete loss of the Subscriber's investment. The subscriber agrees that any information supplied by them to the Fund will, subject to any legal restrictions, be made available by the Fund to the Administrator and any Depositaries of the Fund. The Subscriber agrees that any information supplied by them to the Fund will be made available by the Fund to the Administrator and any Depositaries of the Fund.

This Agreement shall be governed by and interpreted in accordance with the laws of Gibraltar. Any dispute or controversy arising out of, under, in connection with or in relation to this Agreement shall be determined and settled by the Gibraltar court of competent jurisdiction. The unsuccessful party shall be responsible for all costs of such action, including but not limited to fees associated with the arbitration proceeding, reasonable attorneys' fees, court costs (if any), any filing fees, any associated disbursements, and any other fees and charges incurred in connection therewith.

Date:

Signature:

**Aero Fund PCC Limited
Cell A – Aero Fixed Income**

SUBSCRIPTION INFORMATION

Date of Subscription:

Name & Address for Share Registration:

.....
.....

Postal Address (if other than address of registration):

.....
.....

Telephone:

Fax:

E-mail:

Amount of Subscription:

TOTAL .00

Source of Funds: Details of account and Name & Address of Remitting Bank:

Bank Name & Address:

Swift Code:

Account name & number:

IBAN:

Details of Bank account for transfers and payments of Redemptions in case of redemption (if different from above):

Bank Name & Address:

Swift Code:

Name & Address of Remitting Bank:

.....
.....

Name & Address of Bank for transfers and payments of Redemptions in case of redemption (if different from above):

.....
.....

Is the subscriber the exclusive beneficial owner of the assets? ☐ yes ☐ no
(if no, please complete financial details below in relation to the beneficial owner)

.....
.....

Is the subscriber a Politically Exposed Person ☐ yes ☐ no

Name and Address of Employer or Business (if individual investor) or Business (if corporate investor):

.....
.....

Subscriber's Position with Employer or Business:

Origin of assets deposited with the bank (please tick)

- | | |
|--|---|
| <input type="checkbox"/> sale of business | <input type="checkbox"/> investment profits |
| <input type="checkbox"/> life time earnings/salary | <input type="checkbox"/> (lottery) winnings |
| <input type="checkbox"/> gift/inheritance | <input type="checkbox"/> others * |
| <input type="checkbox"/> sale of real estate | |

* For others please specify:

Estimated total income p.a. (please tick)

- | | |
|--|---|
| <input type="checkbox"/> <€100 000 | <input type="checkbox"/> €700,000 – €1.5 Million. |
| <input type="checkbox"/> €100 000 – €300 000 | <input type="checkbox"/> > €1.5 Million* |
| <input type="checkbox"/> €300 000 – €700 000 | |

* Please specify:

Estimated total assets (please tick)

- | | |
|--|--|
| <input type="checkbox"/> <€700 000 | <input type="checkbox"/> €5 Million – €10 Million |
| <input type="checkbox"/> €700 000 – €2 Million | <input type="checkbox"/> €10 Million – €40 Million |
| <input type="checkbox"/> €2 Million – €5 Million | <input type="checkbox"/> >€40 Million * |

* Please specify:

Report frequency

- | | |
|----------------------------------|------------------------------------|
| <input type="checkbox"/> monthly | <input type="checkbox"/> quarterly |
| <input type="checkbox"/> yearly | <input type="checkbox"/> none |

* Please specify how often do you want to receive fund reports

Signed:..... *Date:*

Name:

Entity (if corporate investor): *Position of signatory:*.....

Fund's use only: Accepted and confirmed

PAYMENT INSTRUCTIONS

Once the Subscription Documents have been filled in and faxed and then sent to the Fund, subscription funds should be sent to the Fund at the following address:

Bank:	Lombard Odier Darier Hentsch Private Bank Limited
CURRENCY:	EURO
Remit to:	Lombard Odier Darier Hentsch & Cie
Swift Code:	LOCYCHGG
For the a/c of:	Lombard Odier Darier Hentsch Private Bank Limited [99024 00]
IBAN:	CH68 0876 0000 0099 0240 0
Account Name:	Aero Fund PCC Limited Subscribers Account
Account Number:	W10130 00
Ref: A/C	CELL A - AERO FIXED INCOME [Subscriber's Name]

Please remember to add the name of the Subscriber as a reference on the fund wiring instructions to ensure proper crediting of funds.

Please also advise the Administrator that the funds have been sent:

Velay Financial Administrators Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

CELL B

AERO EQUITY

This Part B contains particulars relating to the Cell entitled "Aero Equity", which is launched as Cell B (the "Cell") of Aero Fund PCC Limited (the "Fund").

Cell B was open for an Initial Subscription Period on the 1st January 2011. After the Initial Subscription Period, Cell B will be open to subscriptions and allow redemptions on a bi-monthly basis.

SUMMARY

Investment objective

Cell B - Aero Equity - seeks to achieve a positive absolute return through long term investments in a broad range of equities. Cell B will only invest in those markets, which in the sole judgement of the Board of Directors at the time of making such investments have sufficient liquidity to enable the Board of Directors to open and close positions without causing excessive movements.

Subscriptions

The Initial Subscription Period for Cell B will be begin on the 15th January 2011 and finish on the 31st January 2011. During the Initial Subscription Period, the Fund will be offering Class B Participation Shares in Cell B "Aero Equity" at a subscription price of €100 per share.

After the Initial Subscription Period, the Fund will be offering Class B Participation Shares in Cell B at a net price per Share equal to the Net Asset Value per Share (as defined in the section on Net Asset Valuations below) of Cell B. Class B Participation Shares may be subscribed for on any Dealing Day as defined below.

During the Initial Subscription Period and thereafter, the minimum initial investment by each investor is €100,000 or its equivalent. Additional subscriptions are permitted, subject to a minimum of €10,000 per transaction or its equivalent.

A Subscription Fee of up to 1% may be charged by the Administrator on behalf of the Facel Asset Management Company S.A on subscription to the Cell. The Subscription Fee is based on the value of, and added to the purchase price of the Class B Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The Board reserves the right to vary any of the subscription requirements of the Cell. Further information in respect of subscriptions to each Cell is contained in this

Part B.

Redemptions

Class B Participation Shares may be redeemed at the Net Asset Value per Share on the Valuation Day (as defined below), following the expiry of not less than fifteen days written notice of redemption from the shareholder to the Fund. The Cell may, in the absolute discretion of the Board, redeem Class B Participation Shares within less than the fifteen day notice period.

The minimum redemption amount is €10,000 or equivalent. The redemption of Class B Participation Shares by a shareholder resulting in the value of Class B Participation Shares held by the shareholder in any one class totalling less than €100,000 or equivalent may cause redemption of the whole position of the entire holding of the shareholder in that class.

A Redemption Fee of up to 1% may be charged by the Administrator on behalf of the Facel Asset Management Company S.A on redemption of Class B Participation Share of the Cell. The Redemption Fee is based on the value of, and subtracted from the redemption proceeds of the Class B Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The Board reserves the right to vary any of the redemption requirements of the Fund.

Fees and Expenses

Directors Fees

Cell B will pay a proportion of the fees paid to the Directors as set out in Part A.

Investment Management Fee

The Fund in respect of Cell B will pay the following management and performance fees to Huber & Co Limited for the provision of investment management services:

(i) a fixed fee of 2.00% (two percent) of the Net Assets of Cell B, and

(ii) a performance fee of 20.00% (twenty percent) of any increase in the Net Assets of Cell B. High Water Mark conditions will apply as defined below.

"The "High Water Mark" means the highest Net Asset Value per Participation Share of a Cell in the Fund on any previous Valuation Day."

Administration Fees

The Fund in respect to Cell B shall pay the Administrator fees based on the net assets of the Fund calculated and accrued on each Valuation Day and paid quarterly in arrears. Further information is set put below.

Company Secretary Fees

The Fund in respect to Cell B shall pay the Company Secretary €3500 per annum for the provision of company secretarial services. Further information is set out below.

Depositary Fees

Cell B will pay Lombard Odier Darier Hentsch Private Bank Limited as Depositary an annual fee of 0.15 % of the total assets of Cell B, calculated and accrued on each Valuation Day and paid quarterly in arrears (no minimum fees will apply).

Legal, Audit and Other Expenses

Cell B will pay its own legal, audit and other expenses. These are estimated not to exceed €50,000 per annum. These expenses will be split between the Cells pro rata based on their net assets or otherwise as the directors may, in their absolute discretion determine.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction and other banking charges. Any rebates shall be for the benefit of the Fund and the relevant Cell.

Disbursements such as telecommunication, fax, mail and office costs are charged separately.

Each shareholder should consult his or her tax adviser as to his or her own tax position.

DEFINITIONS

In this Part B - Cell B – Aero Equity - unless the context otherwise requires the following expressions shall have the following meanings:

Cell B	means Cell B – Aero Equity.
Class B Participation Shares	means Class B Participation Shares issued in consideration for subscription to Cell B.
Dealing Day	means the first working day following a Valuation Day unless determined otherwise by the Board.
Redemption	means the redemption of a Participation Share by the Fund, as described below.
Redemption Day	means, in respect of redemptions, the first working day following a Valuation Day unless determined otherwise by the Board.
Redemption Fee	means the fee, if any, charged to investors when they redeem shares in the Company and in a Cell, details of which are set out in Part B hereof.
Redemption Notice	means a written notice served by a shareholder on the Company asking to redeem Participation Shares, in the manner set forth herein.
Subscription Amount	means in respect of each Participation Share the amount paid by a shareholder to acquire such share (not including any Subscription Fee (as defined below)).
Subscription Day	means, in respect of subscriptions, the first working day following a Valuation Day unless determined otherwise by the Board.
Subscription Fee	means the fee, if any, charged to investors when they subscribe for shares in the Company and in a Cell, details of which are set out in Part B hereof.
Valuation Day	means the 15th day and the last day of each calendar month (or the previous working day if the 15th day or the last day of a calendar month are not a business day in Gibraltar). The Board may however determine any other date as being the Valuation Day.

Capitalized terms not defined herein shall have the meaning ascribed to them in Part A.

1. INVESTOR INFORMATION

The Directors in relation to Cell B agree to compute and provide the following reports to investors, or their nominees, each in a form acceptable to the Directors and prepared in accordance with International Accounting Standards.

Net Asset Value: The Net Asset Value per Share of the Cell on any Valuation Day will be computed by the Administrator and reported to the investors within 5 days of the Net Asset Value having been approved by the Directors.

Audited Statements: Annual audited financial statements will be provided, upon request, within six months of the financial year-end.

Whilst the Cell will endeavour to provide the aforementioned by the time deadlines stated, the Cell shall not be held liable for any delays in providing the relevant reports and/or publishing the relevant information which result from unexpected contingencies, such as delays in receiving necessary information from which to prepare such reports or information; equipment failure; fire or other physical damage to office or equipment or power failures.

2. INVESTMENT OBJECTIVES AND POLICY

Investment objective

Cell B - Aero Equity - seeks to achieve a positive absolute return through investment in equities such as stocks, certificates, warrants, funds, funds of funds, ETFs, future and option contracts (exchange-traded or OTC), or any equity related vehicle that the Board of Directors deems appropriate. The Fund will only invest in those markets, which in the sole judgement of the Board of Directors at the time of making such investments have sufficient liquidity to enable the Board of Directors to open and close positions without causing excessive movements. The strategy will be of a buy and hold approach, with a bias on value. The Fund on behalf of the Cell could, opportunistically, engage in some active trading (i.e. buying/selling a position several times a week), but this will be the exception rather than the norm.

3. INVESTMENT RESTRICTIONS

The following investment restrictions will apply to the Cell:

- No more than 20% of the Gross assets of the Cell may be invested in the securities of any one issuer (this restriction shall not apply to securities issued or guaranteed by a government, government agency or instrumentality of any European Union or OECD Member State or by any supranational authority of which one or more European Union or OECD Member States are members);
- The Cell will not employ leverage or take any credit loan in cash from any bank or financial institution;
- A minimum cash position of 5% of the Gross assets of the Cell will be available for redemptions at any time;

- The Cell will not take legal or management control of the issuers of underlying investments;
- The Cell will not invest in real Estate;
- The Cell will not invest in physical commodities other than gold & precious metals;
- There is no limitation on trading liquid currencies.

The Directors will ensure that corrective action is taken where the Cell is in breach of any of the above investment restrictions.

4. RISK FACTORS

In addition to the risk factors set forth in Part A hereto, the following additional risk factors exist in connection with the Cell's investment policy to invest mainly in equities and their derivatives:

a) Speculative Position Limits

Some exchanges have established speculative position limits, which govern the maximum position, which any person may hold or control. It is possible that the Investment Manager may have to modify trading strategies or liquidate positions in order to avoid exceeding speculative position limits. Such modification or liquidation, if required, could adversely affect the Cell's objective to achieve capital appreciation.

b) Forward Markets

Although the forward markets, including the foreign currency markets, may not necessarily be more volatile than the markets in other assets, the forward markets offer less protection against defaults in trading than is available when trading occurs on an exchange. Forward contracts are not guaranteed by an exchange or clearing house, and therefore, a non-settlement or default on the contract would deprive the Cell of unrealised profits or force the Fund to cover its commitment for purchase and resale, if any, at the current market price.

The low margin normally required in forward trading permit an extremely high degree of leverage, since margin requirements for futures trading in some cases are as little as 2% of the face value (or "exposure") of the contracts traded. Therefore the gross value of positions held may be several times the value of the assets under management. Consequently, even a slight movement in the prices of commodities to which the assets under management are exposed could result in immediate and substantial losses to the investor.

c) Small Cap Market – Unquoted Shares

The Cell may invest in small cap shares. An investment in a small company involves substantial risks. There may not be a market for the shares in such companies and the Cell may be required to hold its investment for a substantial period of time without there being any market for the investment and/or any prospect of realising the investment. In addition investments in small companies carry the additional risk that these companies may not have sufficient resources to complete any projects they may have.

5. BROKERS

The Fund will use LODH and Interactive Brokers as acting broker to transact its trades.

The Fund may appoint additional brokers if the board decides it are necessary. Agreements will be entered into on the Brokers' standard terms and conditions of appointment and the Fund will be able to remove the Broker in accordance with such agreements.

FEES AND EXPENSES

In addition to the Fees set out in Part A of this Private Placement Memorandum, the following fees apply to this Cell.

6. FEES OF THE DIRECTORS

The Cell shall pay the Directors its proportional part of the Fees set out in Part A hereto.

7. FEES OF THE INVESTMENT MANAGER

The Cell shall pay Huber & Co Limited the following fees for providing investment management services to Cell B:

- (a) an annual fixed fee of 2.00% of the Net Assets (as defined below) of the Cell (as calculated by the Administrator and approved by the Directors); and
- (b) a performance fee where the Net Assets per Participation Share of the Cell has risen above the High Water Mark (defined below) equal to 20 % of any increase in Net Assets Value per Participation Share of the Cell above the High Water Mark multiplied by the number of issued Participation Shares.

“Net Assets” means the total value of the assets attributable to the Cell, calculated as aforesaid.

“The “High Water Mark” means the highest Net Asset Value per Participation Share of a Cell / Class of share in the Fund on any previous Valuation Day.

The fixed and performance fees will be accrued on each Valuation Day and paid quarterly in arrears.

Disbursements such as telecommunication, fax, mail and office costs are charged separately.

8. FEES OF THE ADMINISTRATOR

The Cell shall pay the Administrator annual administration fees in an amount equal to:

0.20% of the Net Assets of the Cell accrued on each Valuation Day and paid quarterly in arrears. This is subject to a minimum annual fee of €20,000.

The fees are subject to review after one year.

Disbursements and “out of pocket expenses” such as telecommunication, fax, mail and office costs will be charged separately.

These fees will be accrued on each Valuation Day and paid quarterly in arrears.

9. FEES OF THE COMPANY SECRETARY

The Cell shall pay the Company Secretary €3500 per annum for providing company secretarial services to Cell B.

10. FEES OF THE DEPOSITARY

Pursuant to the Depositary Agreement LODHPB Ltd will charge a fee based on the total assets of the Fund.

LODHPB Ltd as Depositary will receive from the Fund an annual fee of 0.15 % of the total assets of the Cell, calculated and accrued on a monthly basis, paid quarterly in arrears (no minimum fees will apply).

Additional transaction fees will be charged by the Depositary as agreed with the Fund from time to time.

These fees will be accrued on each Valuation Day and paid quarterly in arrears.

11. FEES OF THE BROKER

The fees of the Broker shall be in accordance with their standard terms and conditions of appointment.

12. OTHER OPERATING EXPENSES

Other fees in respect of this Cell are set out in Part A.

13. TRANSACTIONAL COSTS

For its trading activities, the Fund may use the services of Lombard Odier Darier Hentsch Private Bank Limited to execute and clear its transactions and to carry its accounts. The Fund will pay LODHPB brokerage fees at agreed commercial rates.

The Fund may appoint additional brokers and will negotiate fees and commissions. The Fund will pay all expenses incurred in connection with its trading and investment activities, including but not limited to all execution, other transaction costs and expenses, custody expenses and all other related expenses and costs.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction. Any rebates received shall be for the benefit of the Fund.

ADDITIONAL INFORMATION

14. SUBSCRIPTIONS

The Initial Subscription Period of Cell B will begin on the 15th January 2011 and end on the 31st January 2011. During the Initial Subscription Period, the Fund will offer Class B Participation Shares for subscription in Cell B - Aero Equity – during a pre-determined Initial Subscription Period on each Business Day at a price of €100.00 per share. The minimum initial investment per investor is €100,000 or its equivalent. Subscription payments and relevant documentation must be received by the Fund by at least two Business Days prior to the end of the Initial Subscription Period. Additional subscriptions by existing shareholders are permitted, subject to a minimum of €10,000 per transaction.

The Cell will only commence trading operations when the pre-determined Initial Subscription Period has expired.

After the Initial Subscription Period, the Fund is offering Class B Participation Shares in Cell B for subscription at a net price per Share equal to the Net Asset Value per Share (as defined in the section on Net Asset Valuations above) of the Cell at the close of business on the Valuation Day immediately preceding the relevant Subscription Day. Subscription will be accepted on the first Subscription Day after an executed copy of the Subscription Agreement and the applicable Subscription Amounts due in respect of the Participation Shares have been received by the Fund. The minimum initial investment per subscriber is €100,000 or its equivalent. Additional subscriptions are permitted, subject to a minimum of €10,000 per transaction or its equivalent.

Subscription Amounts and relevant documentation should be received at least two Business Days prior to the relevant Subscription Day. The acceptance of subscriptions is subject to confirmation of the prior receipt of cleared funds credited to the Cell's subscription account with the Depositary. The Board of Directors reserves the right to reject subscriptions in its absolute discretion. Any interest earned by the Fund on Subscription monies will be for the benefit of the Cell and the subscriber shall have no right to receive interest or other sums from the Cell in respect of such sums.

A Subscription Fee of 1% may be charged by the Administrator on the subscription to the Cell. The fee is based on the Subscription Amount. The Subscription Fee shall be deducted from the subscription monies received by the Cell, and only the net Subscription Amount shall be considered as amount paid for the Participation Shares.

The Board reserves the right to alter the above-mentioned subscription requirements at its absolute discretion. The Board reserves the right to receive tradable securities *in lieu* of or in addition to cash for payment of Subscription monies. The Administrator shall determine the cash value of any such *in specie* subscription.

15. REDEMPTIONS

Participation Shares may be redeemed on the Redemption Day (as defined above) following the expiry of not less than fifteen days' written notice of redemption from the shareholder to the respective Cell (such Valuation Day on which the redemption of the shares is calculated is referred to herein as the "Redemption Day"). The Fund may, in the absolute discretion of the Board, redeem Participation Shares within less than the fifteen day notice period.

The redemption price is equal to the Net Asset Value Per Share of the Participation Shares in respect of the Cell at the relevant Redemption Day (see “Net Asset Valuation”).

The Directors may, in their absolute discretion refuse to redeem any Participation Shares if in their opinion the respective Cell does not have sufficient cash resources to complete the redemption and/or in the event the Directors believe that such an action will be materially detrimental to the remaining investors, as described in "Redemption" and "Suspension of Redemption" in Part A above. The Directors will cause the Cell to notify the shareholder of such refusal. The Directors shall not be required to sell any assets or borrow any monies to obtain the resources to redeem any Participation Shares. If the Company does not complete the redemption on the first Redemption Day requested then the Redemption Notice shall be deemed withdrawn by the member who shall be required to submit a further notice of redemption to redeem any shares.

A partial redemption request for an amount of less than €10,000 or equivalent will not be accepted. Redemption of Participation Shares resulting in a remaining balance with a Net Asset Value of less than €100,000 or equivalent will give the Board the right to require the compulsory redemption of all the Participation Shares held by the relevant shareholder. The Board further has the right to require the compulsory redemption of all Participation Shares held by a shareholder who is a U.S. Person (see “Investor Suitability”), or otherwise at its sole discretion. Any such compulsory redemption will be made at the Net Asset Value per Share on the Valuation Day next following the issuance of a notice of redemption to the shareholder.

A Redemption Fee of 1% may be charged on the redemption of Class B Participation Shares of the Cell. The Redemption Fee is based on the redemption proceeds. The Redemption Fee shall be deducted from the redemption proceeds, and only the net Redemption Amount shall be paid to the redeeming shareholder.

The Board reserves the right to vary any of the redemption requirements of the Fund.

16. DIVIDEND POLICY

The Directors do not anticipate that any dividends shall be paid to shareholders out of the Cell’s earnings and profits, but rather such income will be reinvested. The Directors reserve the right to change this policy.

17. ADDITIONAL INFORMATION

ISIN Number: GI000A0Q6552
WKN: A0Q655
Class B Participation Shares
Issuer: Aero Fund PCC Limited – Cell B: Aero Equity
Type: Participation Shares

18. MATERIAL CONTRACTS

No other contracts deemed to be material have been entered into by the Cell (other than in the ordinary course of business) since incorporation in addition to those contracts referred to in Part A above.

19. CONFLICTS OF INTEREST

There are no conflicts of interest in respect of this Cell in addition to those referred to in Part A.

SUBSCRIPTION AGREEMENT

Aero Fund PCC Limited

Cell B – Aero Equity

Aero Fund PCC Limited

c/o Velay Financial Services Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

Dear Sirs,

The undersigned (“the Subscriber”) acknowledges having received the Private Placement Memorandum dated 1st January 2011 for the offering of redeemable preference shares (the “Participation Shares”) in Cell B – Aero Equity of **Aero Fund PCC Limited** (the “Fund”) on the terms of the Private Placement Memorandum and subject to the provisions of the Memorandum and Articles of Association of the Fund.

The undersigned confirms that he is an experienced investor within the meaning of the Financial Services (Experienced Investor Funds) Regulations, 2005 and acknowledges that he has received and accepted the investment warnings set out in the Private Placement Memorandum.

The undersigned wishes to subscribe for Class B Participation Shares on the terms of the Private Placement Memorandum and subject to the provisions of the Memorandum and Articles of Association of the Fund and this Subscription Agreement (which includes the attached Subscription Information). The undersigned acknowledges that except as provided under applicable securities laws, this subscription is and shall be irrevocable, except that the undersigned shall have no obligations hereunder if this subscription is for any reason rejected or this offering is for any reason cancelled.

The Subscriber represents and warrants that:

- 1) the Class B Participation Shares are not being purchased with a view to immediate resale or active trading;
- 2) all consents required to be obtained and all legal requirements necessary to be complied with or observed in order for this Agreement or the issuance of the Class B Participation Shares to be lawful and valid under the laws of any jurisdiction to which the Subscriber is subject have been obtained, complied with or observed;
- 3) none of the Class B Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a Politically Exposed Person (“PEP”) such as a senior political figure or the spouse or associate of a senior political figure, unless the Directors have determined otherwise;
- 4) none of the Class B Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a person on any European Union, United States of America, Swiss or Foreign Office or any other OECD Money Laundering or Terrorism “Watch List”;
- 5) the Subscriber has not relied on any representations or other information purported to be given on behalf of the Fund except as set forth in the Private Placement Memorandum which he has fully read and hereby acknowledges, any documents referred to therein or the published

financial accounts of the Fund, and has consulted his/her/its own attorney, accountant and/or investment manager with respect to the investment contemplated hereby and its suitability for the Subscriber;

- 6) none of the Class B Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a U.S. Person and none of the Participation Shares will be transferred to any person who has failed to supply a similar representation. "U.S. Person" means:
- i) Any natural person resident in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (the "United States")
 - ii) Any partnership or corporation organized or incorporated under the laws of the United States;
 - iii) Any estate of which any executor or administrator is a U.S. person;
 - iv) Any trust of which any trustee is a U.S. person;
 - v) Any agency or branch of a foreign entity located in the United States;
 - vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
 - vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
 - viii) Any partnership or corporation if:
 - A. Organized or incorporated under the laws of any foreign jurisdiction; and
 - B. Formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended, (the "Securities Act"), unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts

PROVIDED THAT a person or entity shall not be considered a U.S. Person if he or she or it qualifies under any exemption in the Securities Act.

- 7) None of the Class B Participation Shares (nor any interest therein) are being acquired or will be acquired at any time by a person who is Gibraltarian or who is a resident of Gibraltar, excluding any person which has been granted the status of a category 2 individual or any company which has been granted the status of a tax-exempt company.
- 8) The Fund has made available to the Subscriber, during the course of this transaction and prior to the purchase of any of the Class B Participation Shares, the opportunity to ask questions of and receive answers from any Director of the Fund concerning the terms and conditions of the offering described in the Private Placement Memorandum and in any documents referred to therein, and to obtain any additional information necessary to verify the information contained therein or otherwise relative to the financial data and business of the Fund, to the extent that such parties possess such information or can acquire it without unreasonable effort or expense, and all such questions, if asked, have been answered satisfactorily and all such documents, if examined, have been found to be fully satisfactory.

The Subscriber will promptly inform the Fund of any changes to the information disclosed, or to any of the above representations.

The Subscriber agrees to indemnify and hold harmless the Fund, its promoters, directors and officers and each other person or entity, if any, who controls it, against any and all loss,

liability, claim, damage, costs and expense whatsoever (including but not limited to any and all expenses whatsoever reasonably incurred in investigating preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the Subscriber to comply with the covenant or agreement made by the Subscriber herein or in any other document in connection with this transaction.

The Subscriber has evaluated the risks of investing in the Class B Participation Shares, and has determined that the Class B Participation Shares are a suitable investment for the Subscriber. The Subscriber acknowledges that there can be no assurance that appreciation of the Fund's assets will occur or that losses will not be realized and that the value of Class B Participation Shares may be subject to volatile movements and may fall as well as rise. Accordingly, the Subscriber can bear the economic risk of this investment and can afford a complete loss of the Subscriber's investment. The subscriber agrees that any information supplied by them to the Fund will, subject to any legal restrictions, be made available by the Fund to the Administrator and any Depositaries of the Fund. The Subscriber agrees that any information supplied by them to the Fund will be made available by the Fund to the Administrator and any Depositaries of the Fund.

This Agreement shall be governed by and interpreted in accordance with the laws of Gibraltar. Any dispute or controversy arising out of, under, in connection with or in relation to this Agreement shall be determined and settled by the Gibraltar court of competent jurisdiction. The unsuccessful party shall be responsible for all costs of such action, including but not limited to fees associated with the arbitration proceeding, reasonable attorneys' fees, court costs (if any), any filing fees, any associated disbursements, and any other fees and charges incurred in connection therewith.

Date:

Signature:

Aero Fund PCC Limited
Cell B – Aero Equity

SUBSCRIPTION INFORMATION

Date of Subscription:

Name & Address for Share Registration:

.....
.....

Postal Address (if other than address of registration):

.....
.....

Telephone:

Fax:

E-mail:

Amount of Subscription:

TOTAL .00

Source of Funds: Details of account and Name & Address of Remitting Bank:

Bank Name & Address:

Swift Code:

Account name & number:

IBAN:

Details of Bank account for transfers and payments of Redemptions in case of redemption (if different from above):

Bank Name & Address:

Swift Code:

Name & Address of Remitting Bank:

.....
.....

Name & Address of Bank for transfers and payments of Redemptions in case of redemption (if different from above):

.....
.....

Is the subscriber the exclusive beneficial owner of the assets? ☐ yes ☐ no
(if no, please complete financial details below in relation to the beneficial owner)

.....
.....

Is the subscriber a Politically Exposed Person ☐ yes ☐ no

Name and Address of Employer or Business (if individual investor) or Business (if corporate investor):

.....
.....

Subscriber's Position with Employer or Business:

Origin of assets deposited with the bank (please tick)

- | | |
|--|---|
| <input type="checkbox"/> sale of business | <input type="checkbox"/> investment profits |
| <input type="checkbox"/> life time earnings/salary | <input type="checkbox"/> (lottery) winnings |
| <input type="checkbox"/> gift/inheritance | <input type="checkbox"/> others * |
| <input type="checkbox"/> sale of real estate | |

* For others please specify:

Estimated total income p.a. (please tick)

- | | |
|--|---|
| <input type="checkbox"/> <€100 000 | <input type="checkbox"/> €700,000 – €1.5 Million. |
| <input type="checkbox"/> €100 000 – €300 000 | <input type="checkbox"/> > €1.5 Million* |
| <input type="checkbox"/> €300 000 – €700 000 | |

* Please specify:

Estimated total assets (please tick)

- | | |
|--|--|
| <input type="checkbox"/> <€700 000 | <input type="checkbox"/> €5 Million – €10 Million |
| <input type="checkbox"/> €700 000 – €2 Million | <input type="checkbox"/> €10 Million – €40 Million |
| <input type="checkbox"/> €2 Million – €5 Million | <input type="checkbox"/> >€40 Million * |

* Please specify:

Report frequency

- | | |
|----------------------------------|------------------------------------|
| <input type="checkbox"/> monthly | <input type="checkbox"/> quarterly |
| <input type="checkbox"/> yearly | <input type="checkbox"/> none |

* Please specify how often do you want to receive fund reports

Signed:.....

Date:

Name:

Entity (if corporate investor):

Position of signatory:.....

Fund's use only: Accepted and confirmed:

PAYMENT INSTRUCTIONS

Once the Subscription Documents been filled in and faxed and then sent to the Fund, subscription funds should be sent to the Fund at the following address:

Bank:	Lombard Odier Darier Hentsch Private Bank Limited
CURRENCY:	EURO
Remit to:	Lombard Odier Darier Hentsch & Cie
Swift Code:	LOCYCHGG
For the a/c of:	Lombard Odier Darier Hentsch Private Bank Limited [99024 00]
IBAN:	CH68 0876 0000 0099 0240 0
Account Name:	Aero Fund PCC Limited Subscribers Account
Account Number:	W10130 00
Ref: A/C	CELL B - AERO EQUITY [Subscriber's Name]

Please remember to add the name of the Subscriber as a reference on the fund wiring instructions to ensure proper crediting of funds.

Please also advise the Administrator that the funds have been sent:

Velay Financial Services Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

CELL C

AERO CHINA

This Part B contains particulars relating to the Cell entitled "Aero China", which is launched as Cell C (the "Cell") of Aero Fund PCC Limited (the "Fund").

SUMMARY

Investment objective

Cell C - Aero China - seeks to achieve a positive absolute return through investments in securities of Chinese and Hong Kong based companies such as equities and stocks, certificates, warrants, funds, funds of funds, ETFs, bonds, EMTNs, or any equity, derivative, or bond related vehicles, issued in China, Hong-Kong, Singapore, Taiwan, United States, or other places of issuance, that the Board of Directors deem appropriate and are legally able to invest.

Subscriptions

The Fund is offering Class C Participation Shares in Cell C at a net price per Share equal to the Net Asset Value per Share (as defined herein) of Cell C at the close of business on the Valuation Day immediately preceding the relevant Subscription Day. Class C Participation Shares may be subscribed for on each Subscription Day (as defined herein), after the Subscription Agreement and any monies due in respect of such shares have been received by the Fund.

During the Initial Subscription Period and thereafter, the minimum initial investment by each investor is €100,000 or its equivalent. Additional subscriptions are permitted, subject to a minimum of €10,000 per transaction or its equivalent.

A Subscription Fee of up to 1% may be charged by the Administrator on behalf of the Facel Asset Management Company S.A on subscription to the Cell. The Subscription Fee is based on the value of, and added to the purchase price of the Class C Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The Board reserves the right to vary any of the subscription requirements of the Cell. Further information in respect of subscriptions to each Cell is contained in this Part B.

Redemptions

Class C Participation Shares may be redeemed at the Net Asset Value per Share on the Valuation Day (as defined below), following the expiry of not less than fifteen days

written notice of redemption from the shareholder to the Fund. The Cell may, in the absolute discretion of the Board, redeem Class C Participation Shares within less than the fifteen day notice period.

The minimum redemption amount is €10,000 or equivalent. The redemption of Class C Participation Shares by a shareholder resulting in the value of Class C Participation Shares held by the shareholder in any one class totalling less than €100,000 or equivalent may cause redemption of the whole position of the entire holding of the shareholder in that class.

A Redemption Fee of up to 1% may be charged by the Administrator on behalf of the Facel Asset Management Company S.A on redemption of Class C Participation Share of the Cell. The Redemption Fee is based on the value of, and subtracted from the redemption proceeds of the Class C Participation Shares. Any fees may be split with any broker or other introducer introducing investors to the Cell or retained by the Cell.

The Board reserves the right to vary any of the redemption requirements of the Fund.

Fees and Expenses

Directors Fees

Cell C will pay a proportion of the fees paid to the Directors as set out in Part A hereto.

Investment Management Fees

Cell C shall pay Huber & Co Limited, as investment manager, the following fees:

- (i) a fixed fee of 2.00% (two percent) of the Net Assets of the Cell; and
- (ii) a performance fee of 20.00% (twenty percent) of any increase in the Net Assets of the Fund per month. High Water Mark conditions will apply as defined below.

“The “High Water Mark” means the highest Net Asset Value per Participation Share of a Cell C in the Fund on any previous Valuation Day

Depositary Fees

Cell C will pay Lombard Odier Darier Hentsch Private Bank Limited as Depositary an annual fee of 0.15 % of the total assets of Cell C held at LODHPB, calculated and accrued on a monthly basis, paid quarterly in arrears (no minimum fees will apply). The Fund will also pay the

LODHPB brokerage fee at agreed commercial rates.

Cell C will pay Bank of China (Suisse) S.A a fee of 0.40% of the Net Assets held at the account of Cell C with the Bank of China (Suisse) S.A. The Fund will also pay the Bank of China brokerage fee at agreed commercial rates.

Administration Fees

Cell C shall pay the Administrator fees based on the net assets of the Cell C calculated and accrued and paid quarterly in arrears. Further details are set out below

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction and other banking charges. Any rebates shall be for the benefit of the Fund and the relevant Cell.

Disbursements such as telecommunication, fax, mail and office costs are charged separately.

Company Secretarial Fees

Cell C shall pay the Company Secretary €2000 per annum for the provision of company secretarial services.

Each shareholder should consult his or her tax adviser as to his or her own tax position.

DEFINITIONS

In this Part B - Cell C – Aero China - unless the context otherwise requires the following expressions shall have the following meanings:

Cell C	means Cell C Aero China.
Class C Participation Shares	means Class C Participation Shares issued in consideration for subscription to Cell C.
Redemption	means the redemption of a Participation Share by the Fund, as described below.
Redemption Day	means, in respect of redemptions, last day of each calendar month in each year unless determined otherwise by the Board.
Redemption Fee	means the fee, if any, charged to investors when they redeem shares in the Company and in a Cell, details of which are set out in Part B hereof.
Redemption Notice	means a written notice served by a shareholder on the Company asking to redeem Participation Shares, in the manner set forth herein.
Subscription Amount	means in respect of each Participation Share the amount paid by a shareholder to acquire such share (not including any Subscription Fee (as defined below)).
Subscription Day	means, in respect of subscriptions, the first business day of each calendar month in each year unless determined otherwise by the Board.
Subscription Fee	means the fee, if any, charged to investors when they subscribe for shares in the Company and in a Cell, details of which are set out in Part B hereof.
Valuation Day	means the last day of each calendar month. The Board may however determine any other date as being the Valuation Day.

Capitalized terms not defined herein shall have the meaning ascribed to them in Part A.

1. INVESTOR INFORMATION

The Directors in relation to Cell C agree to compute and provide the following reports to investors, or their nominees, each in a form acceptable to the Directors and prepared in accordance with International Accounting Standards.

Monthly Net Asset Value: The Monthly Net Asset Value per Share of the Cell will be computed by the Administrator and reported to the investors within 5 days of the Net Asset Value having been approved by the Directors.

Audited Statements: Annual audited financial statements will be provided, upon request, within six months of the financial year-end.

Whilst the Cell will endeavour to provide the aforementioned by the time deadlines stated, the Cell shall not be held liable for any delays in providing the relevant reports and/or publishing the relevant information which result from unexpected contingencies, such as delays in receiving necessary information from which to prepare such reports or information; equipment failure; fire or other physical damage to office or equipment or power failures.

2. INVESTMENT OBJECTIVES AND POLICY

Investment objective

Cell C - Aero China - seeks to achieve investment returns through investments in Chinese and Hong Kong based companies such as equities and stocks, certificates, warrants, funds, funds of funds, ETFs, bonds, EMTNs, or any equity, derivative, or bond related vehicles, issued in China, Hong-Kong, Singapore, Taiwan, United States, or other places of issuance, that the Board of Directors deems appropriate and are legally able to invest.

Cell C will also be able to invest in Chinese “A-Shares” and “B-Shares” related investment certificates. The certificates aim to return to investors the performance of the underlying “A-Shares” or “B-Shares” and are similar to warrants in their nature. Chinese “A-Shares” are shares of Chinese-incorporated companies trading on the Shanghai or Shenzhen stock exchanges. These shares are only open to trading by China’s mainland residents or international investors under the Qualified Foreign Institutional Investors program. Chinese “B-Shares” are shares of companies incorporated in mainland China and are traded in the mainland B-share markets (Shanghai and Shenzhen). B-shares are quoted in foreign currencies. In the past, only foreigners were allowed to trade B shares. Starting from March 2001, mainlanders can trade B shares as well. However, they must trade with legal foreign currency accounts

The Qualified Foreign Institutional Investor (QFII) program was launched in 2002 to attract foreign capital and expertise to the Chinese stock market. QFII enables non-mainland foreign institutional investors who meet program requirements to invest in certificates of Chinese A-Shares and B-Shares which in turn aim to return the same performance as the underlying A-Share or B-Shares. It should be noted that holding a A-Share or B-Share certificate does not give the holder the same rights normally attached to shareholder in terms of ownership. The current QFII investment quota was increased to US \$30 billion in December 2007. Bank of China (Suisse) S.A (“BOCS”) will be able to use various QFII programs of other banks or brokers with who we have established relationships. BOCS itself is not a QFII.

Cell C, Aero China, will open accounts with both BOCS and LODHPB who will act as Co-Depositaries for Cell C. All transactions involving Chinese A-Shares and B-Shares related investment vehicles will be made through Cell C's account held at BOCS. LODHPB will act as depositary for the assets of Cell C except for the assets which are invested in certificates of Chinese A-Shares and B-Shares.

3. INVESTMENT RESTRICTIONS

The following investment restrictions will apply to the Cell:

- The Cell will not employ leverage or take any credit loan in cash from any bank or financial institution;
- A minimum cash position of 5% of the Gross assets of the Cell will be available for redemptions at any time;
- The Fund will not invest directly in real estate but will be able to invest in securities of companies which hold and are involved in real estate.

The Directors will ensure that corrective action is taken where the Cell is in breach of any of the above investment restrictions.

4. RISK FACTORS

In addition to the risk factors set forth in Part A hereto, the following additional risk factors exist in connection with the Cell's investment policy to invest mainly in Chinese and Hong Kong equities and their derivatives:

a) Speculative Position Limits

Some exchanges have established speculative position limits, which govern the maximum position, which any person may hold or control. It is possible that the Investment Manager may have to modify trading strategies or liquidate positions in order to avoid exceeding speculative position limits. Such modification or liquidation, if required, could adversely affect the Cell's objective to achieve capital appreciation.

b) Forward Markets

Although the forward markets, including the foreign currency markets, may not necessarily be more volatile than the markets in other assets, the forward markets offer less protection against defaults in trading than is available when trading occurs on an exchange. Forward contracts are not guaranteed by an exchange or clearing house, and therefore, a non-settlement or default on the contract would deprive the Cell of unrealised profits or force the Fund to cover its commitment for purchase and resale, if any, at the current market price.

The low margin normally required in forward trading permit an extremely high degree of leverage, since margin requirements for futures trading in some cases are as little as 2% of the face value (or "exposure") of the contracts traded. Therefore the gross value of positions held may be several times the value of the assets under management. Consequently, even a slight movement in the prices of commodities to which the assets under management are exposed could result in immediate and substantial losses to the investor.

c) Small Cap Market – Unquoted Shares

The Cell may invest in small cap shares. An investment in a small company involves substantial risks. There may not be a market for the shares in such companies and the Cell may be required to hold its investment for a substantial period of time without there being any market for the investment and/or any prospect of realising the investment. In addition investments in small companies carry the additional risk that these companies may not have sufficient resources to complete any projects they may have.

d) Investments in China

The Fund will invest in China and Hong Kong which could be considered more speculative in nature and subject to greater market fluctuations and risk of loss than normally associated with investments in more developed and more politically and economically stable jurisdictions with more sophisticated capital markets and regulatory regimes, such as the United States and Western Europe.

These risks include:

- currency devaluations and other currency exchange rate fluctuations;
- political uncertainty and instability;
- more substantial government involvement in the economy;
- higher rates of inflation;
- less government supervision and regulation of the securities markets, and participants in those markets;
- controls on foreign investment and limitations on repatriation of invested capital and on an investor's ability to exchange local currencies for convertible currencies (there is a risk that exchange controls may be introduced which would prevent the Fund being able to withdraw funds from a country);
- greater price volatility, substantially less liquidity and significantly smaller market capitalisation of securities markets;
- custody and settlement systems which may be less developed. In addition, accounting, auditing and reporting standards, practices and disclosure requirements may differ from those in more developed markets in that less information is available to investors and such information may be out of date;
- risks regarding the preservation and security of private ownership rights in various countries;
- disputes between parties over the assets in which the Fund has invested. The resolution/outcome of such disputes in the local courts could be unpredictable. Such disputes have taken place within certain countries;

- The banking system and the local banks are not as stable as western banks;
- the liberalisation of trade and other business activities witnessed during the recent years is likely to continue in the opinion of the Directors, but one can of course not rule out a reversion. Any reversion to previous policies by the different countries could have an adverse impact on the Fund;
- accounting, auditing and financial reporting standards and requirements are in many respects less stringent and less consistent than those applicable in most Western countries. Less information is available to investors investing in these countries than to investors investing in Western companies and assets;
- there is still a serious corruption problem and there may be risks of regime change which may result in new legislation and other regulations being introduced which might have an adverse impact on the assets of the Fund;
- A common complaint of foreign companies doing business in China, or with Chinese companies, is about the difficulty of collecting full payment on time. China does not have a credit infrastructure that provides systematic and reliable resources to the credit history of companies and individuals.
- The existing Chinese legal system does not provide adequate and effective protection. The application of laws is inconsistent in different provinces and cities, and court verdicts are difficult to enforce. Cost of litigation is high, and penalties are low. Contracts are not fully respected and difficult to enforce. Bear in mind that the conclusion of a contract is just the beginning of real negotiation.
- In recent years, more than two-thirds of China's provinces and municipalities have experienced chronic power shortages, with the most serious in the high-density industrial areas along the east coast.
- China is a very diverse market. With 1.3 billion in population, the consumer culture, cuisine and local languages are dramatically different in provinces from north to south and from east to west. The overall market has been growing rapidly but regional economy has developed at very different paces.

5. BROKERS

Lombard Odier Darier Hentsch Private Bank Limited

The Fund will use Lombard Odier Darier Hentsch Private Bank Limited as acting broker to transact its trades (except for trades involving certificates of Chinese A-Shares and B-Shares).

Lombard Odier Darier Hentsch Private Bank Limited will not be involved in the calculation of the Net Asset Value of Cell C.

Bank of China (Suisse) S.A

The Fund will use Bank of China (Suisse) S.A Limited as acting broker to transact its trades for certificates of Chinese A-Shares and B-Shares.

Bank of China (Suisse) S.A Limited will not be involved in the calculation of the Net Asset Value of Cell C.

The Fund may appoint additional brokers if the board decides it are necessary. Agreements will be entered into on the Brokers' standard terms and conditions of appointment and the Fund will be able to remove the Broker in accordance with such agreements.

Agreements will be entered into on the Brokers' standard terms and conditions of appointment and the Fund will be able to remove the Broker in accordance with such agreements.

FEES AND EXPENSES

In addition to the Fees set out in Part A of this Private Placement Memorandum, the following fees apply to this Cell.

6. FEES OF THE DIRECTORS

The Cell shall pay the Directors its proportional part of the Fees set out in Part A hereto.

7. FEES OF THE INVESTMENT MANAGER

The Cell shall pay Huber & Co, the investment manager, for the provision of investment management services the following fees:

- (a) an annual fixed fee of 2.00% of the Net Assets (as defined below) of the Cell (as calculated by the Administrator on each Valuation Day and approved by the Directors); and
- (b) a performance fee in any month where the Net Assets per Participation Share of the Cell has risen above the High Water Mark (defined below) equal to 20 % of any increase in Net Assets Value per Participation Share of the Cell in the month above the High Water Mark multiplied by the number of issued Participation Shares.

“Net Assets” means the total value of the assets attributable to the Cell, calculated as aforesaid.

“The “High Water Mark” means the highest Net Asset Value per Participation Share of a Cell / Class of share in the Fund on any previous Valuation Day.

The fixed and performance fees will be accrued monthly and paid quarterly in arrears.

Disbursements such as telecommunication, fax, mail and office costs are charged separately.

8. FEES OF THE ADMINISTRATOR

The Cell shall pay the Administrator annual administration fees in an amount equal to:

0.10% of the Net Assets of the Cell accrued monthly and paid quarterly in arrears. This is subject to a minimum annual fee of €10,000.

The fees are subject to review after one year.

Disbursements and “out of pocket expenses” such as telecommunication, fax, mail and office costs will be charged separately.

These fees will be accrued monthly and paid quarterly in arrears.

9. FEES OF THE COMPANY SECRETARY

The Cell shall pay the Company Secretary a fee of €2000 per annum for the provision of company secretarial services to Cell C.

10. FEES OF THE CO-DEPOSITARIES

Lombard Odier Darier Hentsch Private Bank Limited

Pursuant to the Depositary Agreement, LODHPB Ltd will charge a fee based on the total assets of Cell C deposited with LODHPB.

LODHPB Ltd as Depositary will receive from the Fund an annual fee of 0.15 % of the assets of Cell C deposited with LODHPB, calculated and accrued on a monthly basis, paid quarterly in arrears (no minimum fees will apply). LODHPB will not receive any fee for the assets of Cell C deposited with any Co-Depositary.

Lombard Odier Darier Hentsch Private Bank Limited will not be involved in the calculation of the Net Asset Value of Cell C.

Additional transaction fees will be charged by the Depositary as agreed with the Fund from time to time.

Bank of China (Suisse) S.A

Pursuant to the Depositary Agreement, the Bank of China (Suisse) S.A will receive from the Fund an annual fee of 0.40% of the total assets of Cell C held at the Bank of China (Suisse) S.A, calculated and accrued on a monthly basis, paid quarterly in arrears.

Bank of China (Suisse) S.A will not be involved in the calculation of the Net Asset Value of Cell C.

The Bank of China (Suisse) S.A will also charge brokerage fees on an agreed tariff.

11. FEES OF THE BROKER

The fees of the Broker shall be in accordance with their standard terms and conditions of appointment.

12. OTHER OPERATING EXPENSES

Other fees in respect of this Cell are set out in Part A.

13. TRANSACTIONAL COSTS

For its trading activities, the Fund may use the services of Lombard Odier Darier Hentsch Private Bank Limited to execute and clear its transactions and to carry its accounts. The Fund will pay LODHPB brokerage fees at agreed commercial rates.

The Fund may appoint additional brokers and will negotiate fees and commissions. The Fund will pay all expenses incurred in connection with its trading and investment activities, including but not limited to all execution, other transaction costs and expenses, custody expenses and all other related expenses and costs.

The Directors may negotiate and receive rebates of commission in respect of each brokerage transaction. Any rebates received shall be for the benefit of the Fund.

ADDITIONAL INFORMATION

14. SUBSCRIPTIONS

The Fund is offering Class C Participation Shares in Cell C for subscription at a net price per Share equal to the Net Asset Value per Share (as defined in the section on Net Asset Valuations above) of the Cell at the close of business on the Valuation Day immediately preceding the relevant Subscription Day. Subscription will be accepted on the first Subscription Day after an executed copy of the Subscription Agreement and the applicable Subscription Amounts due in respect of the Participation Shares have been received by the Fund. The minimum initial investment per subscriber is €100,000 or its equivalent. Additional subscriptions are permitted, subject to a minimum of €10,000 per transaction or its equivalent.

Subscription Amounts and relevant documentation should be received at least two Business Days prior to the relevant Subscription Day. The acceptance of subscriptions is subject to confirmation of the prior receipt of cleared funds credited to the Cell's subscription account with the Depositary. The Board of Directors reserves the right to reject subscriptions in its absolute discretion. Any interest earned by the Fund on Subscription monies will be for the benefit of the Cell and the subscriber shall have no right to receive interest or other sums from the Cell in respect of such sums.

A Subscription Fee of 1% may be charged by the Administrator on the subscription to the Cell. The fee is based on the Subscription Amount. The Subscription Fee shall be deducted from the subscription monies received by the Cell, and only the net Subscription Amount shall be considered as amount paid for the Participation Shares.

The Board reserves the right to alter the above-mentioned subscription requirements at its absolute discretion. The Board reserves the right to receive tradable securities *in lieu* of or in addition to cash for payment of Subscription monies. The Administrator shall determine the cash value of any such *in specie* subscription.

15. REDEMPTIONS

Participation Shares may be redeemed on the Redemption Day (as defined above) following the expiry of not less than fifteen days' written notice of redemption from the shareholder to the respective Cell (such Valuation Day on which the redemption of the shares is calculated is referred to herein as the "Redemption Day"). The Fund may, in the absolute discretion of the Board, redeem Participation Shares within less than the fifteen day notice period.

The redemption price is equal to the Net Asset Value per Share of the Participation Shares in respect of the Cell at the relevant Redemption Day (see "Net Asset Valuation").

The Directors may, in their absolute discretion refuse to redeem any Participation Shares if in their opinion the respective Cell does not have sufficient cash resources to complete the redemption and/or in the event the Directors believe that such an action will be materially detrimental to the remaining investors, as described in "Redemption" and "Suspension of Redemption" in Part A above. The Directors will cause the Cell to notify the shareholder of such refusal. The Directors shall not be required to sell any assets or borrow any monies to obtain the resources to redeem any Participation Shares. If the Company does not complete the redemption on the first Redemption Day requested then the Redemption Notice shall be deemed withdrawn by the member who shall be required to submit a further notice of redemption to redeem any shares.

A partial redemption request for an amount of less than €10,000 or equivalent will not be accepted. Redemption of Participation Shares resulting in a remaining balance with a Net Asset Value of less than €100,000 or equivalent will give the Board the right to require the compulsory redemption of all the Participation Shares held by the relevant shareholder. The Board further has the right to require the compulsory redemption of all Participation Shares held by a shareholder who is a U.S. Person (see “Investor Suitability”), or otherwise at its sole discretion. Any such compulsory redemption will be made at the Net Asset Value per Share on the Valuation Day next following the issuance of a notice of redemption to the shareholder.

A Redemption Fee of 1% may be charged on the redemption of Class C Participation Shares of the Cell. The Redemption Fee is based on the redemption proceeds. The Redemption Fee shall be deducted from the redemption proceeds, and only the net Redemption Amount shall be paid to the redeeming shareholder.

The Board reserves the right to vary any of the redemption requirements of the Fund.

16. DIVIDEND POLICY

The Directors do not anticipate that any dividends shall be paid to shareholders out of the Cell’s earnings and profits, but rather such income will be reinvested. The Directors reserve the right to change this policy.

17. ADDITIONAL INFORMATION

ISIN Number: GI0000A0YEL6
WKN: A0YELB
Class C Participation Shares
Issuer: Aero Fund PCC Limited – Cell C: Aero China
Type: Participation Shares

18. MATERIAL CONTRACTS

Depositary Agreement dated 9th November 2009 between the Fund and the Bank of China (Suisse) S.A (the “Co-Depositary”) which specifies the terms whereby the Bank of China (Suisse) S.A agrees to act as a Co-Depositary for the Fund. This Agreement shall be for an indefinite period and may be terminated by either party giving to the other 90 days written notice of the date upon which the Agreement is to terminate (the “Termination Date”). At least 15 days prior to the Termination Date, Cell C shall give to the Depositary instructions specifying the names of the persons or institutions to whom the Depositary shall deliver the Safe Custody Assets. This Agreement may be terminated forthwith by the Depositary if a Regulator or Supervisory Authority of Cell C imposes terms, conditions, limitations or restrictions directly or indirectly to the Depositary other than those specified in this Agreement. In such case, the termination is effective from the date such terms, conditions, limitations or restrictions come into force. Cell C will indemnify and hold the Depositary harmless for all kind of costs and damages that are foreseeable and reasonably incurred by the Depositary due to such terms, conditions, limitations or restrictions. This Agreement may be terminated forthwith by either party giving notice in writing to the other party if at any time that other party goes into liquidation or a receiver, examiner or administrator (or equivalent) is appointed over all or any part of either party or its assets or either party commits a breach of any provision hereof, which is capable of remedy and shall not have been remedied within 30 days from

the service of notice to do so. Any termination of the appointment of the Depositary under the provision of this Agreement shall be without prejudice to any antecedent liability of the Depositary and Cell C respectively. The Depositary shall be entitled to receive all fees and other money due until the Termination Date. Neither party shall be entitled to compensation in respect of such termination. Any termination shall not affect any right or liability arising out of events occurring prior to the effectiveness of the termination.

Under the terms of the Depositary Agreement,, the Depositary will provide custodian services. The Depositary will not provide any other services or perform any other functions except safekeeping and administration relating to the provision of safe custody services for Cell C which will include the following duties: (a) Upon instructions and insofar as monies held on behalf of Cell C are available to the Depositary for this purpose, pay for and receive assets purchased by Cell C, payment for such assets being made only upon receipt of the investments in a form for transfer satisfactory to the Depositary or in accordance with normal market practice governing payment for delivery of investments of the types concerned; (b) Upon instructions and insofar as monies held on behalf of Cell C are available to the Depositary for this purpose, transfer or procure delivery of assets which have been sold by Cell C, such transfer and delivery to be made where practicable against payment therefore in a form satisfactory to the Depositary or in accordance with normal market practice governing transactions in the investments concerned and the proceeds of sale of such assets shall be held by the Depositary on behalf of Cell C; (c) Collect and hold on behalf of Cell C, all incomes, dividends, interests and other payments with respect to the Safe Custody Assets; (d) Upon instructions and insofar as monies held on behalf of Cell C are available to the Depositary for this purpose, pay on behalf of Cell C, redemption proceeds for the shares redeemed; (e) On receipt of any notice or document in relation to Custody Assets, forward the same to Cell C or deal with the same in accordance with instructions; (f) Inform the Administrator in a regular basis of all assets and monies received, transferred or paid on behalf of Cell C; (g) Keep or cause to be kept at its premises such books, records and statements as may be necessary to give a complete record of all assets and monies held and transactions carried out by the Depositary or its agents on behalf of Cell C and shall on reasonable notice from Cell C provide copies of such books records and statements as Cell C may request; (h) Carry out such further activities on behalf of Cell C agreed from time to time with Cell C; (i) Comply with any legal and valid blocking or freezing order issued by any legal or regulatory authority;

In addition to the custodial services mentioned above, the Depositary may provide other banking facilities to Cell C, such as but not limited to, the placement of cash in bank deposits, brokerage services, foreign exchange dealings and securities lending facilities. Such other bank facilities, if offered by the Depositary, will be regulated by the AOD of the Depositary or by specific agreement(s) entered into between the Depositary and Cell C.

The Depositary will have no other duties or responsibilities relating to Cell C, for example the Depositary will not provide advisory services or asset management services nor will it monitor investment activities or investment strategies of Cell C. The Depositary shall not supervise or control the activities of any Director, trustee (or corresponding hierarchical level) or the Administrator of Cell C. The Depositary shall not be involved in the calculation of the Net Asset Valuation of Cell C. The Depositary does not warrant the contents of the relevant fund-documentation nor will it be involved in the management, administration or net asset value calculation of Cell C. The Depositary does not act as sponsor or promoter of the Sub-Fund.

19. CONFLICTS OF INTEREST

There are no conflicts of interest in respect of this Cell in addition to those referred to in Part A.

SUBSCRIPTION AGREEMENT

Aero Fund PCC Limited

Cell C – Aero China

Aero Fund PCC Limited

c/o Velay Financial Services Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

Dear Sirs,

The undersigned (“the Subscriber”) acknowledges having received the Private Placement Memorandum dated 1st January 2011 for the offering of redeemable preference shares (the “Participation Shares”) in Cell C – Aero Equity of **Aero Fund PCC Limited** (the “Fund”) on the terms of the Private Placement Memorandum and subject to the provisions of the Memorandum and Articles of Association of the Fund.

The undersigned confirms that he is an experienced investor within the meaning of the Financial Services (Experienced Investor Funds) Regulations, 2005 and acknowledges that he has received and accepted the investment warnings set out in the Private Placement Memorandum.

The undersigned wishes to subscribe for Class C Participation Shares on the terms of the Private Placement Memorandum and subject to the provisions of the Memorandum and Articles of Association of the Fund and this Subscription Agreement (which includes the attached Subscription Information). The undersigned acknowledges that except as provided under applicable securities laws, this subscription is and shall be irrevocable, except that the undersigned shall have no obligations hereunder if this subscription is for any reason rejected or this offering is for any reason cancelled.

The Subscriber represents and warrants that:

- 1) the Class C Participation Shares are not being purchased with a view to immediate resale or active trading;
- 2) all consents required to be obtained and all legal requirements necessary to be complied with or observed in order for this Agreement or the issuance of the Class C Participation Shares to be lawful and valid under the laws of any jurisdiction to which the Subscriber is subject have been obtained, complied with or observed;
- 3) none of the Class C Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a Politically Exposed Person (“PEP”) such as a senior political figure or the spouse or associate of a senior political figure, unless the Directors have determined otherwise;
- 4) none of the Class C Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a person on any European Union, United States of America, Swiss or Foreign Office or any other OECD Money Laundering or Terrorism “Watch List”;
- 5) the Subscriber has not relied on any representations or other information purported to be given on behalf of the Fund except as set forth in the Private Placement Memorandum which he has fully read and hereby acknowledges, any documents referred to therein or the published

financial accounts of the Fund, and has consulted his/her/its own attorney, accountant and/or investment manager with respect to the investment contemplated hereby and its suitability for the Subscriber;

- 6) none of the Class C Participation Shares (nor any interest therein) are being acquired or will at any time be held, directly or indirectly, for the account or benefit of a U.S. Person and none of the Participation Shares will be transferred to any person who has failed to supply a similar representation. "U.S. Person" means:
- i) Any natural person resident in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (the "United States")
 - ii) Any partnership or corporation organized or incorporated under the laws of the United States;
 - iii) Any estate of which any executor or administrator is a U.S. person;
 - iv) Any trust of which any trustee is a U.S. person;
 - v) Any agency or branch of a foreign entity located in the United States;
 - vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
 - vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
 - viii) Any partnership or corporation if:
 - A. Organized or incorporated under the laws of any foreign jurisdiction; and
 - B. Formed by a U.S. person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended, (the "Securities Act"), unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts

PROVIDED THAT a person or entity shall not be considered a U.S. Person if he or she or it qualifies under any exemption in the Securities Act.

- 7) None of the Class C Participation Shares (nor any interest therein) are being acquired or will be acquired at any time by a person who is Gibraltarian or who is a resident of Gibraltar, excluding any person which has been granted the status of a category 2 individual or any company which has been granted the status of a tax-exempt company.
- 8) The Fund has made available to the Subscriber, during the course of this transaction and prior to the purchase of any of the Class C Participation Shares, the opportunity to ask questions of and receive answers from any Director of the Fund concerning the terms and conditions of the offering described in the Private Placement Memorandum and in any documents referred to therein, and to obtain any additional information necessary to verify the information contained therein or otherwise relative to the financial data and business of the Fund, to the extent that such parties possess such information or can acquire it without unreasonable effort or expense, and all such questions, if asked, have been answered satisfactorily and all such documents, if examined, have been found to be fully satisfactory.

The Subscriber will promptly inform the Fund of any changes to the information disclosed, or to any of the above representations.

The Subscriber agrees to indemnify and hold harmless the Fund, its promoters, directors and officers and each other person or entity, if any, who controls it, against any and all loss,

liability, claim, damage, costs and expense whatsoever (including but not limited to any and all expenses whatsoever reasonably incurred in investigating preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the Subscriber to comply with the covenant or agreement made by the Subscriber herein or in any other document in connection with this transaction.

The Subscriber has evaluated the risks of investing in the Class C Participation Shares, and has determined that the Class C Participation Shares are a suitable investment for the Subscriber. The Subscriber acknowledges that there can be no assurance that appreciation of the Fund's assets will occur or that losses will not be realized and that the value of Class C Participation Shares may be subject to volatile movements and may fall as well as rise. Accordingly, the Subscriber can bear the economic risk of this investment and can afford a complete loss of the Subscriber's investment. The subscriber agrees that any information supplied by them to the Fund will, subject to any legal restrictions, be made available by the Fund to the Administrator and any Depositaries of the Fund. The Subscriber agrees that any information supplied by them to the Fund will be made available by the Fund to the Administrator and any Depositaries of the Fund.

This Agreement shall be governed by and interpreted in accordance with the laws of Gibraltar. Any dispute or controversy arising out of, under, in connection with or in relation to this Agreement shall be determined and settled by the Gibraltar court of competent jurisdiction. The unsuccessful party shall be responsible for all costs of such action, including but not limited to fees associated with the arbitration proceeding, reasonable attorneys' fees, court costs (if any), any filing fees, any associated disbursements, and any other fees and charges incurred in connection therewith.

Date:

Signature:

Aero Fund PCC Limited

Cell C – Aero China

SUBSCRIPTION INFORMATION

Date of Subscription:

Name & Address for Share Registration:

.....
.....

Postal Address (if other than address of registration):

.....
.....

Telephone:

Fax:

E-mail:

Amount of Subscription:

TOTAL .00

Source of Funds: Details of account and Name & Address of Remitting Bank:

Bank Name & Address:

Swift Code:

Account name & number:

IBAN:

Details of Bank account for transfers and payments of Redemptions in case of redemption (if different from above):

Bank Name & Address:

Swift Code:

Name & Address of Remitting Bank:

.....
.....

Name & Address of Bank for transfers and payments of Redemptions in case of redemption (if different from above):

.....
.....

Is the subscriber the exclusive beneficial owner of the assets? ☐ yes ☐ no
(if no, please complete financial details below in relation to the beneficial owner)

.....
.....

Is the subscriber a Politically Exposed Person ☐ yes ☐ no

Name and Address of Employer or Business (if individual investor) or Business (if corporate investor):

.....
.....

Subscriber's Position with Employer or Business:

Origin of assets deposited with the bank (please tick)

- | | |
|--|---|
| <input type="checkbox"/> sale of business | <input type="checkbox"/> investment profits |
| <input type="checkbox"/> life time earnings/salary | <input type="checkbox"/> (lottery) winnings |
| <input type="checkbox"/> gift/inheritance | <input type="checkbox"/> others * |
| <input type="checkbox"/> sale of real estate | |

* For others please specify:

Estimated total income p.a. (please tick)

- | | |
|--|--|
| <input type="checkbox"/> <€100 000 | <input type="checkbox"/> €700,000 –€1.5 Million. |
| <input type="checkbox"/> €100 000 – €300 000 | <input type="checkbox"/> > €1.5 Million* |
| <input type="checkbox"/> €300 000 – €700 000 | |

* Please specify:

Estimated total assets (please tick)

- | | |
|--|--|
| <input type="checkbox"/> <€700 000 | <input type="checkbox"/> €5 Million – €10 Million |
| <input type="checkbox"/> €700 000 – €2 Million | <input type="checkbox"/> €10 Million – €40 Million |
| <input type="checkbox"/> €2 Million – €5 Million | <input type="checkbox"/> >€40 Million * |

* Please specify:

Report frequency

- | | |
|----------------------------------|------------------------------------|
| <input type="checkbox"/> monthly | <input type="checkbox"/> quarterly |
| <input type="checkbox"/> yearly | <input type="checkbox"/> none |

* Please specify how often do you want to receive fund reports

Signed:.....

Date:

Name:

Entity (if corporate investor):

Position of signatory:.....

Fund's use only : Accepted and confirmed:

PAYMENT INSTRUCTIONS

Once the Subscription Documents been filled in and faxed and then sent to the Fund, subscription funds should be sent to the Fund at the following address:

Bank:	Lombard Odier Darier Hentsch Private Bank Limited
CURRENCY:	EURO
Remit to:	Lombard Odier Darier Hentsch & Cie
Swift Code:	LOCYCHGG
For the a/c of:	Lombard Odier Darier Hentsch Private Bank Limited [99024 00]
IBAN:	CH68 0876 0000 0099 0240 0
Account Name:	Aero Fund PCC Limited Subscribers Account
Account Number:	W10296 00
Ref: A/C	CELL C - AERO CHINA [Subscriber's Name]

Please remember to add the name of the Subscriber as a reference on the fund wiring instructions to ensure proper crediting of funds.

Please also advise the Administrator that the funds have been sent:

Velay Financial Services Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar

APPENDIX A

INDIVIDUAL INVESTOR

[THE FOLLOWING LETTER MUST BE PROVIDED FOR EACH INDIVIDUAL INVESTOR]

[Letterhead of banker/lawyer/accountant]

[Date]

Dear Sir

This letter is to confirm that _____ of _____ [insert Residential Address] has been known to me/us for ____ years [must be minimum of two years] and to confirm that during that time he has always proved reliable, honest and trustworthy in his financial and business dealings.

Yours faithfully

[MUST BE SIGNED BY A BANKER, LAWYER OR ACCOUNTANT]

APPENDIX B

CORPORATE INVESTOR

[THE FOLLOWING LETTER MUST BE PROVIDED FOR EACH OF THE DIRECTORS,
SHAREHOLDERS (IF THEIR SHAREHOLDING IS IN EXCESS OF 25% + 1 SHARE) AND
BENEFICIAL OWNERS (IF THEIR SHAREHOLDING IS IN EXCESS OF 25% + 1 SHARE) OF THE
CORPORATE INVESTOR]

[Letterhead of banker/lawyer/accountant]

[Date]

Dear Sir

This letter is to confirm that _____ of _____ [insert Residential Address] has been known to me/us for ____ years [must be minimum of two years] and to confirm that during that time he has always proved reliable, honest and trustworthy in his financial and business dealings.

Yours faithfully

[MUST BE SIGNED BY A BANKER, LAWYER OR ACCOUNTANT]

APPENDIX C

REDEMPTION REQUEST FORM

Shareholders wishing to redeem all or any of their shareholding must serve a Redemption Request to the Administrator of the Fund at the following address:

Velay Financial Services Limited
210 Neptune House
P.O. Box 300
Marina Bay
Gibraltar
Tel: +350 200 51431
Fax: +350 200 51429
E-mail: info@vfs.gi

A Redemption Request so given shall be in writing signed by the shareholder or an authorised signatory thereof and shall include full details of the shareholding including the name(s) and address(es) of the shareholder, the number of shares held and the number of shares being redeemed.

If a redemption would otherwise result in a shareholder having a residual holding of Participation Shares valued at less than €100,000 the Directors, at their absolute discretion, may deem the Redemption Request to have been made in respect of all the Participation Shares held by that shareholder.

A Redemption Request should be sent to the Administrator of the Fund. The Redemption Request be sent to the Administrator in the form of a letter (including the following information).

For a Redemption Request to be effective must be sent to the Administrator in original form bearing an original signature of the shareholder or an authorised signatory thereof. Redemption Requests should be sent by courier ONLY. Redemption Requests should not be sent by post or any other alternative means.

Details of Redemption Request:

Subscribers Name: _____

Cell to which shares are being redeemed: _____

Number of shares being requested to be redeemed: _____

Number of shares remaining after the Redemption Request: _____

Signed:

Date:

Name:

Entity (if corporate investor):.....

Position of signatory (if corporate investor):