

Altarius Index PCC Limited

Cell C – Think Credit

PRIVATE PLACEMENT MEMORANDUM

IMPORTANT

October 2022

Altarius Index PCC Limited (hereinafter the “PCC” or “Altarius Index”), is a protected cell company incorporated in Gibraltar pursuant to the Protected Cell Companies Act 2001 (the “PCC Act”). In accordance with section 11(2)(a) of the PCC Act, Altarius Index has been established principally for the purposes of issuing bonds, notes or loan or other debt securities or instruments, secured or unsecured, in respect of which the repayment of capital and interest is to be funded from Altarius Index’s investments.

Altarius Index falls within the definition of “securitisation special purpose entities” as defined at regulation 4(1) of the Financial Services (Alternative Investment Fund Managers) Regulations 2020 and as such is exempt from the aforementioned regulations pursuant to regulation 6(1)(g).

Subject to the terms and conditions herein, and in compliance with applicable laws and regulations, Cell C may issue Notes (as defined below) from time to time, which have not been qualified for offer or sale to the public under the securities laws of any country or jurisdiction. The offer of the Notes is addressed exclusively to Qualified Investors (as defined in article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017) (the “Prospectus Regulations”).

Prospective investors must read this Private Placement Memorandum carefully before investing and should keep it for future reference about their investment. The Notes available for purchase by Qualified Investors pursuant to the terms of this Private Placement Memorandum are speculative and an investment in Notes involves a high degree of risk. Prospective investors should subscribe for Notes only if they can afford a complete loss.

This offer of the Notes is addressed exclusively to Qualified Investors and as such only Qualified Investors shall be permitted to purchase the Notes. In accordance with article 1(4)(a) of the Prospectus Regulations, the obligation to publish a prospectus pursuant to article 3(1) of the Prospectus Regulations does not apply to this offer. As such, this document is not required to be submitted for the approval of the competent authority in Gibraltar, the Gibraltar Financial Services Commission. This means that neither the Gibraltar Financial Services Commission nor any other regulatory authority in Gibraltar, or elsewhere, has approved this investment or determined if this Private Placement Memorandum is truthful or complete.

NO REGULATORY AUTHORITY (INCLUDING THE GIBRALTAR FINANCIAL SERVICES COMMISSION) HAS REVIEWED, APPROVED OR DISAPPROVED THE CONTENTS OF THIS PRIVATE PLACEMENT MEMORANDUM, NOR HAS ANY REGULATORY AUTHORITY (INCLUDING THE GIBRALTAR FINANCIAL SERVICES COMMISSION) MADE ANY ASSESSMENT OR JUDGEMENT ON THE ACCURACY OR COMPLETENESS OF ANY STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS PRIVATE PLACEMENT MEMORANDUM. ALTARIUS INDEX IS NOT LICENSED OR AUTHORISED BY ANY REGULATORY AUTHORITY (INCLUDING THE GIBRALTAR FINANCIAL SERVICES COMMISSION).

The Director of Altarius Index whose name appears in Section 9 of this Private Placement Memorandum has 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 this document. The Director of Altarius Index accepts responsibility accordingly.

This Offer is addressed exclusively to Qualified Investors and specifically to Altarius ETI, AG. As such, it is not an offer to the public and consequently this document does not meet the definition of a "prospectus" in Companies Act 2014 of Gibraltar. As such, this Private Placement Memorandum is not required to be submitted to Companies House in Gibraltar for registration and has not been submitted to Companies House in Gibraltar for registration.

THE DIRECTOR OF ALTARIUS INDEX ACCEPTS FULL REPONSABILITY FOR THE AFFIRMATIONS AND STATEMENTS MADE HEREIN.

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1. INTRODUCTION

Altarius Index PCC Limited is a Protected Cell Company incorporated under the Protected Cell Companies Act 2001 for the purposes of issuing secured Notes, in respect of which the repayment of capital and interest is to be funded from Altarius Index's investments activity. The Company has appointed Altarius Capital Limited as its Director (the "Director"). Investors should be aware that there is no specific regulatory regime in Gibraltar for securitization entities, as per the risk identified in Section 11 below.

The Director is responsible for the information appearing in this Private Placement Memorandum ("PPM", as defined below). As of the date of this PPM, to the best of its knowledge, the Director has taken all reasonable steps and due care to ensure that the facts stated in this PPM are true and accurate in all material respects and that there are no other facts, the omission of which, in the Director's opinion, would result in any statement of fact or opinion expressed in this PPM being misleading. The Director accepts responsibility accordingly.

This PPM does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so.

The distribution of this PPM and the offering of the Notes made available herein may be restricted in certain jurisdictions. The offer of Notes pursuant to this PPM is addressed exclusively to Qualified Investors (as defined in article 2(e) of the Prospectus Regulation). It is the responsibility of any person in possession of this PPM as well any persons wishing to make an application for the Notes pursuant to this PPM to ensure that they meet the definition of a "Qualified Investor" and that they inform themselves of, and observe, all the applicable laws and regulations of any relevant jurisdictions. Prospective investors in the Notes should inform themselves as to the legal requirements and consequences of applying for, holding and disposing of the Notes and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. Furthermore, prospective Noteholders must make certain representations to the Director for the purposes of complying with the Proceeds of Crime Act 2015, as set out in the PPM.

The purpose of the Cell is to issue Notes and use the proceeds resulting of the direct generation of loans and the acquisition of non-performing loans collateralized with prime real estate assets located in the United States and Europe. Further information regarding the structure of the transaction and the management of the collateral assets can be found in Sections 12 and 13 of this PPM. The Director does not provide investment advice with respect to an investment in the Notes, nor does it endorse the Notes issued by the PCC, Cell C or any underlying security or collateral. Consequently, the Director does not accept any responsibility or liability for any use of this PPM by a promoter or any person which is in breach of any local regulatory requirements with regards to the distribution of this PPM or any applicable rules pertaining to the offering of securities within the context of this private placement or otherwise.

2. GENERAL WARNING

Altarius Index has been incorporated and established in Gibraltar and meets the definition of "Special Purpose Securitization Entities" as per the Financial Services (Alternative Investment Fund Managers) Regulations 2020. The Notes made available by Cell C are suitable only for those who fall within the definition of a Qualified Investor in the Prospectus Regulation.

Investments in Cell C may involve special risks that could lead to a loss of all or a substantial portion of such investments. Subscribers for Notes are wholly responsible for ensuring that all aspects of Altarius Index and Cell C are acceptable to them. Unless a subscriber for Notes fully understands and accepts the nature and the potential risks inherent to Altarius Index and Cell C, an investment should not be made in the Notes issued by Cell C.

Redemptions are restricted in the manner set out in this PPM, under Section 11 and Section 13. Investors should purchase Notes only if they have sufficient liquid resources to remain invested for the entire life of the investment.

It should be noted that, as a securitisation special purpose entity, Altarius Index is exempt from the requirements of the Financial Services (Alternative Investment Fund Managers) Regulations 2020. Therefore, certain protections that would otherwise apply do not apply to Altarius Index.

3. INVESTMENT MAY BE ILLIQUID

The investment to be held by Cell C in loans that have as guarantee a real estate asset may be illiquid making it difficult to dispose of the investments in real estate markets which are usually illiquid. There may be little or no secondary market for such investment and, accordingly, the redemption of such investments may be subject to delay. It may not always be possible for Cell C to dispose of an investment at the desired price. In some cases, it may be impossible for Cell C to liquidate its positions, and this may expose it to losses. Prospective investors should be aware that due to the illiquidity of the loans that have as guarantee a real estate asset held by Cell C, the return of their own investment could take months or years after applying for the redemption.

4. INVESTMENT WARNING

Cell C's portfolio may be subject to normal investment risks as well as the risks inherent in the investment described within this PPM and there can be no assurance that the investments of Cell C will appreciate in value or that losses will not be realised. Consequently, the value of the Notes issued by Cell C may be subject to volatile movements and may fall as well as rise. Investment in Cell C should be considered speculative and suitable only for those persons who can assume the risk of losing their entire investment.

5. INFORMATION APPEARING IN THIS PPM

This PPM contains information about Altarius Index and Cell C. It has been approved by its Director, who warrants to have taken all reasonable steps to ensure any information contained herein is factually correct and accurate at the time of publication. Prospective Investors are encouraged to confirm with the PCC whether this is the latest available version.

PROSPECTIVE SUBSCRIBERS OF THE NOTES SHOULD NOT CONSTRUE THE CONTENTS OF THIS PPM AS LEGAL, TAX, FINANCIAL OR OTHER ADVICE WHICH SHOULD NORMALLY BE SOUGHT BY AN INDIVIDUAL FROM THEIR PROFESSIONAL ADVISORS. PROSPECTIVE SUBSCRIBERS OF NOTES SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISORS AS TO (A) THE LEGAL REQUIREMENTS WITHIN THE COUNTRY OF THEIR OWN RESIDENCE FOR THE PURCHASE, HOLDING OR DISPOSAL OF THE NOTES, (B) ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT TO THEM AND (C) OTHER TAX CONSEQUENCES THAT MAY BE RELEVANT TO THE PURCHASE, HOLDING OR DISPOSAL OF THE NOTES. INVESTING CARRIES A HIGH DEGREE OF RISK AND NO WARRANTY OR ASSURANCE CAN BE MADE OR GIVEN THAT INVESTMENT IN THE NOTES WILL BE PROFITABLE, OR THAT THE REDEMPTION AMOUNT WILL BE GREATER THAN THE INVESTMENT AMOUNT. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.

6. RESTRICTIONS ON PROMOTION

This PPM is intended solely for Qualified Investors, to whom it has been delivered for the purpose of evaluating a possible investment by the recipient in the Notes, and it is not to be reproduced or distributed to any other persons (other than Professional Advisors, as defined in section 8 of this PPM) of the prospective investor receiving this PPM).

No person is authorised to issue any advertisement, give any information or make any representation in connection with the offering, subscription or sale of the Notes if it is not contained in this PPM. 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 Cell C. The delivery of this PPM at any time and the allocation of the Notes do not imply that information contained in this PPM is correct at any time subsequent to its date.

NO ACTION HAS BEEN TAKEN TO PERMIT OR OTHERWISE REGISTER THE DISTRIBUTION OF THIS PPM IN ANY JURISDICTION. ACCORDINGLY, THIS PPM MAY NOT BE USED FOR THE PURPOSE OF, AND DOES NOT CONSTITUTE, AN OFFER OR SOLICITATION BY OR TO ANYONE IN ANY JURISDICTION OR CONSTITUTE AN OFFER 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. THIS PPM HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY FINANCIAL REGULATORY AGENCY, NOR ARE ITS ACTIVITIES SUBJECT TO THE REVIEW OF ANY REGULATORY AGENCY, INCLUDING THE GFSC. INVESTMENTS IN THE NOTES ARE NOT COVERED BY ANY PUBLIC COMPENSATION SCHEME IN GIBRALTAR OR ELSEWHERE.

ADDITIONALLY, THE DISTRIBUTION OF THIS PPM AND THE OFFERING OF THE NOTES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED. PERSONS INTO WHOSE POSSESSION THIS PPM COMES ARE REQUIRED BY CELL C TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THIS PPM DO 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. NOTES WILL NOT BE OFFERED TO THE GENERAL PUBLIC.

7. PROSPECTIVE INVESTORS IN THE U.S.

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND THE PCC HAS NOT BEEN REGISTERED UNDER THE IC ACT. NOTES MAY NOT BE AND WILL NOT BE OFFERED FOR SALE OR SOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE 'UNITED STATES'.

The PCC and/or Cell C has/have not been, and will not be, registered under the IC Act, and the PCC and/or Cell C may at any time, at the sole discretion of its Director, and in accordance with this PPM and the Articles, decline to register any transfer of Notes or compulsorily redeem Notes as it considers necessary for purposes of compliance with the IC Act and other laws applicable in the U.S.

The Notes offered in this PPM have not been approved or disapproved by the Securities and Exchange Commission of the U.S., any state securities commission or other regulatory authority in the U.S. or elsewhere, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this PPM. Any representation to the contrary is a criminal offence.

8. DEFINITIONS

In this Private Placement Memorandum references to all "Acts", "Regulations", "Rules" or governing and regulatory bodies are to "Acts", "Regulations", "Rules" or governing and regulatory bodies of Gibraltar unless otherwise stated and the following words and expressions shall have the following meanings:

"Accounting Date"	means the 31 st December 2022 and thereafter each year on the 31 st December.
"AIFMD"	means the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers as transposed into Gibraltar law by the Financial Services (Alternative Investment Fund Managers) Regulations 2020.
"Application Forms"	means the Subscription Form as per Schedule 1.
"Articles"	means the Articles of Association of the PCC, as they may be amended from time to time.
"Bank"	means Baader Bank Aktiengesellschaft, a credit institution incorporated in accordance with the laws of the Federal Republic of Germany, with registered address at Weihestephaner Str 4 85176 Unterschleissheim (Germany) with registration number HRB 121537.
"Base Currency"	means the base currency of Cell C which is EURO.
"Business Day"	means a day other than a Saturday or Sunday or a day which is a public holiday, on which banks are open for general banking business in Gibraltar.
"Cell C"	means the cell of the PCC known as Cell C – Think Credit having been created in accordance with the PCC Act and to which this PPM relates.
"Cell Notes"	means the Notes issued by each cell of the PCC as the case may be.
"Cellular Assets"	means assets held by Cell C in pursuit of its investment objective as detailed within this PPM.
"Collateral Assets"	Means the investments made by Cell C in the direct generation of loans and the acquisition of non-performing loans collateralized with prime real estate assets

	located in the United States and Europe using the proceeds from the issue of the Notes and which shall be the only assets available for the repayment of the Notes.
“Companies Act”	means the Companies Act 2014 and any modifications or re-enactment thereof.
“Compulsory Redemption Date”	means a date set by the Director, at which time the Director will enforce a compulsory redemption of any or all Notes held directly or indirectly by one or more Noteholder/s.
“Connected Person”	means: (a) a Director or officer of the PCC (“Officer”); (b) members of an Officer’s family, including: (i) the Officer’s spouse or civil partner; (ii) any other person (whether of a different sex or the same sex) with whom the Officer lives as partner in an enduring family relationship; (iii) the Officer’s children or stepchildren; (iv) any children or stepchildren of a person within (ii) and who are not children or stepchildren of the Officer, who live with the Officer; (v) the Officer’s parents; (c) a body corporate with which the Officer is Connected; (d) a person acting in his capacity as trustee of a trust; (i) the beneficiaries of which include an Officer or a person who is Connected to him/her by virtue of (b) or (c); (ii) the terms of which confer a power on the trustee that may be exercised for the benefit of the Officer or any such person.
“Connected”	means a person who is connected with a body corporate if, but only if, he and the persons connected with him together: (a) are interested in shares comprised in the equity share capital of that body corporate of a nominal value equal to at least 20% of that share capital; or (b) are entitled to exercise or control the exercise of more than 20% of the voting power at any general meeting of that body; or (c) are directors of the body corporate.
“Constitutional Documents”	means the Memorandum and Articles.
“Data Subject”	means an individual in relation to whom Personal Data is processed, under the Data Protection Act 2004.
“Dealing Day”	means the Business Day after a Valuation Day, when Notes will be available for: a) subscription at the Subscription Price; and b) redemption at the Redemption Price.
“Directors” and/or “Director”	means Altarius Capital Limited, a company incorporated in Gibraltar, with registered address at 2 Irish Town, Gibraltar, GX11 1AA and with registration number 114825.
“EU”	means the European Union.
“EURO” and/or “€”	means the lawful currency of the member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated 25 March 1957 (as amended by the Maastricht Treaty dated 7 February 1992).
“FCA”	means the Financial Conduct Authority of the United Kingdom and its successor.
“FSA”	means the Financial Services Act 2019.
“FSC” and/or “Gibraltar Financial Services Commission”	means the Financial Services Commission and its successor.
“General Meeting”	means a meeting of the Ordinary Shareholders in accordance with the Articles.
“IC Act”	means the U.S. Investment Company Act 1940 and any modifications or re-enactments thereof.
“Initial Subscription Price”	Means the initial price at which the Notes will be issued, as defined in section 13.2.
“International Accounting Standards Board” and/or “IASB”	is an independent privately-funded accounting standard setter based in London, United Kingdom.

“Investment and Borrowing Restrictions”	means the investment and borrowing restrictions that Cell C will adopt in the pursuit of its Investment Objective as further detailed in this PPM.
“Investment Objective”	means Cell C’s investment objective as further detailed in this PPM.
“Issuer”	Means Altarius Index PPC Limited, on behalf of Cell C – Think Credit
“IT Act”	means the Income Tax Act 2010 and any modifications or re-enactments thereof.
“KYC”	means “know your client” procedures in accordance with the Proceeds of Crime Act 2015.
“Management Fees”	means the fees payable by Cell C to the Directors from time to time.
“Material Contracts”	means the contracts between PCC and the Director, and the PCC and the Secretary.
“Memorandum”	means the Memorandum of Association of the PCC, as may be amended from time to time.
“NAV per Note”	Means the net asset value calculated per Note as per Section 17
“Net Asset Value” and/or “NAV”	means the value of the Collateral Assets calculated in accordance with this PPM (Section 17).
“Noteholder”	means a holder of one or more Notes.
“Notes”	means the Notes issued by the Issuer.
“Ordinary Shareholder”	means Altarius Capital Limited, a company incorporated in Gibraltar, with registered address at 2 Irish Town, Gibraltar, GX11 1AA and with registration number 114825.
“Ordinary Shares”	means the ordinary Shares of the PCC with a par value of €0.01 each. The Ordinary Shares carry an entitlement to vote at General Meetings of the PCC.
“Participating C Shares”	Means the redeemable preference shares of the PCC apportioned for the use of Cell C and having a par value of EUR 0.01
“PCC Act”	means the Protected Cell Companies Act 2001 and any modifications or re-enactments thereof.
“PCC” or “Altarius Index”	means Altarius Index PCC Limited, a protected cell company incorporated in accordance with the Protected Cell Companies Act 2001 with its registered office at 2 Irish Town, Gibraltar and with registration number 122055.
“Personal Data”	means certain categories of data related to individuals, that may facilitate their identification, in accordance with applicable law.
“Prospectus Regulations”	means the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017
“Public Auction”	Means the process by which real estate is auctioned in accordance with applicable law, on the execution of a lien or mortgage
“Qualified Investors”	means persons or entities as defined in Article 2 (e) of the Prospectus Regulations.
“Redemption Price”	means NAV per Note calculated on the Valuation Day immediately preceding a Dealing Day, Compulsory Redemption Date or the Termination Date.
“Secretarial Agreement”	means the agreement dated between the PCC and the Secretary.
“Secretary”	means T&T Management Services Limited, a private company limited by shares incorporated in Gibraltar with registration number 02217 and with its registered office at 2 Irish Town, Gibraltar, GX11 1AA and being authorised by the GFSC to provide company management services in accordance with the FSA.
“Securities Act”	means the Securities Act 1933, as amended, of the U.S.
“Security”	Means the collections rights/receivables arising from those investments in non-performing loans collateralized with prime real estate located in the United States which will constitute the Collateral Asset of the Notes
“Sterling” and/or “£” and/or “GBP”	means the official currency of the UK.
“Subscription Price”	means NAV per Note calculated on the Valuation Day immediately preceding a Dealing Day.

“Terminate” and/or “Termination”	means the method by which Cell C shall be closed and by which any realised profits attributable to Cell C, where applicable, shall be distributed to the Noteholders as further detailed in this PPM.
“Termination Date”	means any day at the sole discretion of the Director at which time Cell C will be Terminated.
“Time”	references to time are to legal time in Gibraltar.
“U.S. Acts”	means the IC Act and the Securities Act.
“U.S. Person”	has the meaning given to it in the Securities Act.
“UK” and/or “United Kingdom”	means the United Kingdom of Great Britain and Northern Ireland.
“United States” or “U.S.”	means the United States of America.
“US\$” and/or “\$”	means the lawful currency of the United States.
“Valuation Day”	means every Business Day and any other day at the Director’s sole and absolute discretion where the NAV shall be calculated and reported to the Noteholders.

Interpretation

In this PPM:

- (i) references to a year shall unless otherwise stated be a calendar year running from 1 January to 31 December;
- (ii) references to a month shall unless otherwise stated be a calendar month;
- (iii) reference to any statutory provision includes a reference to that provision as from time to time may be replaced, amended, extended or re-enacted or as the same is modified by other provisions (whether before or after today’s date) from time to time and shall include any provisions of which it is a re-enactment (whether with or without modification). References to statutes include references to order, regulations or other subordinate legislation made under them;
- (iv) words denoting the singular number only shall include the plural and vice versa and the masculine gender shall include the feminine and neuter gender and vice versa;
- (v) headings are inserted for convenience only and shall not affect its construction;
- (vi) reference to the transfer of an interest shall mean the transfer of either or both of the legal and beneficial ownership in such interest and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such interest;
- (vii) reference to a ‘company shall include any form of body corporate formed under the laws of any country or jurisdiction;
- (viii) reference to a time or date shall, unless specified to the contrary, be to a time and date in Gibraltar; and
- (ix) any Gibraltar legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or other legal concept or thing shall, in respect of any jurisdiction other than Gibraltar, be deemed to include what most nearly approximates in that jurisdiction to the Gibraltar legal term.

9. DIRECTORY

DIRECTOR

Altarius Capital Limited

BUSINESS OFFICE

World Trade Centre Unit 526
6 Bayside Road
Gibraltar
GX11 1AA

BANK

Baader Bank Aktiengesellschaft
Weihenstephaner Str 4
85716 Unterschleissheim
Germany

REGISTRATION NUMBER

122055

SECRETARY

T&T Management Services Limited
2 Irish Town
Gibraltar
GX11 1AA

DATE OF INCORPORATION

4th February 2022

GIBRALTAR LEGAL ADVISOR

Triay Lawyers Limited
28 Irish Town
Gibraltar
GX11 1AA

DOMICILE

Gibraltar

ISIN CODE

GI000A3GZ341

LEGAL FORM

Protected cell company incorporated in accordance with the Protected Cell Companies Act 2001

AIFMD STATUS

Exempt under regulation 6(g) of the AIFM Regulations

10. THE ISSUER

10.1. The Altarius Index PCC Limited, Cell C – Think Credit

The PCC was incorporated on 4th February 2022 under the laws of Gibraltar as a PCC, with registration number 122055. The registered office of the PCC is 2 Irish Town, Gibraltar.

The activity of the PCC is the issuance of bonds, notes or loans or other debt securities or instruments, secured or unsecured, in respect of which the repayment of capital and interest is to be funded from the relevant cell's investments.

The PCC is not subject to approval or disapproval of the GFSC and no approval has been sought. Investors should be aware that purchasing securities issued by the PCC or its cells is deemed to be high risk (please see Section 11 below), thus the offer is addressed exclusively to Qualified Investors as defined in the Prospectus Regulation.

It should be noted that certain protections and disclosure requirements deemed necessary for the protection of retail investors may not apply neither to the PCC nor to Cell C. By acknowledging this statement, you are expressly agreeing that you fall within the definition of a Qualified Investor and accept the reduced requirements accordingly, without limitation.

Prospective investors are wholly responsible for ensuring that all aspects of this Cell C and Altarius Index are acceptable to you. Investment in this Cell C 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 its nature and the potential risks inherent to its activity you should not invest in Cell C.

Cell C is a segregated cell of Altarius Index PCC Limited. It is not a separate legal entity, although, in accordance with applicable law, it has its own separate pool of assets (the "Cellular Assets") which can only be used for the purposes of answering to the liabilities originated by transactions and operations relating to Cell C.

10.2. Information Specific to Protected Cell Companies

By virtue of it being a protected cell company, the PCC can establish an unlimited number of fully segregated cells for the purpose of operating different debt issues whilst maintaining the segregation of cellular assets and liabilities.

10.2.1. Features of Cellular Structure

Altarius Index is a multi-cellular PCC established in accordance with the Protected Cell Companies Act whose principal feature is that each cell has its own distinct assets and liabilities. The PCC as a whole (including every cell) is one legal entity so that each Cell C does not have separate legal personality.

Cells might be created for the purpose of segregating and protecting the cellular assets and its' investors in accordance with and as provided by the PCC Act. The assets and liabilities attributable to one cell shall be separately identifiable and be so identified from the assets and liabilities attributable to another cell.

The Notes issued by the PCC shall be segregated into Cell Notes and the notes of one cell shall only have recourse to the assets of the cell to which they relate and as such shall be segregated from the notes of other cells and shall have no recourse to the assets of other cells.

FOLLOWING THE DATE OF THIS PPM THE PCC MAY ESTABLISH ADDITIONAL CELLS WHOSE ASSETS AND LIABILITIES SHALL BE SEPARATE FROM THE CELL C'S AND WHOSE INVESTMENT OBJECTIVE, INVESTMENT STRATEGY AND/OR RESTRICTIONS MAY DIFFER FROM THOSE CURRENTLY EXISTING, AS DETAILED IN THE RELEVANT CELL PPM CORRESPONDING TO EACH CELL. THE FORMATION AND INITIAL EXPENSES OF ANY FURTHER CELL SHALL BE BORNE BY THE RELEVANT CELL.

10.2.2. Cell Assets and Liabilities

The assets attributable to each cell shall comprise of the capital and reserves attributable to that cell and any other assets attributable specifically to that cell. The term 'reserves' includes any premium paid on that cell's Notes as well as retained earnings and capital reserves.

Under the PCC Act creditors who are creditors in respect of a cell can only have recourse to the cell assets attributable to that particular cell and shall have no recourse to the cellular assets of any other cell.

Other than where specifically contracted otherwise, where any liability arises which is attributable to a particular cell, the cell assets of that cell shall be primarily used to satisfy the liability and the Non-Cellular Assets shall secondarily be used. The Notes shall only have recourse to the Collateral Assets. The PCC Act prohibits the use of assets attributed to any other cell to be used to extinguish the liability of another cell.

10.2.3. Joint Cell Assets and Liabilities

The PCC may from time to time incur liabilities which are not attributable to a single cell, but which may relate to or inure to the general benefit of more than one cell. In such circumstances, the Director shall allocate to each relevant cell a proportion of such liabilities, on a pro-rata basis or on such other terms and conditions as the Director may determine, having regards to what the Director considers, at their sole and absolute discretion, to be fair and reasonable in the circumstances.

In respect of each cell, a separate cell account will be established in the books of the PCC. An amount equal to the subscribed shares relating to the cell will be credited to the relevant cell account. Any increase and/or decrease in the Net Asset Value of each cell will be allocated to the relevant cell account. There will then be allocated to each cell account designated cell adjustments being those liabilities (including but not being limited to the Notes), costs, pre-paid expenses, losses, dividends, profits, gains and income which the Director determine relate to a single separate cell. In each case, any asset and/or liability (including any expense) of the PCC which the Director do not consider attributable to a particular cell account, the Director shall allocate such asset or liability among the cell accounts in proportion to respective percentages of each cell or such other method that the Director, at their sole and absolute discretion, deem fair and reasonable in the circumstances.

10.2.4. Recognition of Protected Cell Status

Under Gibraltar law the assets and liabilities of a protected cell company compliant with the PCC Act will be protected as set out in this PPM. Prospective investors should bear in mind that the segregation of assets and liabilities of each cell, whilst recognised under the law of Gibraltar, may not be recognised in certain other jurisdictions in which the PCC's, or a particular cell's, assets are or may be located, as the case may be. Therefore, jurisdictions other than Gibraltar may not be prepared to accept and/or recognise that creditors of a particular cell are prevented from gaining access to the assets of other cells, or that creditors of the PCC as a whole do not have access to cellular assets. In order to minimise this risk, each cell may:

- (i) require, where practical, service providers to the PCC to agree that their fees will be paid solely from cellular assets of the cell to which their services relates;
- (ii) each Noteholder shall be required to agree when subscribing for Notes that any liability to it will be satisfied only out of the particular cell to which the liability relates;

however, a court could determine that such agreements are not enforceable.

The PCC Act has not been tested in the courts of England and Wales or any other jurisdiction.

10.3. General Meetings

The Ordinary Shareholder, Altarius Capital Limited, has, by special resolution, resolved to dispense with the requirement to hold Annual General Meetings. Extraordinary meetings of the Ordinary Shareholder may be called by the Director, who is also Altarius Capital Limited, as it sees fit and they must be held in Gibraltar. An Ordinary Shareholder shall be entitled to one vote on a show of hands (if present or by proxy), or on a poll (if present or by proxy) to one vote in respect of each Ordinary Note held by him.

10.4. The Register of Noteholders

The register of Noteholders is maintained at the registered office and may be inspected by any Noteholder, referring to its own holdings, subject to such timing and costs set out in the Articles.

10.5. Termination of Cell C

The Director shall Terminate Cell C at the Termination Date.

Following the Director's decision to Terminate, Cell C shall seek exit strategies for its investments in order to allow for Cell C to be Terminated and for its assets to be returned to the relevant Noteholders.

Cell C will attempt to realise the disposal of its investment on an individual basis. Cell C may however be forced to sell the investment at a discount in order to ensure the liquidation of the investment. Cell C may, at its sole and absolute discretion, appoint such Professional Advisors as may be required, from time to time, and on such terms as it shall see fit, for the purpose of advising on the disposal of the investments.

Cell C shall be Terminated at the Termination Date and such date shall be set as a Compulsory Redemption Date at which time the Notes shall be redeemed in their entirety and consequently the Redemption Price paid. Upon the Termination of Cell C, no further Notes should remain issued and Cell C shall be closed.

10.6. IMPORTANT NOTICE

As part of its implementation of legislation relating to the 4th EU Money Laundering Directive, on 26 June 2017 Gibraltar introduced its Register of Ultimate Beneficial Owners Regulations 2017 under the Proceeds of Crime Act. In accordance with these regulations, Gibraltar companies and other legal entities are required to disclose beneficial ownership details to a privately held central register. The disclosure covers beneficial owners holding over 25% ownership, voting rights or control, whether directly or indirectly. The register is stored within the Finance Centre Department of the Gibraltar Ministry of Financial Services and is disclosed by request to national authorities, licensed financial institutions and persons with a legitimate interest. The PCC is required to comply with these regulations.

11. RISK FACTORS

THIS SECTION ON RISK FACTORS IS NOT AND DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED WITH AN INVESTMENT IN CELL C. THERE MAY BE ADDITIONAL MATERIAL RISKS THAT THE DIRECTOR DOES NOT CURRENTLY CONSIDER TO BE MATERIAL OR OF WHICH THE DIRECTOR IS NOT AWARE. THE FOLLOWING THEREFORE HIGHLIGHTS CERTAIN PARTICULAR RISKS TO WHICH THIS CELL IS AND MAY BE SUBJECT TO AND WHICH CELL C WISHES TO ENCOURAGE INVESTORS TO DISCUSS WITH THEIR PROFESSIONAL ADVISORS.

The prospective investors in the Notes should conduct such independent investigation and analysis regarding this Cell C, its investments and all other relevant market and economic factors as they deem appropriate to fully evaluate the merits and risk of their proposed investment.

Cell C, its Director and its Professional Advisors, disclaim any responsibility to advise purchasers of Notes of the risk and investment considerations associated with the purchase of Notes as they exist at the date hereof or from time to time hereinafter.

Each prospective purchaser of any Note/s must determine, based on his/her own independent review and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate, that an investment in the Note/s is an appropriate and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

You should consult with your own legal, regulatory, tax, business, investment, financial and accounting Professional Advisors to the extent that you deem it necessary, and make your own investment decisions including decisions regarding the suitability of this investment based upon your own judgement and upon advice from such Professional Advisors as you deem necessary and not upon any view expressed by any party or any other agent or service provider mentioned in this PPM.

An investment in Cell C is restricted to Qualified Investors and is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) that may result from such an investment. Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Prospective investors should be aware that the value of Notes and the income from them may go down as well as up and that they may not realise their initial investment. Due to the nature of the investment and the investment risks involved, there can be no assurance that the investment objective will be achieved.

11.1. Operational Risk

Cell C is subject to operational risk, that may result in changes in value of its underlying investments. Some transactions may involve intermediaries, which adds another layer of risk. Cell C shall take all reasonable steps to monitor the activities of its intermediaries, in the operations that involve its equity, funds or loans, or to monitor their adherence to the investment Policy of Cell C.

11.2. Valuation Risk

Although all reasonable steps are taken to foresee the directions of the market, and investment amounts don't usually represent an excessive portion of the market value of the underlying asset due to low LTVs, markets may move against Cell C investments and it may be left with a lower or even negative profitability per transaction.

No warranty can be made that during the cycle of the transaction the asset will keep its value. It should be noted that the whilst the Cell C takes all reasonable steps to ensure proper risk management tools are in place, no guarantee can be made in terms of results, valuations or financial returns.

11.3. Real Estate Risk

Real estate assets are not liquid assets, and as such the realization of profit may be delayed by several factors, including market fluctuations and external elements.

11.4. Location Risk

The value of some investments may be subject to fluctuations depending on their location. Cell C is required to consider the location of each underlying asset prior to any investments.

11.5. Counterparty Risk

The value or reliability of certain investments may be impacted by risks attributable to the counterparties. Prior to invest, Cell C is required to take all reasonable efforts to assess the credit worthiness of the counterparty.

11.6. Hazard Risk

Investments may be affected by hazardous and extreme events. Its impact is required to be monitored by Cell C and, when possible, its effects mitigated.

11.7. Forward Looking Statements

Certain statements in this PPM constitute 'forward looking statements' that are used on the beliefs of the Director and reflect their current expectations. When used in this PPM or in any marketing material, the words 'estimate', 'project', 'believe', 'anticipate', 'intend', 'expect', 'plan', 'predict', 'may', 'should', 'would', 'will', the negative of these words or such other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the views of the Director at the time the statements are made with respect to future events based on information available at that time, and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in those forward-looking statements. The Director assume no obligation to update or revise these statements to reflect current information, events, or circumstances, including changes in any risks or uncertainties that may impact them.

11.8. Business Risk

There can be no assurance that Cell C will achieve its investment objective. The value of investments and the amount of income derived from them may go down as well as up. All investments can be affected by a variety of factors.

The Director may fail to address all the risks that Cell C faces as a developing business, which could adversely affect the implementation of the investment objective. Investors will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by Cell C and, accordingly, will be dependent upon the judgment and ability of the Cell C in respect of which investments it should acquire and thereafter how such investments will be managed.

11.9. Lack of Operating History

Cell C has no operating history against which investors may consider the appropriateness of making an investment.

11.10. Market Crisis and Governmental Intervention

During the second half of 2008, losses at banks, brokers and other financial sector companies as well as extreme volatility led to extensive and unprecedented governmental intervention in worldwide financial markets. Such intervention was in certain cases implemented on an 'emergency' basis, subjecting market participants without notice to a set of regulations which were in some cases unclear in scope and in application. The Director believe that it is possible that emergency intervention may take place again in the future. The Director also believe that the regulation of financial markets is likely to be increased in the future. It is impossible to predict the impact of any such intervention and/or increased regulation on the performance of Fund or the fulfilment of the investment objective.

11.11. Commencement of Investment Activity

The Director, at its sole and absolute discretion, is permitted to decide when Cell C commences its investment activity. Cell C's fees, charges and expenses will impact on its performance. The impact of this will be even greater where the subscription amounts received for Cell C are low. This risk will only be ameliorated if Cell C is able to raise subscriptions in a timely manner which will result in the total expense ratio of Cell C being reduced and therefore reducing the drag on performance.

11.12. Concentration of Investments

Diversification is a technique that reduces risk by allocating investments among various assets, industries and other categories. It aims to maximize return by investing in different areas that would each react differently to the same event. Cell C will not be diversified in terms of industry. Diversification can help with the management of risk and reduce the volatility but will not be used in this case. This may impact on Cell C.

11.13. Valuation Considerations

The NAV per Note is expected to fluctuate over time with the performance of the Collateral Assets. Noteholders may not fully recover their initial investment when they redeem their Notes or upon Compulsory Redemption if the NAV per Note at the time of such redemption is less than the issue price of the Notes in question.

11.14. Liquidity

Cell C is reliant on the liquidity of its underlying investment. Should the Collateral Asset become illiquid and there may be circumstances where Cell C is unable to liquidate its underlying investment (i.e. an investment may be or become non-readily realisable). This could be as a result of for example political, economic, military or monetary events or any circumstances outside the control, responsibility and power of Cell C. Cell C may not be able to dispose of the Collateral Asset in a timely manner this could adversely affect the liquidity of the Notes.

11.15. Safekeeping Arrangements

The Director have the overall responsibility for safekeeping arrangements. Cell C's cash will be held with the Bank. Cell C will take credit risk against any party which is holding its cash. Cell C will therefore rank as a general creditor in the event of the insolvency or failure of the Bank with which deposits or instruments have been placed.

In the event of the assets being concentrated with one or more financial institutions, should any one or more of those entities encounter financial difficulties that may impair their operational capabilities, there is a higher risk that Cell C may encounter a higher level of loss than if the assets had been diversified over a large number of financial institutions.

11.16. Indemnification of Director and Service Providers

The Director and Cell C's service providers and their respective affiliates, are entitled to be indemnified in certain circumstances, excluding case of fraud or wilful default. As a result, there is a risk that the Collateral Assets will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Fund.

11.17. Financial Failure of the Service Providers

It is possible that the service providers that Cell C does business with may encounter financial difficulties that may impair their operational capabilities or result in losses to Cell C. During the last financial crisis, a number of major investment institutions failed and many clients of those institutions incurred losses as a result. Should there be another financial crisis the risks of failure of service providers will increase.

11.18. Redemption of Notes

Redemptions are not restricted. However, Cell C's investments might become illiquid. This could make it difficult for the Cell C to dispose of its assets in such a way that will allow the Cell C to meet redemptions on request. There may be little or no market for such investments. Accordingly, the settlement of transactions may be subject to delay. It may not always be possible for Cell C to sell an investment at the desired price. In some cases, it may be impossible for Cell C to liquidate its positions and this may expose it them losses.

Cell C has the right to require the Compulsory Redemption of all Notes held by a Noteholder in the circumstances set out in this PPM.

Cell C has the right to make Redemptions in specie. Generally, this right is only exercised where the underlying assets are difficult to value and illiquid. Investors receiving Redemptions in specie may have difficulty obtaining a reasonable price for such assets and may have to wait a considerable time before being able to liquidate these assets at an acceptable price.

Investors should be aware that the return of capital invested is not guaranteed, and therefore investors may get back less than was originally invested. Investors should understand both the nature of the underlying assets and the extent of their economic exposure to those assets.

11.19. Expenses

Cell C may be subject to increases in its fees, charges and expenses at the level of the Fund and/or the level of the Collateral Assets. The Fund's fees, charges and expenses could increase without a corresponding increase in income. Factors which could increase fees, charges and expenses include: increases in taxes and other statutory charges; and changes in laws, regulations or government policies which increase the costs of compliance with such laws, and regulations or policies. Cell C may incur fees, charges and expenses regardless of whether or not its investments prove profitable. The impact of expenses on the profitability of any investment can be material especially on small funds and cells where the fixed costs are more burdensome.

11.20. Taxation

Although Cell C will attempt to structure its investments in a manner that is generally tax efficient, there is no assurance that the structure of such investments will be tax efficient for any particular Noteholder or that any particular tax result will be achieved.

The tax consequences to Cell C and Noteholders, the ability of Cell C as a foreign investor to invest in the markets, the ability of Cell C to repatriate its assets including any income and profit earned on those assets and other operations of Cell C are based on existing regulations, which are subject to change through legislative, judicial or administrative action in the various jurisdictions in which Cell C operates.

Prospective investors must consult their own Professional Advisors with respect to the tax consequences to them of an investment in Cell C under the laws of the jurisdictions in which they are subject to taxation.

11.21. Changes in Applicable Law and Regulation

The PCC and/or Cell C must comply with various legal and regulatory requirements, including requirements imposed by the laws of Gibraltar. Should any relevant laws or regulations change over the life of the PCC and/or Cell C, the legal requirements to which the PCC and/or Cell C and/or the Noteholders may be subject could differ materially from current requirements.

No assurance can be given that future legislation, administrative rulings or court decisions will not adversely affect the capital value of the Collateral Assets.

11.22. Regulatory Supervision

Neither Cell C nor the PPC are subject to FSC regulation.

11.23. Conflicts of Interest

The PCC and Cell C may be subject to conflicts of interest derived from their activity, commercial or financial relations. Whilst there are policies and procedures in place to identify and manage conflicts of interest, there is no assurance that conflicts of interest may not occur.

11.24. Gibraltar Investor Compensation Scheme

Investors in Cell C are not covered by the Gibraltar Investor Compensation Scheme provided for in the FSA.

11.25. Gibraltar Tax and Economy

On 1 January 2011 the IT Act came into force. The IT Act ended the distinction between offshore and onshore business. On 24 June 2013 it was announced that the European Council of Economic and Finance Ministers of the 27 EU members states ('ECOFIN') endorsed Gibraltar's IT Act as being compliant with the EU Code of Conduct for business taxation. This is the first time that Gibraltar's tax system has been fully endorsed by both ECOFIN and the Code of Conduct Group

(which is a group formed of the tax authorities of the 27 EU member states and chaired by the EU Commission). Whilst these approvals mark a major milestone in the transformation of Gibraltar as a mainstream and compliant tax jurisdiction, there can be no assurance or certainty that Gibraltar's tax system will not come under scrutiny or that Gibraltar will not alter its taxation system or vary the levels of taxation currently charged.

Whilst, by virtue of its size, Gibraltar as an economy has the ability to adapt to the global economic climate, there is no guarantee that this will be the case in the future. A downturn in the economic climate in Gibraltar could lead to the Government of Gibraltar having to intervene. This could include Gibraltar altering its taxation system or varying the levels of taxation currently charged. This could significantly impact upon Cell C's activities undertaken from within Gibraltar.

11.26. Gibraltar and the EU

Gibraltar has left the EU. The UK Government and the EU are currently negotiating an agreement vis-à-vis Gibraltar and its future relationship with the European Union. Should no agreement be reached, this could negatively impact Cell C and PCC.

11.27. Gibraltar Sovereignty Claim

The Kingdom of Spain has not conceded its claim to sovereignty over Gibraltar. There can be no assurance or certainty as to the outcome of any future discussions on the question of Gibraltar's sovereignty, nor of how any change of sovereignty would affect the regulation and taxation of entities incorporated or operating in or from within Gibraltar. This could impact on the Fund's ability to undertake business in or from within Gibraltar.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS PPM. POTENTIAL INVESTORS MUST READ THE ENTIRE PPM INCLUDING ALL ATTACHMENTS AND MUST CONSULT THEIR OWN PROFESSIONAL ADVISORS, BEFORE DECIDING TO INVEST IN CELL C.

Cell C may be subject to all or any of the above stated risks. Collateral Assets which normally trade within a fairly narrow range may become subject to sudden bouts of illiquidity and may experience unusually high levels of volatility. Losses in such circumstances can be severe. Foreign exchange rates and bond prices can experience sharp price changes.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING. POTENTIAL INVESTORS MUST READ THIS PPM IN THEIR ENTIRETY INCLUDING ALL ATTACHMENTS AND MUST CONSULT THEIR OWN PROFESSIONAL ADVISORS, BEFORE DECIDING TO INVEST IN CELL C.

12. MANAGEMENT OF COLLATERAL ASSETS

THIS SECTION DESCRIBES THE MANNER IN WHICH CELL C WILL MANAGE ITS COLLATERAL ASSETS. FOR INFORMATION ON THE SECURITY OF THE TRANSACTION PLEASE SEE SECTION 13 BELOW.

THERE CAN BE NO ASSURANCES THAT THE INVESTMENT OBJECTIVE WILL BE ACHIEVED. THE FOLLOWING INFORMATION SHOULD BE READ IN CONJUNCTION WITH THE DESCRIPTION OF CERTAIN RISKS INHERENT TO THE INVESTMENT OBJECTIVE.

CELL C WILL INVEST IN THE DIRECT GENERATION OF LOANS AND THE ACQUISITION OF NON-PERFORMING LOANS COLLATERALIZED WITH PRIME REAL ESTATE ASSETS LOCATED IN THE UNITED STATES AND EUROPE.

The investment objective of Cell C is to seek strong risk-adjusted returns by the origination of mortgage backed loans and the acquisition of non-performing loans (NPL) related to commercial mortgage debt in the secondary market, both secured by real estate located in the United States and Europe which is priced at a discount to the original asset value, and by creating recovery and repayment mechanisms through tactics such as refinancings, etc; and by investing in real estate either directly (including, but not limited to, the purchase and sale, long or short term rental of real estate units such as apartments, houses, industrial, commercial or residential land) or indirectly through foreclosures of NPLs.

PROSPECTIVE INVESTORS SHOULD BE AWARE THAT AN INVESTMENT IN CELL C, THE NAV AND THE NAV PER NOTE ARE IN NO WAY GUARANTEED AND ARE EXCLUSIVELY LINKED TO THE PERFORMANCE OF THE CELL C INVESTMENTS AND COULD THEREFORE GO DOWN AS WELL AS UP. THE FUTURE VALUE OF ANY NOTE MAY BE SUBSTANTIALLY LOWER THAN THE SUBSCRIPTION PRICE AND COULD EVEN BE ZERO.

ALTARIUS CAPITAL LIMITED, AS THE DIRECTOR OF ALTARIUS INDEX, IS RESPONSIBLE FOR MANAGING CELL C INVESTMENTS AND FOR THE DECISION TO LIQUIDATE A POSITION AS IT DETERMINES APPROPRIATE IN THE CIRCUMSTANCES PROVIDING THAT THE INVESTMENTS FALL WITHIN THE PERMITTED INVESTMENTS AS PROVIDED FOR BELOW.

12.1. Investment Strategy of Cell C

In seeking to achieve the investment objective Cell C will invest in acquisition of non-performing loans (NPL) related to commercial mortgage debt in the secondary market, and by direct loan origination, both secured by real estate located in the United States and Europe, at a discount to the original asset value, and creating recovery and repayment mechanisms through tactics such as refinancings, foreclosures, etc.

It is a requisite of Cell C that all its investments always involve a real estate guarantee.

Cell C may hold:

- **Direct Investments:** Investments that are made by Cell C in its own capacity, where the cell itself becomes the beneficiary of the economic benefits of the transaction, without intermediaries.
- **Indirect Investments:** Investments that are made by the Cell C through investments in other Collective Investment Schemes (CIS) which investment objective is comparable to the one of Cell C.

Both Direct and Indirect Investments shall invest in the following:

- **Acquisition of real estate:** Investments that comprise of the purchase, rental or sale of real estate, including any real estate whose property is assigned to Cell C by means of legal repossession due to repayment default.
- **Loan Participation & Loan Origination:** Credit activity that entails the origination and/or participation in loans that have, as guarantee, a real estate asset, done to third parties.

Default of the investment solely happens under certain circumstances based on the default of the underlying mortgage, not of the loan. Cell C shall declare a default event if:

- The lien, mortgage or right in rem has been nullified by a court of law;
- The asset is destroyed or otherwise imperilled by a hazardous event not covered by an insurance policy.
- The amount recovered for a particular investment in a Public Auction is lower than original investment amount plus interest, moratorium interest and legal fees.
- The sale of the real estate asset generates a benefit that is lesser than the sum of the capital plus interests and legal fees awarded in case of repossession of the assets.

Cell C takes all reasonable steps to avoid default and maintain and increase its value by ensuring that:

- The assets it takes as guarantees are relatively liquid assets, meaning that, in the event of a court ordered auction, and given the margin of safety of investments, the Portfolio Manager expects to find a bidding market willing to go above total debt amount;

- The LTV of each transaction is relatively low, meaning that even in times of economic downturn the assets that are executed may find a buyer, since they remain below market price;
- In case the Cell C is assigned ownership of the real estate asset it can rent it until the timing is right to sell at a comfortable price.

Cell C commits to evaluating worst case scenarios and stress scenarios resulting from conducted investment analysis and to ensuring that:

- all reasonable steps have been taken in order to get comfort that the asset guarantee is liquid or that there is an appetite for the asset in case of repossession;
- a fairly amount of thought has been taken to analyse potential hazardous events, climate events or other type of black swan events.

It should be noted that repayment must be done until the repayment date, as per the Loan Agreement and the Mortgage. However, although all reasonable steps are taken to ensure counterparties fulfil their commitments, in some cases, repayment is missed leading to the stages as described above in these scenarios there may be some flexibility from the Cell C to give more leeway to the counterparties and avoid a lengthy legal process. Cell C may refinance debt if it considers the refinancing will be a better option than the execution. Refinancing must respect the maximum LTVs Cell.

IMPORTANT

Investors must recognise that there are inherent limitations on all investment methods due to the complexity, confidentiality and, in the case of the discretionary features of such approaches, the indefinite nature of such methods. In addition, the description of the investment strategy must be qualified by the fact that investment trading approaches are continually changing, as are the markets in the underlying investment. The above is a general description of the investment objective and investment strategy including a summary as to the principal types of investments in which Cell C may invest.

THERE CAN BE NO ASSURANCES THAT CELL C INVESTMENT OBJECTIVE WILL BE ACHIEVED. THE ABOVE INFORMATION SHOULD BE READ IN CONJUNCTION WITH THE DESCRIPTION OF CERTAIN RISKS INHERENT TO CELL C DETAILED IN THE 'RISK FACTORS' SECTION OF THIS PPM.

12.2. Investment Period

The Investment Period will run until Cell C and/or PCC is closed.

12.3. Termination of Cell C

Cell C will be terminated as further described in Section 10.5 of this PPM.

12.4. Risk Management

The Director of the PPC, having regard to the Investment Strategy, is responsible for the risk management of Cell C. The Director of the PPC is responsible for monitoring the return received from existing investments and its ongoing value and development. The Director of the PPC may take such assessment into consideration when making further investment decisions. The potential illiquid nature of the investments may expose Cell C to liquidity risk. The Director of the PPC intends to manage the liquidity resources of Cell C such that there is sufficient liquidity to settle Cell C's operational costs.

12.5. Restrictions

12.5.1. Investment Restrictions

The following investment restrictions will apply to Cell C:

- a) The Cell will acquire or generate loans for commercial purposes (primarily legal entities).
- b) The Cell will investment exclusively in loans generated in the United States and Europe.
- c) The acquisition or generation of loans will be targeted exclusively to legal Entities.
- d) The loans in which the Cell invests will have to possess the first lien rights against the collateral.
- e) All loans must have a direct access to the collateral.
- f) All properties held as collateral for each individual loans must be insured against natural disasters and fraud.
- g) The Cell may invest up to 100% in a given transaction or concentrate its transactions solely in one provider. However, considering good practices in the market and in line with the stated herein, the Portfolio Manager will consider a fair balance of Investments considering itself as a whole.
- h) Any transaction that does not have a lawful mortgage or is not done against a real estate guarantee or does not involve a title of ownership is prohibited.

The investment restrictions outlined above apply to any investment at the time that investment is made by Cell C and shall be a continuing restriction during the life of Cell C.

12.5.2. Borrowing and Leverage Restrictions

Cell C Shall only borrow for the purposes of leveraging.

13. STRUCTURE OF THE TRANSACTION

Cell C will issue Notes from time to time for the purposes of collecting monies to invest in the acquisition of non-performing loans (NPL) related to commercial mortgage debt in the secondary market, and by direct loan origination, both secured by real estate located in the United States and Europe. The collections rights/receivables arising from those investments will constitute the Security of the Issue.

The right of recourse of the Notes is limited to the NAV per Note as determined in accordance with this PPM.

13.1. Subscriptions

Notes will be available for subscription on the First Dealing Day at the Initial Subscription Price and thereafter on Dealings Days at the Subscription Price. Notes are only available for subscription by Altarius ETI, AG.

On the First Dealing Day Notes will be offered at the Initial Subscription Price of €1,000 per Note.

Thereafter, Notes will be available for subscription on Dealing Days at the Subscription Price.

13.1.2. Subscription procedure

Applications for Notes should be made by completing the Application Forms and sending them to the Director by e-mail with originals to follow by post and/or courier, duly completed.

Attention is drawn to the Gibraltar anti-money laundering requirements and FATCA and FATCA-Type Legislation

Completed Application Forms should be detached and in the first instance sent by fax and/or e-mail with the original to follow thereafter by post and/or courier to:

Cell C – Think Credit
Altarius Index PCC Limited
2 Irish Town
Gibraltar

Tel: 00 350 200 79008
E-mail: compliance@altariuscapital.com

Proof of purchase of Notes will be evidenced by the issue of a subscription confirmation to Noteholders (with duplicates to Noteholders' authorised agents, if appointed). No Note certificates will be issued unless otherwise agreed by the Director.

13.1.3. Subscribers

This PPM does not constitute a general offer or invitation to the public to subscribe for Notes or securities in Cell C. The offer is addressed exclusively to Qualified Investors.

No new participant, whether by virtue of subscription or transfer of any interest in Cell C, will be recognised and no such subscription or transfer will be effected unless and until such person has delivered or arranged for the delivery of a signed declaration acknowledging that the new participant or transferee is a Qualified Investor and that s/he/it has read and understood this PPM and the investment warning contained therein. No new subscriber will be accepted without having delivered and disclosed certain information related to its experience, identity, source of funds and purpose of investment, in line with the Director's KYC requirements.

The Director may reject a subscription for any reason and are not obliged to disclose the reason, or reasons, for rejecting any Application Forms. In the event of Application Forms being rejected, any paid subscription monies may be returned without payment of any interest by telegraphic transfer (with charges for the account of the recipient) to the applicant's account at the remitting bank/financial institution. All subscriptions are irrevocable. The Director, at their sole discretion, at any time, may withdraw and terminate the offering of Notes in whole or in part or in respect of any particular jurisdiction.

Subscription monies shall be received into the bank account set out in Appendix D of this PPM.

13.1.4. Transfers or assignment of Notes

The Notes are not freely transferrable or assignable and require the written approval of Altarius Index.

13.2. Redemptions and Compulsory Redemptions

13.1.5. Redemptions

Cell C Noteholders can redeem their Participating Shares on a Dealing Day, subject to the redemption notices (detailed below).

Redemptions shall be based on the value of the NAV per Participating Share being redeemed on the Valuation Day immediately preceding the redemption. The notice may be waived at the sole and absolute discretion of the Directors.

Redemptions are subject to the restrictions detailed below.

Redemptions may occur by way of the Compulsory Redemption at the sole and absolute discretion of the Directors.

13.1.6. Notice Period

Cell C Noteholders must return their redemption request to the Administrator via email or fax at least 1 banking day before the next Dealing Day. Any redemption requests which miss this deadline will be rolled over to the following Dealing Day and will take priority over any redemption requests submitted thereafter.

13.1.7. Compulsory Redemptions

The Director may, at their sole and absolute discretion, redeem Notes on any Compulsory Redemption Date. The Director may at any time and at its absolute sole discretion, by giving 10 Business Days prior written notice to the relevant Noteholder, redeem (a "Compulsory Redemption") all or any of that Noteholder's Notes on a Compulsory Redemption Date.

The price at which any Note shall be compulsorily redeemed shall be the Redemption Price.

All costs incurred (valuation costs, legal fees, etc) in a Compulsory Redemption shall be for the account of the Noteholder thereof and may be withheld from the proceeds of the Compulsory Redemption.

13.1.8. Settlement of Redemption Proceeds

Payment of redemption proceeds will normally be made in cash within a reasonable period of time after the relevant NAV relating to a particular Dealing Day or Compulsory Redemption Date (as the case may be) has been approved if reasonably and practically feasible. Payment will be made in the currency of denomination of the Notes by direct transfer in accordance with instructions given by the redeeming Noteholder to the Director and at the Noteholder's risk and cost. Where the account is a different account to that from which the subscription is received, the transfer will be subject to the Fund being able to satisfy Gibraltar anti-money laundering requirements.

Altarius Index may, at the sole and absolute discretion of its Director, redeem any or all of the Notes by payment in money and/or in specie and whether partly in money and/or partly in specie. In the case of an in-specie transfer the redeeming Noteholder must consent to an in-specie transfer.

If the Director determines that there is default or delay in payments to Cell C, Cell C shall be entitled to delay payment of redemption proceeds equal to the proportionate part of the NAV represented by such sums that are affected by such circumstances or defer payment of the redemption proceeds if raising funds would be in the bona fide determination of the Director unduly burdensome on the Fund.

THE DIRECTOR MAY, AT THEIR SOLE AND ABSOLUTE DISCRETION, WAIVE ANY OF THE PROVISIONS CONTAINED IN THIS SECTION OF THIS PPM PROVIDING THAT SUCH A WAIVER DOES NOT PREJUDICE THE EXISTING NOTEHOLDERS.

14. COUNTERPARTIES AND SERVICE PROVIDERS

14.1. Director

Altarius Capital Limited has been appointed as Altarius Index's sole director. The function of the Director is to review and be responsible for the activities of the PCC and Cell C and to oversee Cell C's activities.

The Director is vested with all powers to perform all acts necessary or useful to manage and control Cell C.

The Director shall hold office until it resigns or is disqualified in accordance with the Articles. Subject to the provisions of the Articles, the Director shall have power, at any time, to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Director. Any director so appointed shall hold office only until the next following annual General Meeting and shall then be eligible for re-election. The majority Ordinary Shareholders for the time being in issue shall have the right by notice in writing to the PCC to appoint additional Directors or to remove the Directors from office.

Pursuant to the Articles, Directors may be party to or interested in a transaction, contract or arrangement to which Cell C is party to or in which Cell C is interested in. It should be noted that the Directors are required to disclose any interest at a meeting of the Directors. In accordance with its processes and procedures, the Director maintains a Conflicts of Interest Register.

Altarius Capital Limited, as Director, shall perform the following tasks, which may be delegated under the Director's supervision:

- (i) Calculate the NAV;
- (ii) Communicating with Noteholders;
- (iii) Processing the subscriptions and redemptions of the Notes;
- (iv) Preparing the Cell's annual statutory accounts (abridged balance sheet) and assist in the financial statement preparation process; and
- (v) Arranging for the provision of accounting, clerical and administrative services.

14.2. Bank

Baader Bank AG with registered address at Weißenstephaner Str 4 85176 Unterschleissheim (Germany) with registration number HRB 121537. has been appointed the Bank. The Director may appoint further banks to replace the existing Bank as it deems appropriate. The role of the Bank is to hold Cell C's security and cash accounts. Where instructed by the Director, the Bank will execute transfers from subscription monies, allowing Cell C to execute the investments as described in this PPM.

The Bank will not provide advisory services or asset management services nor will it monitor investment management activities or investment strategies of Cell C. The Bank shall not supervise or control the activities of the Director. The Bank does not warrant the contents of the relevant Cell C documentation nor will it be involved in the management, administration or Net Asset Value calculation of Cell C. The Bank does not act as sponsor or promoter of Cell C. Therefore, the Bank does not assume any liability for negligent or willful misconduct of the Director, and potential investors should not rely upon the Bank in deciding whether or not to invest in Cell C.

The PCC hereby holds harmless and indemnifies and keeps indemnified the Bank and its officers and employees from and against all liabilities, costs and damages of any kind (including, for the avoidance of doubt, all legal expenses incidental thereto) which may be incurred by any of them and all actions or proceedings which may be brought by or against them, save for any liabilities, costs or damages of any kind arising as a result of the Bank's, its officers or employees negligence or wilful misconduct.

14.3. Gibraltar Legal Advisors

Triay Lawyers Ltd is a law firm based in Gibraltar and has been appointed as legal advisor to the PCC in respect of Gibraltar laws and have provided no advice in relation to the laws of any other jurisdiction.

14.4. PCC Secretary

T&T Management Services Limited, has been appointed by the PCC to act as the Secretary of the PCC. T&T Management Services Limited, operates from and has its registered office at 2 Irish Town, Gibraltar, GX11 1AA. T&T Management Services Limited, is licensed by the Financial Services Commission of Gibraltar to act as company managers under the FSA. The Secretary is appointed and may be replaced pursuant to a Management Agreement between the PCC and the Secretary.

15. FEES, CHARGES AND EXPENSES

15.1. Establishment Expenses

Cell C is responsible for paying its establishment expenses, which include fees associated with the negotiation and preparation of the contracts to which it is party and the fees and expenses of its Professional Advisors in establishing Cell C (the "Establishment Expenses").

Establishment Expenses may be amortised from the date of this PPM unless otherwise determined by the Director. Under IFRS the amortisation of such costs is not allowed, and such costs should be expensed in full when incurred. The Director acknowledges that amortising such costs is in line with industry practice.

15.2. Operating expenses

The Director will be responsible for providing all office personnel, office space and office facilities required for the performance of their services. Cell C could bear all other expenses incidental to its operations and business, which may include but shall not be limited to the following

Description	Amount	Day Count	Accrual		
			Accounting	Period	Method
Fixed Expenses					
Corporate Services	EUR 12.500,00	act/365	Daily	Monthly	Arrears
Auditor	EUR 9.200,00	30/360	Daily	Annually	Advanced
Financial Statements & Reporting	EUR 3.500,00	act/365	Daily	Monthly	Arrears
Paying Agent	EUR 2.000,00	act/365	Daily	Monthly	Arrears
Listing	EUR 200,00	30/360	Daily	Annually	Advanced
Variable Expenses					
Depository	0.10% Min. EUR 10.000,00	act/365	Daily	Monthly	Arrears
Administration	0.10% Min. EUR 28.000,00	act/365	Daily	Monthly	Arrears
Asset Management	<= 50 MM EUR: 0.25% >50 MM EUR: 0.20% Min. EUR 10.000,00	act/365	Daily	Monthly	Arrears
Total Expense Ratio					
Wrap Fee	2.00% Min. 75.400,00	The Wrap Fee is the result of grouping or adding all of the fixed and variable expenses in this section, not a fee that is charged in addition to the current expenses. It sets the limits (upper and lower) thresholds of the expenses attributable to the Cell, and it aims to maintain a constant total expense ratio of 2.00% per year or a minimum of 75.400 EUR per year.			
Fees					
Introducer Fee	<2.5 MM EUR: 20% 2.5 MM EUR – 5 MM EUR: 25% 5 MM EUR – 10 MM EUR: 30% >10 MM EUR: 35%	The Introducer Fee is estimated from the net profits including the Management Fee and Performance fee, and after deducting the fixed and variable expenses included in the Wrap Fee. Afterwards, each Introducer will be paid the corresponding			

		weighted fee according to the tier structure based on the total AUM that each has introduced.
Performance Fee	20.00%	The Performance Fee would be calculated against all of the profits that the Cell has earned above the Hurdle Rate. The accrual will be done in a daily basis, the crystallization on a quarterly basis, and payment will be done annually .
Management Fee	Max(Remainder of Wrap Fee ; 0)	The Management Fee corresponds to the remainder of the Wrap Fee after deducting the corresponding fixed, variable, and other attributable expenses. The accrual will be done on a daily basis and paid in a monthly basis.

Prospective investors must be aware that the previous list of expenses is exhaustive as of the date of this PPM, meaning that it is susceptible of modifications over time in terms of number, amount, or accounting principles according to the periodic review of the components.

15.3. Cost control

The Director will control all of Cell C costs and it will ensure that any costs incurred in respect of services provided to the Cell C are reasonable and properly incurred and shall be allocated amongst cells of the PCC at their sole and absolute discretion.

16. CONFLICTS OF INTEREST

Prospective investors should be aware that there may be situations in which each and all of the counterparties/service providers could encounter a conflict of interest in connection with the PCC and/or Cell C. Should a conflict of interest actually arise, the Director will endeavour to ensure that it is resolved fairly, providing that any such party who may have such a direct or indirect conflict of interest declares such an interest in resolving such conflict. Irrespective of the aforementioned, nothing in this PPM shall be construed as preventing any of the Director, the Gibraltar Legal Advisor and the PCC Secretary from holding similar positions for other companies or investment funds, with or without similar investment objective and investment strategy that may be in conflict with the PCC and/or Cell C.

The Director and persons connected thereto may hold commercial interests in the success of the PCC.

16.1. Potential Conflicts of Interest

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

The Director may provide directorship services to other entities and may be remunerated for the provision of such services. It is therefore possible that the Director may, in providing its services, be subject to potential conflicts of interest with Cell C. The Director will, however, have regard to their obligations under their director service agreements with the PCC and, in particular, to their obligations to act in the best interests of the PCC so far as practicable, having regard to their obligations to other entities where potential conflicts of interest may arise.

The Director is entitled to fees. The Director is also the sole holder of the Ordinary Shares.

Altarius ETI, AG is the sole holder of the Notes and the owner of the Participating A Share.

The UBOs of Altarius Capital Limited, Altarius ETI, AG and Altarius Index are the same individuals.

The Director is licensed as Alternative Investment Fund Manager and therefore does provide AIFM services to other collective investment schemes.

The Secretary provides administration and secretarial to other entities and will be remunerated in respect of such services. The Secretary will, however, have regard to their obligations under their respective agreements with Cell C and, in particular, to their obligations to act in the best interests of Cell C so far as practicable, having regard to their obligations to other clients where potential conflicts of interest may arise.

17. NET ASSET VALUE

Net asset valuations will be determined by the Director on the Valuation Day or such other day as the Director may from time to time determine.

Net Asset Value calculations are determined in the following manner:

17.1. Net Asset Value

The Net Asset Value will be calculated on each Valuation Day. The Net Asset Value is calculated based on an accruals basis of accounting by subtracting from the total value of the assets attributable to Cell C an amount equal to all liabilities attributable to Cell C.

17.2. NAV per Note

The NAV will be calculated on each Valuation Day and under normal circumstances is determined within 10 Business Days of the Valuation Day by the Director, or sooner where possible.

The NAV shall be calculated by the Director on an accruals basis of accounting as at the close of business on each Valuation Day or at other such times as the Director may determine. The value of the assets and liabilities attributable to Cell C and the method of valuation of such assets and liabilities shall be determined by the Director).

The NAV per A Note of the PCC shall be calculated by:

- a) Ascertaining the NAV of Cell C as at each Valuation Day or at other such time as the Board of Directors may determine;
- b) Dividing the resulting NAV by the number of issued Notes (if any); and
- c) Rounding the resulting NAV per Note to the nearest whole cent and in the case of fractions of 0.005 and more, rounding up.

17.3. Valuation of Assets and Liabilities of Cell C

The assets of Cell C shall be deemed to include the following:

- (i) all Collateral Assets;
- (ii) all cash on hand, on deposit, including any interest accrued thereon;
- (iii) all accounts receivable;
- (iv) all interest accrued on any interest-bearing deposits or accounts owned by the Fund;

- (v) the Establishment Expenses of Cell C insofar as the same have not been amortised; and
- (vi) all other assets of every kind and nature.

The liabilities of Cell C shall be deemed to include the following:

- (i) bills and accounts payable;
- (ii) (i) all accrued or payable expenses (including all fees payable to the Director, or any other service provider and any of their agents, as well as any allowance for estimated annual audit fees, Director fees, legal fees and other fees);
- (iii) (all known liabilities, present and future;
- (iv) an appropriate provision for taxes due and future taxes to be assessed on the basis of the current year's results and year-end NAV calculation; and
- (v) all other liabilities of the Fund of whatsoever kind and nature for which reserves are determined to be required by the Director.

In determining the amount of liabilities of Cell C the Director, at their absolute discretion, of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

The Director shall be entitled to adopt an alternative method of valuation in relation to any particular asset or liability if the Director consider, that the method of valuation otherwise provided for in this PPM does not provide a fair valuation of that asset or liability.

17.4. Accounting for Foreign Exchange Rates

The Cell C's financial statements are maintained in EURO. Assets and liabilities denominated in other currencies are translated at the rate of exchange published by the Reuters on 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 published by the Reuters at the time of each transaction.

17.5. Valuation Process

The Director will prepare the NAV on the Valuation Day or such other day as the Board of Directors may from time to time determine.

The Net Asset Value is calculated on an accruals basis of accounting by subtracting from the total value of the assets attributable to Cell C an amount equal to all liabilities attributable to Cell C.

It is possible that a NAV after being reported to the Noteholders may need to be amended due to a material valuation error. The Director considers 'valuation errors' to be errors that are based on omission from, and misstatements in, the NAVs arising from error, failure to use, or misuse of, reliable information that was available when the NAV was authorised for issue. Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of fact, fraud and/or incorrect reporting or accounting of an objective price, fee, and or charge or any other asset or liability.

Any valuation error may not be considered to be material if it is less than 50 basis points (0.5%) of the current NAV. If the valuation error is more than 50 basis points (0.5%) of the current NAV the Director will decide whether it should be considered a 'material valuation error' on a case-by-case basis. Only in cases where the valuation error is considered material will Noteholders (or a particular Noteholders) that are materially affected by the error be notified and corrective action taken. In determining whether a valuation error should be considered material, the Director will consider such factors as magnitude of the valuation error, whether the valuation error has had a material financial impact on the Noteholders (or any particular Noteholders) and also the costs and complexities involved with rectifying the valuation error.

Where the Director consider a valuation error to be material, corrective action to rectify the situation will be taken and Noteholders who have been affected by such material valuation error will be notified in writing as soon as reasonably practical.

18. TAXATION

18.1. Gibraltar Taxation

The following summary is based on the law and practice currently in force in Gibraltar and is subject to changes therein. The statements on taxation below are intended to be a general summary of certain Gibraltar tax consequences that may be relevant to Cell C and the Noteholders. The statements relate to Notes as an investment (as opposed to an acquisition by a dealer) and are based on the law and practice in force in Gibraltar at the date of this PPM. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time of investment in this Cell will endure indefinitely. Taxation law and practice and the levels and bases of and relief from taxation relating to Cell C and to Noteholders may change from time to time.

Prospective investors in Cell C should familiarise themselves with and, where appropriate, take advice from their Professional Advisor/s on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and realisation of, Notes in the places of their citizenship, residence and domicile. The tax consequences for each prospective investor in Cell C of acquiring, holding, redeeming or disposing of Notes will depend upon the relevant laws of any jurisdiction to which the prospective investor in Cell C is subject. Investors and prospective investors in Cell C should seek their own professional advice from their Professional Advisor/s as to this, as well as to any relevant exchange control or other laws and regulations.

Gibraltar has no capital gains tax and therefore no tax is payable on the redemption of Notes to Gibraltar resident investors. In addition, there is no taxation on dividends and interest paid by a Gibraltar Cell to a non-resident recipient (this includes a Noteholder). There is no requirement to withhold tax from dividends and Cell C is not required to report interest income paid to Noteholders. Gibraltar does not levy taxes on capital inheritances, stamp duty on the issue or transfer of Notes in a Cell or VAT and there are currently no exchange control restrictions. Gibraltar has a limited number of double taxation treaties/agreements. Amounts payable to Cell C in respect of its underlying investments may be subject to the withholding and other taxes of the jurisdictions where these investments are made which are not recoverable. Cell C will aim to minimise taxation on its income and gains to the extent that the Director consider reasonable.

This does not mean that each Noteholder shall be exempt from tax in Gibraltar or any other relevant jurisdiction and each Noteholder should therefore consult his/her own Professional Advisor as to his/her own personal taxation position. There can be no assurance, that in the future the PCC and/or Cell C will not be liable to taxation in Gibraltar. Should the income of the PCC and/or Cell C be deemed to accrue in or derive from Gibraltar, and such income be assessable income in accordance with Tables A to C inclusive of Schedule 1 of the IT Act, the income of the PCC and/or Cell C will be taxable in Gibraltar under the IT Act. In particular, there can be no guarantee that the Government of Gibraltar may not in the future be required to change the tax system in Gibraltar to the detriment of companies such as Cell C. No warranty is given or implied regarding the applicability or interpretation of the tax laws in any jurisdiction.

19. FATCA AND THE COMMON REPORTING STANDARD

19.1. FATCA

The Foreign Account Tax Compliance Act ('FATCA') is a US federal law requiring U.S. Persons to report their non-US financial accounts annually to the Internal Revenue Services ('IRS'). The law also requires non-U.S. Foreign Financial Institutions ('FFIs') to assess and report all accounts held by U.S. Persons. FATCA came into effect on 1 July 2014. The Director have determined that the PCC is a FFI and has registered with the Internal Revenue Services and has obtained a Global Intermediary Identification Number ('GIIN'). On 21 August 2015 the International Co-operation (Improvement of International Tax Compliance) (United States) Regulations 2015 (the 'US FATCA Regulations') came into operation in Gibraltar. Under the rules and requirements of the US FATCA Regulations FFIs are required to complete the following steps (a) performance of due diligence on financial accounts; and (b) report any U.S. reportable accounts. The Director understand that the information that an FFI would be required to obtain from Noteholders pursuant to the US FATCA Regulations generally will consist of the following: name, address and taxpayer identification number (if any) of each Noteholder (as applicable); a certification that such Noteholders are not U.S. Persons or citizens; in the case of non-natural

Noteholders, its classification for U.S. tax purposes (e.g. partnership, corporation, etc); and the Noteholder's classification under FATCA. Under the terms of the US FATCA Regulations the IRS would have the right to inspect the information collected and analysed by an FFI for the purposes of an audit type process. This may include inspecting information on all Noteholders, i.e. including non-U.S. Persons. The PCC will act in accordance with the FATCA US Regulations and perform the required assessment of due diligence on financial accounts and report any reportable accounts (as and when applicable to do so).

19.2. The Common Reporting Standard

On 1 January 2016 the International Co-Operation (Improvement of International Tax Compliance) Regulations 2015 ('CRS Regulations') came into force in Gibraltar. The Common Reporting Standard ('CRS') is an information standard for the automatic exchange of information developed in response to the G20 request and approved by the OECD Council on 15 July 2014. CRS requires jurisdictions to obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. The CRS sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions. The Director understand that the CRS Regulations have similar rules and requirements to the US FATCA Regulations albeit the beneficiary in respect of reporting in relation to the CRS Regulations will be to the multiple tax authorities (as opposed to the IRS). The PCC will act in accordance with the CRS Regulations and perform the required assessment of due diligence on financial accounts and report any reportable accounts (as and when applicable to do so).

19.3. FATCA and CRS – Data Protection

As set out above the PCC may have to disclose or make available to the IRS, the UK taxation authorities or other relevant tax authorities' certain information which would otherwise be subject to the data protection provisions under Gibraltar's Data Protection Act 2004. By subscribing for Notes all Noteholders should note that they are agreeing to any transfer of data carried out for any of the reasons given above, or for any reason that the Director deems necessary to comply with legislation in force at the time.

20. ADDITIONAL INFORMATION

20.1. Reporting

20.1.2. Annual Reporting

The PCC will prepare annual financial statements within nine (9) months of the end of each Accounting Date.

As of the date of this PPM, Cell C has not commenced operations, no dividends have been declared and no audit has been completed.

Whilst the Director of Cell C will endeavour to prepare the financial statements within the time deadlines stated, the Director and/the PCC 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; power failures or acts of God.

A copy of the PCC's latest financial statements can be obtained by the Noteholders free of charge.

All notices to the Noteholders will be sent by the Director to the registered Noteholders of Cell C.

20.1.3. Reporting of Net Asset Value

Net asset valuations will be reported to the Noteholders within 5 Business Days of the Net Asset Value having been approved by the Director.

20.2. Relevant Documentation

This PPM is not intended to provide a complete description of the Memorandum and Articles or the agreements with the Director and other service providers. Copies of all such documents are available for inspection by Noteholders during normal business hours at the office of the Director. Noteholders may inspect copies of the annual financial statements, when available, and the register of Noteholders of Cell C at the offices of the Director. The Memorandum and Articles of Association of Cell C are available for inspection at the office of the Director during normal business hours and Companies House (Gibraltar) Limited, 1st Floor, The Arcade, 30-38 Main Street, Gibraltar.

20.3. Enquiries

Enquiries concerning Cell C and its Notes (including information concerning subscription and valuation of the Notes) should be directed to:

Cell C – Think Credit
Altarius Index PCC Limited
6, Bayside Road World Trade Center 5.26
GX11-1AA
Gibraltar

Tel: 00 350 200 79008
E-mail: compliance@altariuscapital.com

20.4. Governing Law

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

20.5. Legal Proceedings

As at the date of this PPM, there are no legal nor arbitration proceedings (including no proceedings which are pending or threatened of which the Director or Cell C are aware) which may or have had a significant effect on Cell C or Cell C's financial position.

20.6. Material Changes

This PPM may be amended to take into account any material changes from time to time, and any such amendment will be notified to the holders of Notes in writing. Neither the delivery of this document, nor the offer, issue or sale of Notes in Cell C shall under any circumstances constitute a representation that the affairs of Cell C have not changed since the date hereof. 'Material Change' in the context of an amendment to this document shall mean a change that in any way affects the rights of Notes, this shall include: (i) any change to any of the material relationships of Cell C, and in particular in relation to any person or entity performing a function in relation to Cell C; (ii) any changes to the structure of Cell C, (iii) any change that will affect the way in which the Net Asset Value of Cell C is calculated or produced; and/or (iv) any change in relation to fees applicable to the Notes.

20.7. Data Protection

The PCC is a Data Controller for the purposes of the Data Protection Act 2004. The PCC shall send Personal Data, where collected with the consent of Data Subjects and/or for legitimate purposes, to the following sets of data processors in order to perform its services: (i) fraud prevention agencies – this is in order to verify a Subscriber's identity, protect against fraud, comply with anti-money laundering laws and to confirm eligibility to subscribe under the terms of this Offer Document and Listing Particulars; (ii) banking and financial services partners – financial services providers that help the PCC provide its services including the Bank, banking intermediaries and international payments services providers; (iii) companies and individuals identified in this Offer Document and Listing Particulars required to conduct services for and on behalf of Cell C such as the Directors (iv) or to such

other data processors as required by law or regulation. The PCC shall process this data in accordance with its privacy notice and for the purposes of providing the services as further particularised in this PPM. Whilst Data Subjects are entitled to withdraw consent at all times, it should be noted that by doing so Cell C may be limited in its capacity of processing Personal Data under this PPM, thus resulting in the inability of providing services herein or accepting engaging with investors further.

21. VERSION CONTROL

Version	Date	Responsible	Comments
V01	03/10/2022	Emilio Martinez	Creation of the document.

22. SCHEDULE 1 – APPLICATION FORM