

# LEGE ARTIS FUND LTD.

19 February 2020

## Lege Artis Fund Ltd.: Shareholder Information Letter

Dear Shareholder,

We refer to the offering memorandum dated 19 February 2020 which accompanies this communication (**'Offering Memorandum'**) and your investment in participating shares (**'Participating Shares'**) in the Lege Artis Fund Ltd. (**'Fund'**) to inform you of some imminent changes to the Fund, as follows.

### Change of Investment Policy

Historically, the Fund has invested a significant portion of its assets in CTAs and other hedge fund strategies- while also being invested in event-driven investments (which Alprime Capital as Investment Manager has referred to as the "Opportunistic Portfolio") with a clear catalyst to unlock value. Since 2010, the Opportunistic Portfolio has contributed substantially more to performance than CTAs and hedge fund investments. Based on the Investment Manager's experiences over the last decade, the Fund's historical return attribution and the evolved investment landscape, the Investment Manager believes that its event-driven approach delivers superior value to investors as compared with the allocations to external managers.

Therefore, in respect of any participating shares issued on or after April 1<sup>st</sup>, 2020 and as further described in the Fund's revised offering memorandum dated 19 February 2020, the Investment Manager will employ a fundamental and research-driven strategy related to corporate events and catalysts, with special emphasis given to arbitrage situations, merger arbitrage, distressed/restructuring, legal and regulatory event driven situations. The Investment Manager anticipates making a gradual shift of the portfolio over the coming quarters, as new investment opportunities arise.

In order to better reflect the liquidity of the underlying portfolio, the redemption notice period will be changed to 30 days from 10 days- while redemptions can still be requested on a monthly basis. The Investment Manager anticipates the portfolio to become more liquid than before with the investment policy change but sees the new redemption notice period to be more aligned with shareholders' interests.

### Change of Auditor

In 2019, the Investment Manager consolidated all its audit mandates at Deloitte & Touche- which leads to a change of auditor for the Fund from KPMG Cayman Islands to Deloitte & Touche Cayman Islands. In the Investment Manager's opinion, the new auditor will deliver a better standard of service and know-how to the Fund for the same cost.

### Performance Fee Calculation

The performance fee calculation will also change, using a monetary high-water mark instead of a high-water mark per share. The Investment Managers considers that this is a fairer approach for shareholders since investors subscribing during a performance fee period will not be charged performance fee using the new methodology, which should lead to a reduced risk of performance fee distortions. Existing high-

water marks will continue to apply to the current performance fee period and accordingly no performance fee will be paid by investors until prior losses are recouped.

To further increase alignment of interest between shareholders and the Investment Manager, performance fee crystallisation will change from quarterly to semi-annually.

No action by investors is required. Investors who do not approve the change in investment policy are free to redeem their Participating Shares, without penalty. The above changes will become effective as of April 1<sup>st</sup>, 2020.

Should you have any questions regarding the changes outlined above, please contact:

Alprime Capital AG  
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Tel: +41 44 209 10 70

We thank you for your continued support and look forward to successfully working with you in the future.

Yours faithfully

For the board of directors of the Fund:



By: LaTonia Symonette-Tinker, Director



By: Vincent L. King, Director

**NB: NOTHING IN THIS LETTER SHOULD BE CONSTRUED AS INVESTMENT ADVICE OR AN INVESTMENT RECOMMENDATION AND THIS LETTER HAS NOT BEEN APPROVED BY ANY AUTHORITY FOR ANY PURPOSE. YOU ARE STRONGLY ADVISED TO CONSULT YOUR PROFESSIONAL ADVISERS IF YOU ARE UNSURE ABOUT THE IMPLICATIONS OR CONTENT OF THIS LETTER.**