

# THE LISBON CUT DIAMOND FUND

## TERM SHEET

<b>Fund</b>	The Lisbon Cut Diamond Fund
<b>Investment Manager</b>	FundBox SGFIM
<b>Bank</b>	Bank of Valletta
<b>Valuer</b>	Mr. Wouter VanSteelant
<b>Term and type</b>	Redeemable after 5 years; Sub-Fund of a Professional Investor Fund based in Malta (Fundbox Maltese Funds SICAV PLC).
<b>Structure</b>	A "professional investor fund" based in Malta. The roles and responsibilities related to the management of the investments of the Fund are delegated to the "Investment Manager", being the main terms of the relationship described herein.
<b>Investment Size</b>	€50 Million
<b>Scope of the Investment</b>	Investments in polished and certified diamonds for resale in channels "business to business" and "business to consumer"
<b>Investment Period</b>	Permanent
<b>Re-investment</b>	All amounts received by the Fund as result of the sale's investments, may be re-invested by the "Investment Manager" in new polished and certified diamonds.



<b>Investment Amount</b>	<p>In multiples of €25,000 with a minimum amount of €500,000 per investor.</p>
<b>Use of Funds</b>	<p>The request for disbursement of funds to investors will be made by the "Investment Manager" during the subscription period.</p>
<b>Leverage</b>	<p>The Fund may contract funding up to an amount of 50% of the value of its portfolio.</p>
<b>Profitability objective</b>	<p>18-20% per annum, calculated after payment of management fee and other expenses attributable to the Fund.</p>
<b>Management Fee</b>	<p>2.0%, focusing on the capital value of the Fund, payable quarterly.</p>
<b>"Hurdle Rate"</b>	<p>10% per year.</p>
<b>"Carried Interest"</b>	<p>(a) The Fund will pay the "Investment Manager" a successful commission equal to 20% of their annual return, calculated on the basis of its profitability. The distribution of the product profitability will follow the following principle:(a) Distribution to investors of the profitability until the Hurdle Rate (the "preferred return");</p> <p>(b) Product distribution of profitability between the Hurdle Rate and the value of 12% per annum for the "Investment Manager"; Distribution of the product of marginal profitability (profitability higher than 12% per year) among investors and the "Investment Manager" in a 80% / 20%basis respectively.</p> <p>If, in the final liquidation of the Fund it is determined that the investors did not receive the preferred return, the Investment Manager must reimburse the received amounts as carried interest until the investors preferred return is duly paid.</p>



	<p>50% of the amount payed as carried interest to the Investment Manager must be deposited in a escrow account. These amounts may only be utilized by the Investment Manager in the Funds Final liquidation and only in case there are no amounts to pay to the investors as described in the last paragraph terms.</p>
<p><b>Expenditures assignments</b></p>	<p>Incorporation expenditures incurred by the Fund. Expenses related to the investment Procedure in charge of the Fund Manager, except when the investment opportunity has been previously approved by the Investment Manager to the Fund’s integration.</p>
<p><b>Governance</b></p>	<p>The Investment Manager will, under its internal Governance rules, take the decisions concerning Investment or disinvestment.</p>
<p><b>Management Team</b></p>	<p>The "Investment Manager" will provide a team with proven experience and expertise to manage the Fund's investments.</p>
<p><b>legal Consultant</b></p>	<p>Pares Advogados</p>
<p><b>Audit Team</b></p>	<p>EY</p>
<p><b>Contacts</b></p>	<p><b>Intelligence Diamond</b>          Pedro Lago de Carvalho, PCA - Intelligence Diamond  <a href="mailto:plc@intelligencediamond.com">plc@intelligencediamond.com</a>          Silvia Teixeira, Business Development Manager - Intelligence Diamond  <a href="mailto:st@intelligencediamond.com">st@intelligencediamond.com</a></p> <p><b>Fund Box</b>          Professor Dr. Rui Alpalhão, PCA - FundBox,  <a href="mailto:ralp@fundbox.pt">ralp@fundbox.pt</a>          Nuno Trindade, Operations Director – FundBox  <a href="mailto:ntrindade@fundbox.pt">ntrindade@fundbox.pt</a></p>