

Plutus Portfolio Fund (ISIN: VCP790121039)

20711 IBC 2012
(Incorporated in Kingstown, St. Vincent & The Grenadines)

Announcement to the Investors

The shareholder resolved that the Offering Memorandum shall be adapted regarding the following changes:

Custodian fee

The maximum custodian fee of 0.15% p.a. has been supplemented by a minimum of CHF 8'000 p.a. (see fig. II Useful information; fig. 6.6 Custodian and Brokerage Fee).

2 Investment Objectives

Investment target & policy

The „Plutus Portfolio Fund“ aims at a medium- to long-term capital growth. There is no guarantee for reaching this target.

Therefore the fund can invest in assets of the whole world, in every convertible currency and every economic sector which is in the estimation of the Asset Manager appropriate for capital growth. The placements can be done in various sorts of investment vehicles. There are no limitations apart from the explicitly denominated ones for the asset allocation, i.e. the structure of the fund according to the investment choice, instruments, currencies, geographical locations, maturities, branches etc.

~~The investment policy of the fund is not only focused on realizing profits by investing in price increases on the markets (long positions) but also on participating in declining markets (short positions). So-called short positions are formed e.g. by using derivative instruments. The fund can be allocated net long, net short or market neutral. Leverage (cumulative value of all long /short positions net relative to the fund value) of up to 200% can be applied.~~

~~As part of the implementation of certain investment strategies the administrator may use Lombard loans from institutions located in a member state of the EEA or other countries, as long as these institutions are regulated by an authority which is equivalent to the one in Liechtenstein. In the course of this the administrator is allowed to pledge assets of the fund as securities. The risk can significantly increase by this pledging.~~

The principle of diversification cannot be satisfied all the time, so that the fund is only good as addition to a diversified portfolio.

The investment is appropriate as portfolio addition to classic assets for investors with a long-term horizon prepared to take risks. Investors must especially be ready to bear possible – even substantial – price devaluations. In no way it is appropriate to invest the entire or a crucial fraction of one's fortune into the fund.

Risk analysis

~~An investment in the Fund is designed as a longer term investment and consequently may not be suitable as a short or medium term investment.~~

~~Charges and expenses in connections with the Fund are not made uniformly throughout its life and it is possible that an investor may not receive back the full amount of its investment.~~

~~Normally at the beginning of each investment process stands a meticulously risk analysis. To assure an optimal risk spreading the investments in each trading strategy is limited to a certain percentage of the funds assets. Furthermore for each strategy/trading system a separate risk management system is implemented. All strategies/trading systems are traded electronically and are executed either via a server based trading platform or through an executing broker. All open positions can be liquidated in a very short time frame under regular circumstances within one trading day.~~

4.1.1 Stocks and Funds

- All kind of stocks ~~that are traded on an regulated and public market~~
- All kind of ~~investments in funds~~ **are NOT permitted**

4.1.2 Bonds

The Fund can invest in bonds ~~with a maximum maturity of 24 months~~ of the following categories:

- Bonds / Notes
- ~~Medium term bonds~~
- Zero coupon bonds and discount bonds
- Irredeemable certificates with capital guarantee on bonds and bond-indices

4.1.6 Private Equity

- All kind of private equities

7 Net Asset Value

Due to the accumulation of bank holidays between 22nd December and 7th January each year there can be a distortion of the valuation prices of the target investments of the fund. This could be based on missing liquidity (low trade volumes) and different business hours of the international stock exchanges. This leads to difficulties in assessing if sufficient price quality exists and therefore transactions within the share register of the fund can be carried out fairly. Another difficulty lays in the comprehensible communication of the deadline for share register transactions as the relevant NAV (net asset value) could occur several days later with the result that the issue or redemption of shares/units will be delayed.

For funds with daily or weekly valuation intervals the administration company has the option to amend the rules in regard to issue and redemption of shares as well as the calculation of the NAV differing from the usual valuation days between the 22nd December and 7th January each year. The administration company can resolve the postponement or cancellation of the single valuation days. Furthermore the administration company can resolve that orders can be accepted for the NAV as of 31st December.

The administration company will inform the investors about the amended modalities of orders and valuations of the NAV in the official publication platform of the fund or by direct information not later than 30th November each year.

The changes will be valid per effective date 29th April 2014.

CAIAC International Ltd.
Fund Administrator