

Eskatos AZ Multistrategy ILS Fund (the Sub-Fund) is a Luxembourg domiciled fund accommodated within the umbrella structure of Eskatos SICAV-SIF (the Company). The Company is managed by Eskatos Capital Management Sarl as its general partner, and is authorized by the *Commission de Surveillance du Secteur Financier* (CSSF) as an internally managed AIF under chapter II of the Luxembourg law of 12 July 2013 on alternative investment fund managers (AIFM Law) transposing the European AIFM Directive. The Sub-Fund does not have any exposure to equity, corporate and interest rate risks being invested only in Insurance Linked Securities and contracts.

Investment Philosophy

The portfolio of the Sub-Fund has been built-up by exploiting diversification in terms of geographic area, perils and assets features. The Sub-Fund invests in Property&Casualty and Life exposures, both peak perils (for example US hurricane and quake, Europe windstorms, mortality, pandemic events,) and specialty lines business (marine, aviation, crop, terror, political risks, ...) sourced through international brokers in the Lloyd's of London market. The portfolio benefits from the utilization of advanced modeling financial techniques complemented with an unique ability to originate business in the market place. The resulting outcome is a truly diversified portfolio of insurance risks related assets de-correlated from financial markets. This Sub-Fund differentiates itself from the competitors for the high level of diversification that has been achieved through time.

Facts & Figures

- Launch: 14 March 2008
- Net target return: 6% with a yearly volatility of 3%
- Objective: The main objectives of the Sub-Fund is the achievement of consistently over time superior risk-adjusted returns on capital. The Sub-Fund invests exclusively into Life and Property and Casualty ILS. The exposure is acquired in the form of cat bonds, derivatives and other instruments. A tight risk control approach is implemented to closely monitor peak accumulation and risk concentration at portfolio's level. Both the optimal capital allocation and the event set loss criteria allow the minimization of the tail fatness of the fund's return distribution. A mosaic approach is implemented in the portfolio construction process, whereby an optimal amount of capital is allocated to each selected combination of area, perils and trigger.
- Marketing: Shares of the Sub-Fund may be marketed to professional investors in the EEA member states with the passport granted in accordance with article 30 of the AIFM Law. The

shares of the Sub-Fund may be marketed in Italy to professional investors, further to the positive conclusion of the notification process foreseen under article 30 of the AIFM Law.

Marketing of shares of the Sub-Fund outside the EEA or in the EEA to investors other than professional investors must comply with applicable national private placement regimes. Those investors are required to inform themselves on the conditions imposed by their local rules before investing in the Sub-Fund.

- Restrictions: Subscription and ownership of shares of the Sub-Fund is only allowed to non-prohibited persons who are well-informed investors within the meaning of article 2 of the Luxembourg law of 13 February 2007 on specialized investment funds.