



Fund Introduction Profile

Investor Information

Title: GU01 – Event Driven Arbitrage

Strategy Objectives & Approach

- Building on the experience of a 3 people team with a cumulated experience of over 40 years and on the back of a strong track record in managing institutional proprietary trading accounts and most recently for a European single family office over the last 8 years.

The fund pursues 2 main strategies in the Event driven space on a global basis.

- 1) Capital increase / warrants and rights issue arbitrage. This is a mechanical arbitrage with known convergence between the rights and the underlying shares. The managers profits from the discount in between the shares and underlying derivative instruments issued by companies, essentially on European listed equity markets. This strategy is cyclical and depends on the financing conditions and the flow of new capital increase is limited in capacity.
 - 2) The manager trades globally on a large number of merger / risk arbitrage type trades. It limits its scope to announced and signed offerings and then studies the offering terms, risks, spread attractiveness, risk profile before building up and trading into such trades. The portfolio of risk arbitrage trades is very diversified (over 100 deals in general) and very actively managed.
- ⇒ The mix of these 2 strategies with asymmetric risk profiles, long vol for rights issue and short vol for Risk arbitrage, gives the manager an ideal profile to pursue its successful performance history going further.

How the strategy stands out?

- The manager has a solid and unified team who has been working and performing together in a variety of market conditions.
- The team has developed a state of the art trading, middle office and risk management platform (internally developed) tailored for their particular strategies. This enables the team to have constant control and follow up of its book and a very granular level of transparency to investors.
- The reputation, network and information flow in the institutional community is very dense and goes back to the early days of the strategies: ex the stock loan trader has set up a stock loan trading desk back in the mid 90's



- The performance track record is well above industry average by any measurements: performance, drawdown, volatility, skew

Track Record/Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016	2.11%	2.19%	3.40%	6.44%	2.25%	-1.98%	0.62%	1.78%	1.45%	0.85%	1.72%	2.28%	25.47%
2015	1.89%	1.78%	1.66%	2.08%	2.09%	0.34%	-0.35%	-4.98%	0.19%	3.87%	1.87%	3.93%	15.01%
2014	1.71%	9.17%	0.72%	1.57%	1.49%	2.49%	3.75%	0.01%	0.81%	-1.11%	2.34%	1.68%	27.18%
2013	2.70%	1.40%	2.59%	1.70%	0.96%	1.20%	0.72%	0.33%	1.25%	0.33%	1.40%	0.85%	16.53%
2012	2.73%	3.65%	6.13%	0.40%	-0.81%	0.36%	3.11%	0.77%	-0.53%	-0.10%	3.09%	2.80%	23.59%
2011	20.57%	1.15%	0.31%	0.88%	0.50%	1.65%	-3.23%	-16.89%	-5.72%	7.70%	3.54%	4.87%	11.79%
2010	1.87%	3.40%	2.10%	1.59%	0.79%	3.86%	5.60%	1.82%	3.01%	2.28%	2.59%	2.29%	35.96%
2009	2.97%	2.58%	2.73%	18.14%	4.50%	4.34%	5.42%	0.96%	1.93%	13.42%	0.42%	9.92%	89.84%
2008					2.75%	4.48%	3.03%	1.76%	-25.69%	0.10%	1.05%	3.98%	-12.03%

Past performance is not indicative of future performance. It cannot provide a guarantee of returns that you will receive in the future. The value of your investment and income from it may go down as well as up and you may not get back the amount you invested.

Year-to-date Return	25.47%
Total Cumulative Return:	570.93%
Annualised Return:	24.56%
Annual Sharpe Ratio (Rf=0.25%)	1.46
%Positive Retuns	89%
Annualised Volatility	16.61%
Sortino Ratio	2.24

Fund History

The Family office seeded the team with 5 M EUR in May 2008. Asset growth has been incremental ever since.

The 2 main shareholders of the fund are the original family office and a partner family office along with the team managing the fund itself.

Funds under Management

The main family office is willing to scale back its position in the course of 2016 for a variety of personal reasons, totally independent of the team and the performance. He stays very close to the team and shall be a reference for new coming investors.

Growth Pipeline

Given the holding ratio/ size constraints this may raise for new investors, the fund main Prime broker has agreed to grant potential investors with a managed account managed pari passu with the fund if deemed necessary.

In terms of AUM the manager wishes to keep the size of the fund at the same level and not pursue an asset gathering strategy to stay nimble and focused on what it has achieved over the last couple of



years. The strategy is therefore to raise this money and then stay focused on growing incrementally by generating performance.

Vehicle: Experienced Investor Fund registered in the EU. Gibraltar

AUM: EUR 36m as of end of December 2016

Investor Profile

The investor profile the manager wishes to initiate a new relation is typically a sophisticated investor with appetite and experience investing in alternative strategies and hedge funds.

Typically, this could be a family office, a niche fund of fund or asset manager who believes in the niche and focused set up and positioning of the fund and team.

Key Staff Overview

The team is comprised of 3 founding investment professionals and 1 marketing professional that have known each other and collaborated for over 10 years.

This summary Term Sheet sets out some basic information relating to the Fund. It is not marketing material, nor is it intended as an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. All market prices, data and other information are not warranted as to completeness or accuracy and are subject to change without notice. Any comments or statements made herein do not necessarily reflect those of Linear Investments Limited, its subsidiaries and affiliates. This summary needs to be read in conjunction with the full formal Fund documentation which the Fund will provide you with subject to you being entitled to receive it in terms of the regulatory framework within which this Fund is governed and subject to you being in a jurisdiction in which this investment opportunity may be offered to you

If you are interested in more information regarding this fund please contact

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