

**Columna**  
COMMODITIES FUND

## Frequently Asked Questions

Today more importance is put into governance, risk management and in depth due diligence. Therefore it's important to know the fundamentals behind fund you are going to invest in. We have produced a simple yet comprehensive FAQ regarding our fund.

**Q: What is the fund's investment strategy?**

**A:** The Columna Commodities Fund is unique and relies on a three pillared approach to investing in commodities. The fund uses three strategies, defined as 'Pillars'. Pillar one focuses on physical commodities, Pillar two on commodity orientated instruments and Pillar three on commodity transactions. The fund manager optimises the allocation to the Pillars depending upon market conditions and as and when opportunities are identified.

**Q: What kind of commodities does the fund invest in?**

**A:** The Columna Commodities Fund focuses on commodities that have a regulated market place for liquidity. The fund does not restrict itself to a certain type of commodity. The most important thing when identifying a possible transaction is that it complies with the fund's strict due diligence processes.

**Q: How does the fund invest?**

**A:** The Fund is optimised by altering the allocation to the Pillars depending upon current market conditions, macro economic trends, fundamental and technical factors.

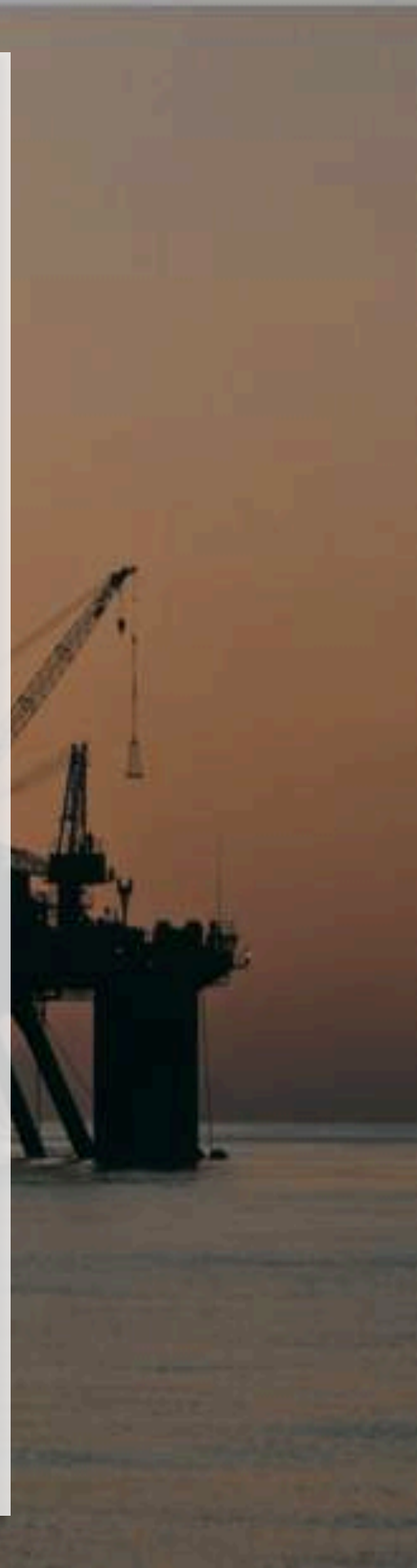
By actively changing the allocation the Fund has the flexibility to take advantage of changes in the markets ensuring capital is invested in the right place at the right time. The strategy allows the Columna Commodities Fund to take a core 10% - 20% holding within a portfolio, covering all aspects of commodity investing within one Fund.

**Q: How are risks mitigated or eliminated?**

**A:** Due to the fund being regulated in Luxembourg it needs to follow stringent risk mitigation procedures. The fund uses a three stage due diligence process. The first stage is done by the yAs Investment, the fund's investment advisor, they do in depth research on the underlying trade or transaction. The second stage is then done by the board of Directors in Luxembourg. The final stage is then done by the fund's custodian bank who complete their own independent risk analysis and due diligence.

**Q: Who manages the fund?**

**A:** The fund has a dedicated investment advisor and a board of Directors. The board are the founders of Luxembourg Fund Partners. Regulated in Luxembourg, founded by financial specialists with successfully proven track records in managing globally listed securities portfolios, derivatives instruments and alternative investments.



**Q: Who is the investment advisor?**

**A:** yAs Investment S.A.R.L is a boutique investment company based in Luxembourg. The founders different specialties and experience in the international finance market give yAs the edge in finding, sourcing, structuring and executing investment. yAs' involvement in Columna is fundamental and builds on a unique, robust investment strategy that provides consistent uncorrelated returns to their clients. yAs Investment is the exclusive investment advisor to the fund.

**Q: How is the fund structured? Is the Fund regulated?**

**A:** Columna is an onshore, EU-compliant SICAV-Special Investment Fund regulated and approved by the CSSF in Luxembourg.

**Q: Who are the fund using as Administrators, Custodians and Auditors?**

**A:** Columna uses the following tier 1 partners;

**Administrators:** Apex Fund Services, Luxembourg

**Custodian:** ABN AMRO Bank Luxembourg S.A.

**Auditors:** PricewaterHouseCoopers (PwC)

**Legal Advisors:** Lexfield Legal Advisor

**Q: What is the fund's track record?**

**A:** The fund launched on the 27<sup>th</sup> of August 2013. Since launch the master share class has had consecutive positive growth.

**Q: What is the fund's expected return?**

**A:** The fund targets an absolute return in excess of 15% per annum with low volatility.

**Q: Which is the biggest driver of performance?**

**A:** Pillar III has an extremely favorable risk/reward ratio and is the main driver of the funds low volatility and consistent high returns. This pillar invests in fixed margin contracts or profit-share agreements with mines, refineries or other commodity transactions where the fund is providing liquidity and cash flow. As the agreements are secured by thorough due diligence the risk adjusted return is exceptional. This will differentiate the fund from its competitors.

**Q: Where can I follow the funds performance?**

**A:** On our website, [www.columnafund.com](http://www.columnafund.com) or Bloomberg using the following codes;

USD: LFPCOLC:LX

GBP: LFPCOLB:LX

EUR: LFPCOLA:LX

CHF: LFPCOLD:LX

SEK: LFPCOLE:LX



**Q: Are there different currency share classes?**

**A:** Yes, due to investor demand Columna is available in 5 share classes USD, EUR, GBP, CHF & SEK.

**Q: Are there any currency risks in the fund?**

**A:** The master share class is USD. All other share classes are hedged.

**Q: What are the fund's fees and expenses?**

**A:** AMC: 1,5% per annum

Performance fee: 20% over 7% (Hurdle rate)

**Q: What is the minimum investment amount?**

**A:** The minimum is 125,000 EUR or currency equivalent. 10,000 EUR or currency equivalent via Life Co's/SIPP/QROPS.

**Q: How often is the fund traded and what are the subscription terms?**

**A:** Monthly dealing and subscription requests must be received before 16:00 two bank business days in Luxembourg prior to the applicable valuation day, which is the last banking day in the month.

**Q: What are the redemption terms?**

**A:** Monthly redemption and requests must be received 30 days prior the relevant valuation day before 16:00, orders can be placed either in nominal amounts or Fund Shares.

**Q: What about liquidity?**

**A:** The Fund maintains a high level of liquidity using a transparent liquidity plan in order to meet investors demand for access to capital over the short, medium and long term.

The liquidity of the Fund is continuously monitored, ensuring sufficient levels of liquidity are maintained in the Fund at all times for investor protection purposes. The liquidity plan ensures the Fund can continue to operate smoothly and efficiently at all times.

Liquidity within the fund is as follows;

**Cash** – Highly Liquid

**Pillar I** – Liquid (Can sell physical assets)

**Pillar II** – Highly Liquid (Can liquidate positions immediately)

**Pillar III** – Liquid (All transactions have a maximum turnaround time of 30 days)

**Q: What's the competitive edge for the fund?**

**A:** Columna applies a unique three pillar approach to investing which allows for consistent, uncorrelated returns. By actively managing the allocation between the three pillars the fund aims to reduce the volatility that is normally associated with commodity investing and improve returns.

**Q: Does the Fund use leverage?**

**A:** No.

**Q: How do movements in commodity prices affect the Fund?**

**A:** The fund doesn't use only a traditional "buy and hold" strategy therefore price fluctuations in the underlying commodities will have little effect. Due to Columna's unique three pillar approach the fund can make positive returns regardless of the underlying commodity price.

**Q: Why should I invest into Columna?**

**A: The main reasons to invest in Columna are;**

- Unique 3 pillar strategy of investing in commodities that has the ability to generate positive returns regardless of market direction
- Return and risk are optimised by strategic pillar allocation
- Highly liquid investment strategy
- Low correlation to traditional asset classes
- Onshore EU-compliant fund, domiciled and regulated in Luxembourg by CSSF (Commission de Surveillance du Secteur Financier)
- Top tier 3rd party Administrators, Custodians and Auditors
- Access via the third pillar to a marketplace that is traditionally closed to private investors
- Attractive cost structure compared to other commodity funds
- Wide choice of different share classes to minimise currency exposure in portfolios

**Columna Commodities Fund - LFP I SICAV SIF SA**

2, Boulevard de la Foire

L-1528 Luxembourg

Tel: +352 20 40 05 40

E-mail: [info@columnafund.com](mailto:info@columnafund.com)

Website: [www.columnafund.com](http://www.columnafund.com)

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