

KOALAFUND
PRIVATE OFFERING MEMORANDUM
Securitisation Fund Luxembourg

INFORMATION TO SUPPORT YOUR DECISION TO INVEST

The investing in KoalaFund is only available to professional investors.

Investors should inform themselves and should take appropriate advice as to possible legal and tax consequences, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, domicile or other eligible laws and which might be relevant to the subscription, purchase, holding, redemption or disposal of the units and bonds of the fund showed.

KoalaFund is established in Luxembourg.

DIRECTORY

KOALAFUND

Registered Office	7, rue Guillaume J. Kroll, L-1882 Luxembourg
Management Company	Koala Assets Management S.A.

KOALA ASSETS MANAGEMENT S.A.

Registered Office	7, rue Guillaume J. Kroll, L-1882 Luxembourg
Board of Directors	Jean-Charles Dwelshauvers, Partner Koalaboox Europe S.A. (Chairman) Thierry Benoit, Partner Koalaboox Europe S.A. Frédéric Lodewyk, Partner Koalaboox Europe S.A.
Approved Statutory Auditors	PWC Luxembourg
Legal Advisors	Bonn Steichen & Partners, Luxembourg
Credit Insurance	Atradius

DEFINITIONS

In the Offering Memorandum, the following terms shall have the following meanings:

Board of Directors means the board of directors of the Management Company.

Class means a class of Units.

Domiciliation and Corporate Services Agent means Godfrey Higuët, in its capacity as domiciliation and corporate services agent of the Fund.

First Valuation Date has the meaning given to it in the section Procedures for Redemption in excess of the Available Liquidities of this Offering Memorandum.

Fund means KoalaFund, a securitisation fund (*fonds de titrisation*) established pursuant to/governed by the Management Regulations as amended from time to time, and unless the context otherwise requires, any Sub-Fund.

General Management Regulations means the management regulations governing the Fund, as amended from time to time.

Management Company Fee means the fee payable out of the assets of the Fund to the Management Company as further detailed in each Sub-Fund Management Regulation.

Management Company means Koala Assets Management S.A.

Management Regulations means the General Management Regulations and the Sub-Fund Management Regulations.

Offering Memorandum means this private offering memorandum.

Securities mean Units or any other securities of any nature and in any currency which may be issued by the Fund or a Sub-Fund in accordance with the relevant Management Regulations.

Securitisation Law means the Luxembourg law of 22 March 2004 on securitisation, as amended.

Service Provider means the Registrar and Transfer Agent, the Administrative Agent, the Depository, the Distributor and the Domiciliation and Corporate Services Agent and any other person who provides services to the Fund from time to time.

SME means Small and Medium sized Enterprises.

Sub-Fund means any sub-fund of the Fund.

Sub-Fund Management Regulations means management regulations governing any Sub-Fund, as amended from time to time.

Sub-Fund Particulars means any document setting out the particulars of a Sub-Fund.

Subscription Agreement means any subscription agreement entered into by the Fund and any other Person pursuant to which the Fund agrees to issue and such other Person agrees to subscribe for Units.

Transfer means any sale, assignment, transfer, grant of a participation in, grant of security interests over, pledge, hypothecation, encumbrance or other disposal of Interests by a Unitholder and “**to transfer**” will have the same meaning.

Unit means co-ownership participations in the Fund that may be issue by the Management Company pursuant to the Management Regulations.

Unitholder means a registered holder of Units.

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THE FUND AND THE SUB-FUNDS

THE FUND AND ITS SUB-FUNDS

The Fund has been founded for an unlimited duration under the laws of the Grand Duchy of Luxembourg as a securitisation fund (*fonds de titrisation*) pursuant to the Securitisation Law.

The Fund consists of one or several Sub-Funds. It provides institutional and qualified investors with a variety of Sub-Funds, each of which relates to a separate portfolio of assets permitted by law and managed within specific investment objectives.

Each Sub-Fund shall be exclusively responsible for all liabilities directly attributable to it.

The Fund is managed by the management company Koala Assets Management S.A. The Fund is not liable for the obligations of the Management Company.

Upon a decision of the Management Company, the Fund may issue Units. The Fund may also issue debt instruments such as bonds.

THE SUB-FUND

The Sub-Fund Particulars specific to each Sub-Fund can be found at the end of the Offering Memorandum.

The Management Company, in accordance with the terms of the Securitisation Law (in particular Article 8 of that law), may create one or more Sub-Funds within the Fund. Each Sub-Fund shall, unless otherwise provided for in the decision of the Management Company creating such sub-fund, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding.

The Management Company will draw up Sub-Fund Management Regulations for each Sub-Fund.

Each Sub-Fund may be separately liquidated without such liquidation resulting in the liquidation of another Sub-Fund or of the Fund itself.

THE MANAGEMENT COMPANY

The Management Company has been incorporated for unlimited period under the laws of the Grand Duchy of Luxembourg as a public limited liability company (*société anonyme*) on July 7th 2015.

The subscribed share capital at the incorporation of the Management Company was set at EUR 31,000 divided into three thousand one hundred shares having a nominal value of ten Euros (EUR10.-) each.

The Management Company is located in the Grand Duchy of Luxembourg at 7, rue Guillaume J. Kroll, L-1882 Luxembourg.

The Management Company has the exclusive right to manage the Fund in accordance with Luxembourg Law, subject to the restrictions set forth in the Management Regulations, for the account of and in the sole interests of the Unitholders, and in particular, to:

- (a) perform securitisations, within the meaning of the Securitisation Law, of risks associated to any kind of assets;*
- (b) issue securities of any nature and in any currency and, to the largest extent permitted by the Securitisation Law, pledge, mortgage or charge or otherwise create security interests in and over its assets, property and rights to secure its obligations;*
- (c) enter into any agreement and perform any action necessary or useful for the purpose of carrying out transactions permitted by the Securitisation Law, including, without limitation, disposing of its assets in accordance with the relevant agreements;*
- (d) secure information pertinent to the investments; to procure research investigations, information and other investment advisory services from any investment advisor;*
- (e) appoint Service Providers to provide services to the Fund;*
- (f) appoint distributors, dealers and other intermediaries and execute any document necessary for the distribution of Securities in Luxembourg or abroad.*

The Management Company shall operate the Fund within the terms and comply at all times with its obligations contained in the Management Regulations, and any applicable laws and other relevant legal requirements.

INVESTMENT POLICY

Supporting SME access to Finance

KoalaFund is a socially responsible investment fund, the objective of which is to invest in SME assets that support the access to funding and therefore the development of European SMEs, while providing a fair return to investors.

Each Sub-Fund shall pursue an independent investment policy with investment restrictions that may differ for each of them. The investment policy and the investment restrictions are set out for each Sub-Fund in the relevant Sub-Fund Particulars.

RISK

Specific risk factors for the Fund

In general, the Fund will invest in risk-bearing assets of SMEs within the meaning of the Securitisation Law.

In general, the Fund will take the risks that it deems reasonable to achieve the objectives of the various Sub-Funds which have different investment strategies and therefore risk profiles. It cannot, however, guarantee that it will achieve its goals given risks to which the investments are exposed.

Therefore, investors must realise that the value of their investment may fall as well as rise and that past performance is not a guide for future performance.

Legal risk

The Fund may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Fund and its operations.

CONFLICT OF INTEREST

Prospective investors should note that the Management Company and its directors, officers and shareholders may be involved in other financial, investment and professional activities which may cause conflicts of interest in their relationships with the management and administration of the Fund.

NET ASSET VALUE

Valuation Date

The net asset value of each Sub-Fund is calculated as of the Valuation Date specified in the relevant Sub-Fund Particulars.

Net Asset Value

The net asset value for each Sub-Fund will be determined as of the relevant Valuation Date.

The net asset value per Unit of each Class for each Sub-Fund is determined by dividing the value of the total assets of the Sub-Fund properly allocable to such Class less the liabilities of the Sub-Fund properly allocable to such Class by the total number of Units of such Class outstanding as of any Valuation Date.

THE UNITS

The Management Company is authorised, without limitation, to issue Units of any Class at any time within each Sub-Fund, whose characteristics may differ from those Classes then existing.

The Units of each Class have no par value and, within each Class, are entitled to participate equally in the profits arising in the respect of, and in the proceeds of a liquidation of, the Sub-Fund to which they are attributable.

The Units are issued in registered form with no par value and must be fully paid up. The inscription of the Unitholder's name in the register of Units evidences his or her right of ownership of such registered Unit. Unless a Unit certification is requested, a holder of registered Unit shall not receive a written confirmation of his or her unitholding.

The Sub-Fund Particulars indicate, for each Sub-Fund, which Classes are available and their characteristics.

Subscriptions are dealt with at an unknown net asset value. Purchases of Units should be made for investment purposes only.

SUBSCRIPTION FOR UNITS

The Management Company may issue an unlimited number of fully paid Units at any time in each Class without reserving a preferential right to subscribe for the Units to be issued for the existing Unitholders. The Management Company may impose conditions on the issue of Units. Any such condition to which the issue of Units may be submitted will be detailed in the relevant Sub-Fund Management Regulations.

The Management Company may, in its absolute discretion, accept or reject any request for subscription for Units (and any Subscription Agreement) in whole or in part. The Management Company may, again at its discretion redeem at any time any Units of the Fund that are subscribed or held in contravention of the terms of the Management Regulations.

Units will be issued at the subscription price calculated in the manner and at such frequency as determined for each Class.

The Management Company may confer the authority upon any member of the Board of Directors or other duly authorised representative to accept Subscription Agreements, to receive payments for newly issued Units and to deliver these Units.

REDEMPTION OF UNITS

Unless otherwise specified in the relevant Sub-Fund Particulars for the relevant Sub-Fund, any Unitholder of the Fund may ask for the redemption of all or part of his Units, subject to the restrictions as stated in the Offering Memorandum and the relevant Sub-Fund Particulars.

The Unitholders may do so by letter to the Management Company, Distributor or Sub-Distributor or the Registrar and Transfer Agent. The Management Company may also decide that applications for redemptions may be made by electronic or other means. The application for redemption must include the name of the Unitholder, the Sub-Fund, the Class and the number of Units to be redeemed and indicate the address to which payment should be sent.

Redemption requests are processed according to the frequency and with the prior notice period specified in the relevant Sub-Fund Particulars for each Class.

Units shall be redeemed on the basis of the net asset value of the relevant Sub-Fund less any redemption costs as indicated in the relevant Sub-Fund Particulars. The redemption price may further be decreased by any applicable transaction costs of up to a maximum of 1% of the net asset value, payable to the Distributor, the Sub-Distributor(s) and/or other selling agents, as indicated in the relevant Sub-Fund Particulars. The level of these transaction costs can be obtained from the Distributor or Sub-Distributor.

The applicant will be notified of the redemption proceeds as soon as reasonably practicable after determination of the net asset value. Unitholders are reminded that the redemption proceeds can be higher or lower than the initial subscription amount, due to fluctuations in the value of the underlying investments.

Payment for Units redeemed will be effected according to the frequency specified in the Sub-Fund Particulars. Such redemption will be paid in the relevant Reference Currency.

If, as a result of any request for redemption, the aggregate net asset value of the Units held by any Unitholder in any Sub-Fund would fall below the minimum amount indicated in the section “Subscriptions” of the relevant Sub-Fund Particulars, then the Management Company may treat such request as a request to redeem all Units held by such Unitholder.

PROCEDURES FOR REDEMPTIONS IN EXCESS OF THE AVAILABLE LIQUIDITIES

If any application for redemption is received in respect of any relevant Valuation Date (the “First Valuation Date”) which either singly or when aggregated with other applications so received, is in excess of the available liquidities of any one Sub-Fund, the Management Company may reserve the right in its sole and absolute discretion (and in the best interests of the remaining Unitholders) to execute applications with respect to such First Valuation Date, in the order in which they are received by the Management Company or the Registrar and Transfer Agent, so that not more than the available liquidities of the relevant Sub-Fund be redeemed on such First Valuation Date. Accordingly, Unitholders must be aware that redemption requests may not be reduced on pro rata basis. In other words: if, in the opinion of the Board of Directors it is not in the interest of the Management Company and/or any Sub-Fund to redeem Units, the redemption of Units can be temporarily suspended. To the extent that any application is not executed on such First Valuation Date by virtue of the order of receipt of applications, it shall be processed on the next Valuation Date and, if necessary, subsequent Valuation Dates, until such application shall have been satisfied. With respect to any application received in respect of the First Valuation Date, to the extent that

subsequent applications shall be received in respect of following Valuation Dates, such later applications shall be postponed in priority to the satisfaction of applications relating to the First Valuation Date, but subject thereto shall be dealt with as set out in the preceding sentence.

For the avoidance of doubt, liquidities already committed for investments or about to be committed for investments in the short term are not available liquidities within the meaning of the foregoing paragraph.

CONVERSION OF UNITS

Unless otherwise stated in the relevant Fund Document, Unitholders are not allowed to convert all, or part, of the Units of a given Class of another Class.

If conversions of Units are allowed between Classes, then the applicable terms and conditions to conversion of Units shall be as set forth in the relevant Fund Document

UNIT TRANSFER

The Transfer of all or any part of any Unitholder's Units is subject to the provisions of the Management Regulations. No Transfer of all or any portion of any Unitholder's Units, whether voluntary or involuntary will be valid without the prior consent of the Management Company.

OWNERSHIP RESTRICTION

The Management Company may restrict or prevent the ownership of Units by any Person if the Management Company, in its absolute discretion, determines that such ownership may be detrimental to the Fund or for any other reasons mentioned in the Management Regulations.

SUBSCRIPTION OF SECURITIES OTHER THAN UNITS

The rules governing the issue and subscription of Securities other than Units and the rights and obligations of the holders of such Securities shall be set out in the relevant Sub-Fund Management Regulations.

TAXATION

The Fund is established in the form of a securitisation fund (*fonds de titrisation*) within the meaning of the Securitisation Law. The Fund does not have any legal or fiscal personality. Income and gains of the Fund will thus not be subject to corporate income tax, municipal business tax or net worth tax in Luxembourg. Distributions to the Unitholders, as well as capital gains will not be subject to any withholding tax in Luxembourg.

Interest payments made under debt securities issued by the Fund to a Luxembourg resident individual beneficial owner acting in the course of the management of its private wealth may be subject to a final 10% withholding tax pursuant to the law of 23 December 2005 introducing a final withholding tax on savings income and abolishing net wealth tax for individuals (the “**RELIBI Law**”).

Interest payments under debt securities issued by the Fund, might fall, under certain circumstances, within the scope of application of the automatic exchange of information provided for by the EU directive 2003/48/EC regarding the taxation of savings income adopted on 3 June 2003 by the EU Council of Economic and Finance Ministers (the “**EU Savings Directive**”), as implemented in Luxembourg law by the law of 21 June 2005, as amended.

The EU Savings Directive provides that each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a paying agent within the meaning of the EU Savings Directive to an individual or certain types of entities called “residual entities” resident in that other Member State (or certain independent and associated territories).

On 24 March 2014, the EU Council adopted an EU Council Directive amending and broadening the scope of the EU Savings Directive (the “**Amending Directive**”), including extending the range of payments covered by the EU Savings Directive and expanding on the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. The EU Savings Directive may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the EU. Member States are required to introduce legislation giving effect to these changes by 1 January 2017.

On 18 March 2015, the European Commission proposed to repeal the EU Savings Directive from January 1, 2017 in the case of Austria and from January 1, 2016 in the case of all other Member States. The reason for the repeal as stated by the European Commission is that the automatic exchange of information between the Member States as provided for in the EU Savings Directive would be sufficiently governed by a new mandatory automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU) (“**Directive on Administrative Cooperation**”). As a consequence of the annulment of the EU Savings Directive, the Member States would no longer be obliged to implement the Amending Directive.

UNITHOLDERS / HOLDERS OF DEBT SECURITIES

The Unitholders in the Fund and the holders of debt securities should generally not be subject to any income taxation in Luxembourg on their share of the Fund's profits, on interests received in connection with debt securities issued by the Fund, or on capital gains realised upon disposal of Units of the Fund or debt securities issued by the Fund. Exceptions may apply, however, to Unitholders or holders of debt securities issued by the Fund who are domiciled, resident or have a permanent establishment in Luxembourg.

NON-RESIDENT UNITHOLDERS / HOLDERS OF DEBT SECURITIES

According to Luxembourg domestic tax rules, gains on the disposal of Units held by foreign-resident Unitholders are however taxable in Luxembourg if (i) the participation in the Fund held by the relevant Unitholder, alone or together with his/her spouse and minor children, has exceeded 10% of the overall Units in the Fund during the five preceding years and (ii) the disposal of the Units takes place within six months after their acquisition, or if the relevant Unitholder was tax resident in Luxembourg for a period of more than 15 years and does not reside anymore in Luxembourg since less than 5 years at the time of the disposal. Nevertheless, taxation in Luxembourg can be avoided upon application of most double tax treaties entered into by Luxembourg.

All non-Luxembourg resident Unitholders or holders of debt securities issued by the Fund may be subject to taxation in their own jurisdiction. It is the Unitholder's and the debt security holder's sole responsibility to determine its amount of taxation, file returns in relation to taxation and pay any such taxation.

RESIDENT UNITHOLDERS / HOLDERS OF DEBT SECURITIES

Corporate Unitholders

Distributions and capital gains arising from Units in the Fund, as well as interest paid under debt securities issued by the Fund will be fully taxable at ordinary rates at the level of those corporate Unitholders who are resident in Luxembourg (an aggregate rate of 29.22% will apply for corporate Unitholders resident within the boundaries of the municipality of Luxembourg) unless a specific tax regime is applicable to them.

Individual Unitholders

Distributions derived from the Units in the Fund by individual investors, who act in the course of the management of either their private wealth or their professional or business activity, will be fully taxable at the progressive ordinary rate (with a maximum marginal rate of currently 40%, to which must be added a solidarity surcharge ranging between 7% and 9% depending on the total taxable income as well a 0.5% temporary budget equilibration tax). A total lump-sum of EUR 1,500 (which is doubled for taxpayers who are jointly taxable) is deductible from the total investment income (dividend and interest income) received during the tax year.

Capital gains realized upon redemption of Units in the Fund will be fully taxable at the level of individual Investors if they either hold more than 10% in the Fund or hold less than 10% but sell or have the Units redeemed within 6 months from acquisition and subscription.

IMPACT OF THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

*In the present section, defined terms shall have the meaning ascribed to them in the agreement between the United States of America and the Grand-Duchy of Luxembourg entered into on March 28, 2014 to implement FATCA through reporting by financial institutions to the Luxembourg competent authorities followed by automatic exchange of the reported information to the U.S. Internal Revenue Service (the “**Lux IGA**”), unless otherwise specified herein or in the present Private Offering Memorandum.*

On 28 March 2014, the Luxembourg and the United States of America have signed the Lux IGA in order to implement FATCA in Luxembourg. The Lux IGA shall enter into force on the later of (i) Luxembourg’s written notification that Luxembourg completed internal procedures for entry into force and (ii) the United States written notification that the procedures for ratification of the Protocol have been satisfied. Luxembourg has ratified the Lux IGA by the law dated 24 July 2015 and has thus completed its internal procedures for entry into force.

FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. Persons’ direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information could lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends

The basic terms of FATCA may include the Fund as a “Financial Institution”, so that in order to comply, the Fund may require all Unitholders or holders of debt securities issued by the Fund to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Fund shall have the right to:

- (a) Withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any unitholding in the Fund or any holding of debt securities issued by the Fund;*
- (b) Require any Unitholder/holder of debt securities issued by the Fund or beneficial owner of Units/debt securities issued by the Fund to promptly furnish such personal data as may be required by the Fund in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;*
- (c) Divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority; and*
- (d) Withhold the payment of any dividend, interest or redemption proceeds to a Unitholder or holder of debt securities issued by the Fund, until the Fund holds sufficient information to enable it to determine the correct amount to be withheld.*

The discussion on U.S. taxation is not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer. The discussion was written to support the promotion or marketing of the investments described herein. Each prospective investor should seek advice based on such investor's particular circumstances from an independent tax advisor.

FUTURE CHANGES IN APPLICABLE LAW

The foregoing description of Luxembourg tax consequences of an investment in, and the operations of, the Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would be subject the Fund to income taxes or subject investors to increased income taxes.

The tax and other matters described in this Offering Memorandum do not constitute, and should not be considered as, legal or tax advice to prospective subscribers of Units or debt securities issued by the Fund. Such prospective subscribers should consult their own counsel regarding tax laws and regulations of any jurisdiction which may be applicable to them.

FEES AND EXPENSES OF THE FUND

FUND OPERATING EXPENSES

Fees, costs, expenses and other liabilities incurred on behalf of the Fund as a whole shall be general liabilities of the Fund and shall not be payable out of the assets of any Sub-Fund. If the aforementioned fees, costs, expenses and other liabilities cannot be otherwise funded, they shall be apportioned pro rata among the Sub-Funds upon a decision of the Management Company.

The Fund shall pay for setting up, promotion and operating costs. In particular, these costs shall include but not be limited to formation expenses, fees and expenses payable to its accountants, Depository, Paying Agent, Administrative Agent, Domiciliation and Corporate Services Agent, Registrar and Transfer Agent and their correspondents, if applicable, any paying agent, any Distributor and permanent representatives in places of registration, as well as any other agent employed by the Fund, the remuneration of the Board of Directors, their insurance coverage, and reasonable travelling costs and out of pocket expenses in connection with board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in registering and maintaining the registration of the Management Company and the Fund with any governmental agencies, reporting and publishing expenses, including the costs of preparing, printing, advertising, translating and distributing the Offering Memorandum, explanatory memoranda, periodical reports or registration statements, and the costs of any reports to investors, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount on a pro rata basis for yearly or other periods.

MANAGEMENT FEES

For the services it provides, the Management Company will be entitled to a fee payable and calculated as described in the relevant Sub-Fund Particulars. The rates of such fees are indicated in the relevant Sub-Fund Particulars.

DISTRIBUTION POLICY

DISTRIBUTION

Net Distributable Cash will be distributed by the Fund to the Unitholders on a yearly basis. The Management Company may decide to make more frequent distributions of Net Distributable Cash.

LIMITATIONS ON DISTRIBUTIONS

The Fund will not be required to make any distribution:

- *unless there is sufficient cash available;*
- *which would render the Fund insolvent; or*
- *which, in the opinion of the Management Company, would or might leave the Fund with insufficient funds or profits to meet any present or future contemplated obligations, liabilities or contingencies (including the Management Company Fee).*

INVESTORS RELATIONS

Contact Jean-Charles Dwelshauvers

jcd@koalaboox.com

Tel : +352 691 686 864

SUB-FUND I PARTICULARS: EUROPEAN TRADE RECEIVABLES

The information contained in these Sub-Fund I Particulars must be read in conjunction with the complete text of the Offering Memorandum.

The Sub-Fund I – European Trade Receivables was created for an unlimited period of time.

DEFINITIONS

In the Sub-Fund I Particulars, the following terms shall have the following meanings:

Board of Directors means the board of directors of the Management Company.

Class means a class of Units.

Fund means KoalaFund, a securitisation fund (*fonds de titrisation*) established pursuant to/governed by the Management Regulations as amended from time to time.

Management Company means Koala Assets Management S.A.

Noteholders means a holder of Notes.

Notes means the notes that are issued by Sub-Fund I, described in these Sub-Fund 1 Particulars and governed by the Sub-Fund I Management Regulations

Offering Memorandum means the private offering memorandum relating to the Fund dated July 2015.

Risk Policy means an internal trade receivable risk policy dated May 2015.

SME means Small and Medium sized Enterprises.

Sub-Fund I means Sub-Fund I – European Trade Receivables.

Sub-Fund I Management Regulations means management regulations governing Sub-Fund I, as amended from time to time.

Sub-Fund 1 Particulars means these present particulars.

Unitholders means a registered holder of Units

Units means co-ownership participations in the Sub-Fund 1, described in these Sub-Fund 1 Particulars and governed by the Sub-Fund I Management Regulations

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INVESTMENT POLICY

SUPPORTING SME ACCESS TO FINANCE

All activities of Sub-Fund I are based on the global objective of KoalaFund which is to invest in SME assets that support the access to funding and therefore the development of European SMEs, while providing a fair return to investors.

Selling receivables is one important funding solution for SME's. It provides instant and "on demand" liquidity.

It is particularly fitting to SME's as receivables are their main assets.

Sub-Fund I will specialise in the acquisition of trade receivables of European SMEs.

INVESTMENT POLICY

Sub-Fund I invests exclusively in trade receivables of European SME's.

- *All receivables are credit insured by the leading credit insurance company Atradius;*
- *Receivables are confirmed by debtors;*
- *Maximum 90 days payment terms;*

The portfolio of receivables is highly diversified over a high number of debtors.

RISK POLICY

The criteria and procedures of the acquisition of receivables in Sub-Fund I are defined in an internal Trade Receivable Risk Policy. The Risk Policy defines the following :

- *eligibility of a seller;*
- *funding limit of a seller;*
- *eligibility of a debtor;*
- *funding limit of a debtor;*
- *eligibility of a receivable;*
- *dunning and collection;*
- *specific risk handling.*

The specific criteria are integrated into fully automated algorithms on the Koalaboox e-invoicing platform.

Eligibility criteria are based upon internal and external Big Data of SMEs.

The Risk Policy has been approved by the Management Company. The Management Company is authorised to change the Risk Policy within the limits of the existing agreements with third parties.

RECEIVABLE ACQUISITION PROCESS

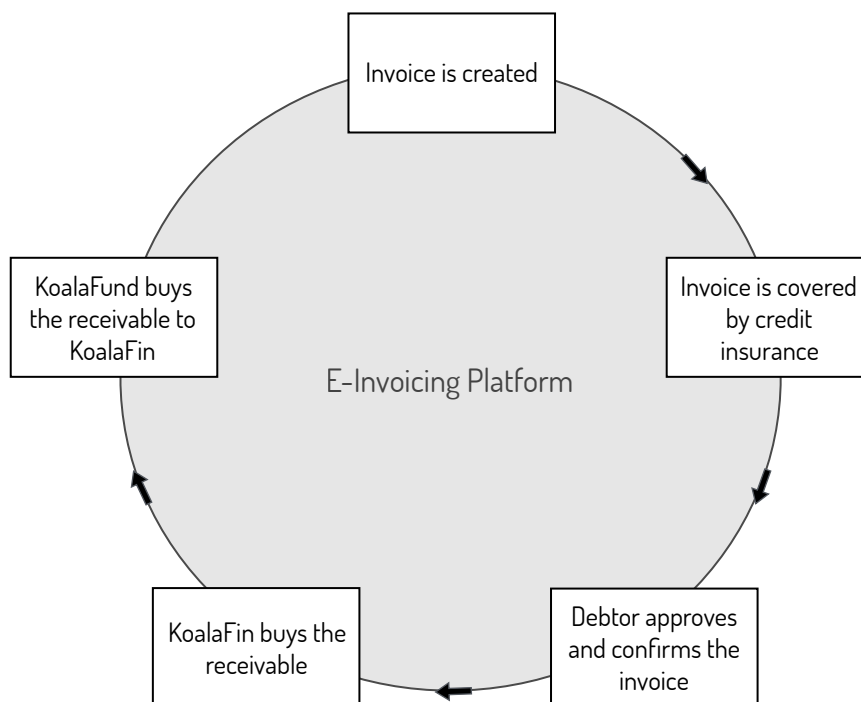
The selling of receivables is operated through the Koalaboox e-invoicing platform, a simple-to-use web based application available in several European countries. It enables companies to automate the receivables selling process.

HOW DOES IT WORK?

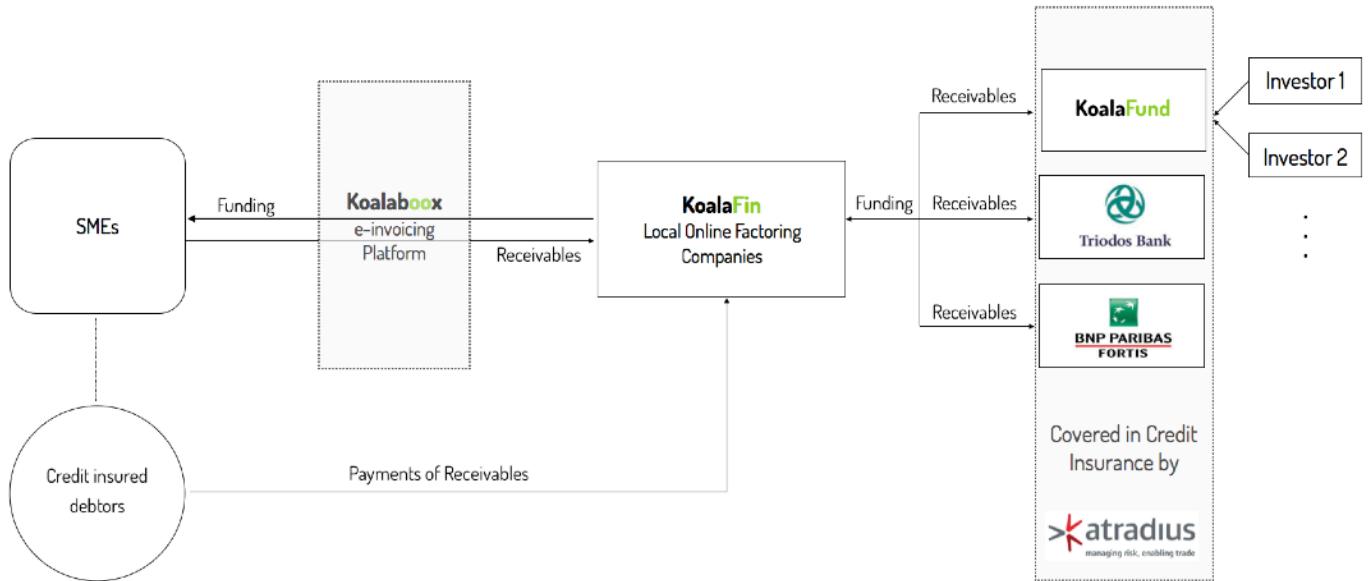
Receivable acquisition

Local Financing companies (KoalaFin) buys credit insured receivables from small and medium size businesses through Koalaboox online invoicing platform. Only those that are accepted and confirmed by the debtors through the online platform are acquired.

The financing companies (KoalaFin) in each European countries sell the bought receivables on a revolving basis to Sub-Fund I of KoalaFund, based on a “back-to-back” agreement. Sub-Fund I is pooling the trade receivables.



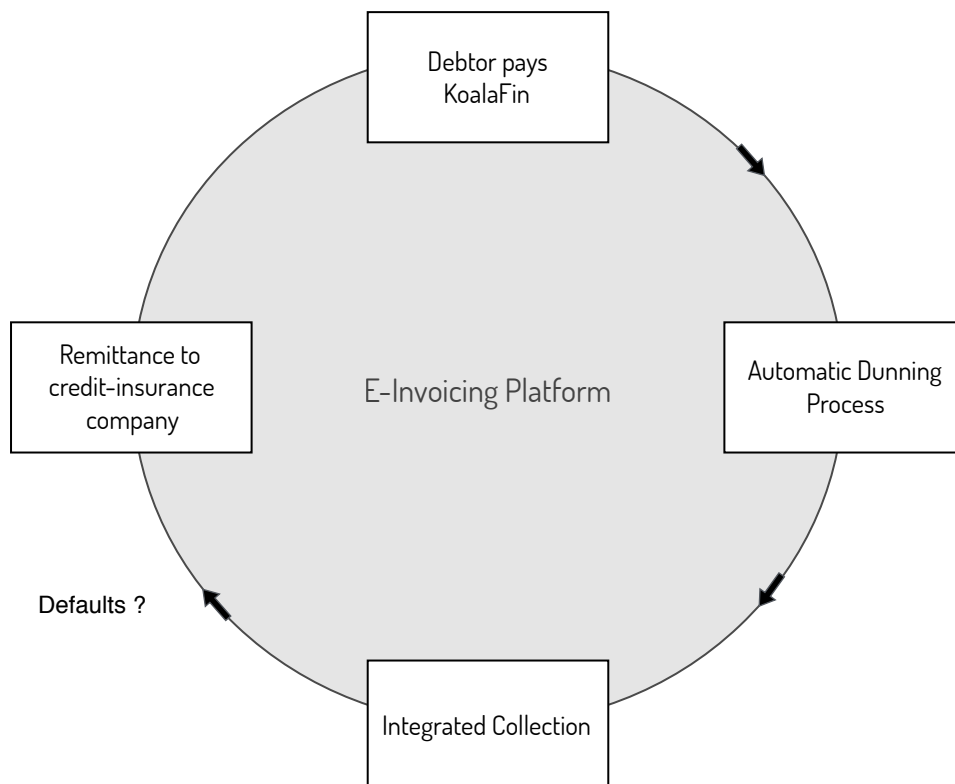
Financial flow of receivable acquisition



COLLECTION SERVICES

Collection and recovery services are delegated to external servicers.

- *the dunning is executed through an automated process on Koalaboox e-invoicing platform;*
- *the collection and recovery can be outsourced to collection companies, lawyers or the insurance company;*
- *the legal collection is delegated to Atradius Collections BV.*



CREDIT INSURANCE

The risk of default is covered by a credit insurance policy closed with the company Atradius Credit Insurance.

RISK FACTORS

In respect to the Securities described in this Offering Memorandum, the Fund has established a Sub-Fund I European Trade Receivables. The assets which are allocated to Sub-Fund I will be in principle available only to satisfy the claims of the Unit-holders and Note-holders in relation to Sub-

Fund I. Potential investors should note that only the assets allocated to Sub-Fund I will be available to satisfy their claims. Should these assets not be sufficient to meet amounts payable under the Notes, Note-holders will suffer a loss.

Prospective purchasers of Notes should be aware that an investment in the notes involves a performance risk as regards the Euribor 1 month rate.

SECURED BONDS

PRINCIPLE TERMS OF THE BONDS

3 years maturity

Issuer	KoalaFund
Sub-Fund	Sub-Fund I European Trade Receivables
Denomination	€ 1.000
Minimum investment	€ 1.250.000
Floating interest	Euribor 3 month + 3% per annum
Issue Price	100%
Subscription Fee	0,25%
Maturity	3 years (subject to early repayments)
Redemption value	100 %

5 years Secured Bond

Issuer	KoalaFund
Sub-Fund	Sub-Fund I European Trade Receivables
Denomination	€ 1.000
Minimum Investment	€ 1.250.000
Floating interest	3 month Euribor + 3.5% per annum
Issue Price	100%
Subscription Fee	0,25%
Maturity	5 years (subject to early repayments)
Redemption value	100 %

EARLY REPAYMENT

The Management Company has the right to proceed to early repayments in the following circumstances:

- *the total amount of the Securities linked to the Sub-Fund is in excess of the portfolio of receivables and there is no short term perspective to increase the collaterals;*
- *the Management Company has decided to liquidate the Sub-Fund.*

INTEREST CALCULATION AND PAYMENT

The 3 years maturity notes bear an interest of Euribor 3 month + 3% per cent per year. The 5 years maturity notes bear an interest of Euribor 3 month + 3.5% per cent per year.

The level of the Euribor 3 month is determined by the Management Company on the first day of each interest period. An interest period is :

- *the period from the Issue Date until the last day of the quarter, or*
- *each period from first day until the last day of the quarter; or*
- *the period from the last day of the quarter until the Maturity Date.*

Interest is paid out once a year on the 31st of March and on the Maturity Date.

In respect of each interest period, the interest amount payable in euro per Note will be calculated by the Management Company on the basis of the following formula :

Interest amount in euro = Nominal amount per note in euro * Floating interest rate * the number of days in the relevant Interest Period divided by 360.

SUBSCRIPTION

Bonds may be subscribed once a week.

A subscription charge of 0,25% will be charged for the benefit of the Fund. A subscription charge of up to a maximum of 2,5% may be applied for the benefit of the potential Distributors and/or other selling agents. The precise subscription charge can be obtained from the Management Company, potential Distributors and/or other selling agents.

The minimum holding requirement for Bonds of Sub-Fund I is EUR 125,000.

The Board of Directors, at its discretion, may accept subscriptions of other amounts or establish different holdings in the future for all mentioned Securities.

UNITS

PRINCIPLE TERMS OF THE UNITS

Issuer	KoalaFund
Sub-Fund	Sub-Fund I European Trade Receivables
Class of units	Euro-denominated Class “P”
Expected annual performance	Euribor 1 month + 4,5% (Forecasted evolution of net asset value)
Minimum investment	€ 1.250.000
Yearly Management Fee	1%
Issue Price	Net Asset Value
Redemption	Yearly (after a minimum period of 3 years)
Redemption value	Net Asset Value
Redemption Fee	0,2%

CLASS OF UNITS

There is one class of Units in Sub-Fund I : Euro-denominated Class “P” restricted to institutional and professional investors.

Initially, Units are issued in registered form only.

TYPICAL INVESTOR

The typical institutional investor of Sub-Fund I is looking for an alternative and socially responsible investment profile that benefits from the steeply growing demand for SME funding throughout Europe.

SUBSCRIPTION

Units may be subscribed once a week.

Units will be issued at a price based on the net asset value per Unit calculated on the Valuation Date. Valuation Date is first day of the week of the subscription.

Payment for Units subscribed must be (irrevocably) received on Sub-Fund I’s bank account no later than three Business Days after the relevant Valuation Date.

A subscription charge of up to a maximum of 2,5% may be applied for the benefit of the potential Distributors and/or other selling agents. The precise subscription charge can be obtained from the Management Company, potential Distributors and/or other selling agents.

The minimum holding requirement for Units of Sub-Fund I is EUR 125,000.

The Board of Directors, at its discretion, may accept subscriptions of other amounts or establish different holdings in the future for all mentioned Classes of Units.

REDEMPTION

Units may be redeemed in principle once a year, on the 31st of March, after a minimum period of three years. Redemption takes place on each Valuation Date as such date is defined hereafter. However, the Management Company is entitled to suspend the execution of the redemption applications received, in accordance with sections “Redemption of Units” and “Net Asset Value” in the main body of the Offering Memorandum.

Units will be redeemed at a price based on the net asset value per Unit calculated as of the Valuation Date.

Applications for redemptions, in order to be processed on the Valuation Date, must be received by the Management Company, the Registrar or Transfer Agent at least three months before the yearly redemption date.

Applications for redemptions of Units will be processed in order of receipt. Any applications received after the applicable deadline will be processed on the following Valuation Date.

Payment for Units redeemed will be effected no later than seven Business Days after the relevant Valuation Date.

Redemption costs of 0.2% of the net asset value will be charged for the benefit of Sub-Fund I.

COMPULSORY REDEMPTION

The Management Company may at its discretion compulsorily redeem Units in the following circumstances:

- *the total amount of the Securities linked to Sub-Fund I is in excess of the portfolio of receivables and there is no short term perspective to increase the collaterals;*
- *the Management Company has decided to liquidate the Sub-Fund I.*

FREQUENCY OF THE NET ASSET VALUE CALCULATION AND VALUATION DATE

The net asset value per Unit will be calculated on the first day of the week of subscription or redemption (or, if such day is not a Business Day, on the following Business Day) (the “Valuation Date”).

For the valuation method used, please refer to the general valuation method as mentioned in the section “Net Asset Value” in the main body of the Offering Memorandum.

CHARGES AND EXPENSES

Management Fees

Sub-Fund I pays for the provision of management services and supporting services and annual fee of 1%, calculated on the relevant Sub-Fund I assets, accrued and payable quarterly.

Other Expenses

In compliance with the general part of the Offering Memorandum, fees, costs, expenses and other liabilities incurred on behalf of the Fund as a whole shall be general liabilities of the Fund and shall not be payable out of the assets of any Sub-Fund. If the aforementioned fees, costs, expenses and other liabilities cannot be otherwise funded, they shall be apportioned pro rata among the Sub-Funds upon a decision of the Management Company.

The Sub-Fund strives to limit the other expenses amount to 0.20% per annum. In addition, transaction fees may be due.