

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

22 September 2016

**Directive of the Malta Financial Services Authority in terms of Article 15 of the
Investment Services Act**

Falcon Funds SICAV plc is hereby directed to redeem the units of the sub-funds held by the Swedish Pension Agency according to an orderly redemption plan. In this regard, the MFSA further directs Falcon Funds SICAV plc to:

[a] realise in an orderly manner the liquid assets of the sub-funds in the best interest of the unit-holders and pay out of the related redemption proceeds within two weeks of receipt of this directive;

[b] realise in an orderly manner the illiquid assets of the sub-funds as soon as prices for them may be obtained that are in the best interest of the unit-holders and, in any case, no later than nine months from the receipt of this directive;

[c] pay out the redemption proceeds relating to the asset disposal referred to in sub-paragraph (b) on a continuous basis as soon as possible after the assets are disposed of;

[d] report to the MFSA on the implementation of the redemption plan on a weekly basis for the first month following the receipt of the MFSA directive and every two weeks thereafter. This report is to include a section setting out the efforts to sell, liquidate or transfer the ETIs and other illiquid investments in an orderly manner and in the best interest of unit-holders; and

[e] notify the MFSA of any material impairments and/or realised losses as soon as they arise.

The above directive is being issued by the MFSA to protect and safeguard the interests of the current unit-holders in the Fund in the context of the specific circumstances that have arisen.

The above directive is being issued in terms of Article 15 of the Investment Services Act and shall take effect immediately.

Falcon is further advised that this directive may be appealed before the Financial Services Tribunal by not later than 30 days from the date of notification of the directive. Any such appeal does not suspend the operation of any directive from which the appeal is made.