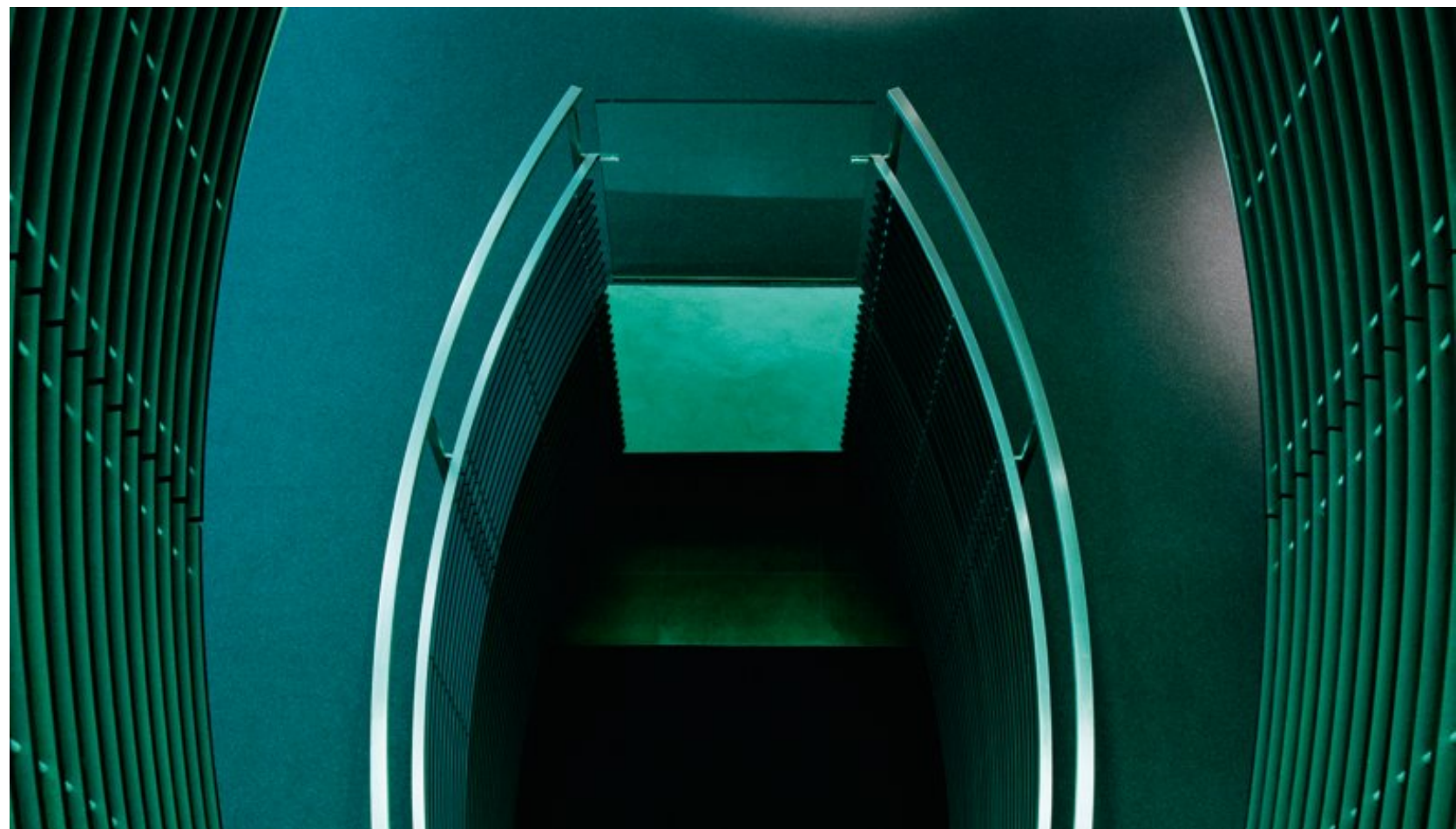


... an Introduction





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1. Wealth Architects, Guiding Principles & Vision

Banque Heritage offers a harmonized range of banking activities, combining the wisdom of experience with the highest order of day-to-day financial intelligence. We structure wealth with singular attention. Integrity, prudence, independence and professionalism inform the guiding spirit of enterprise with which we work to realise the individual financial priorities of our clients.





2. Our Clients

Our business was founded to manage family assets, and although we have grown to serve an international client base with a broad range of financial products, the values of discretion and trust, and the kind of intimacy that comes from a closely held relationship have remained with us.

That is why, despite fundamental changes in the world of private wealth management, we remain committed to our founding standards, and combine them to meet with modern requirements of performance and accessibility.

The independence inherent in our models of investment selection and allocation have proved themselves not simply in terms of long range performance, but also in the exceptional loyalty that our clients show towards us.

A relationship with a private banker is unique in every sense. It is unlike any other relationship you will have, and, in our experience, no two relationships we have are ever the same. For this simple reason we generate no averaged solution to your requirements, and suggest no generic product sets for your portfolio. We combine in house asset management skills with selected outside expertise in a way that is independent of any interest but your own. Banque Heritage has shown that this approach represents a fundamentally sound basis for a relationship that results in mutual trust and mutual growth.





An Individual Relationship

At the outset of our relationship we begin the process of understanding your needs, so that we can develop a picture not only of your strategic wealth management goals, but also of the likely impact of changing circumstances, whether anticipated or not. We examine income and spending needs in the short and long terms; we consider objectives in terms of security, performance, liquidity and reference currency; we address any constraints in terms of tax, legal and confidentiality requirements.

Together we are establishing what we believe will be a long and rewarding relationship: arriving at conclusions takes as long as it needs to ensure the co-creation of a picture that is both accurate and comfortable.



A Tailored Portfolio

With the benefit of our experience, we will advise and guide you in the development of an investment portfolio that is tailored specifically to meet your requirements.

Based on your appetite for detail and direct involvement, we will provide any depth of explanation to support our recommendations and take instruction as required, as well as demonstrating, based on past performance, the anticipated return profile for your portfolio.



Asset Allocation

In determining the correct mix of assets for your portfolio we are correlating your requirements with the realities of a constantly shifting global economy, and making a judgment that will match your aspirations both for performance and the preservation of capital.

We have recognised from the outset that the best risk/return ratios can only be achieved by making genuinely independent decisions based on genuinely independent research. Our asset allocation process is absolutely geared to these principles at both the individual and global levels.

This means that we deploy the best people and products for the job, inside or outside our organisation, irrespective of any other interest.



The ethos of the private bank overlaps with our reading of modern portfolio theory, where steady performance and low volatility serve best both markets and investors alike. To deliver these benefits to our clients we necessarily offer an unusually broad and independently sourced range of asset components that can become part of a portfolio, drawing them together through an exhaustive due diligence process.

And while the breadth of our product offering has enabled us to achieve our goals, we are only able to do so consistently through the fruits of our research and modeling process. Each month, our senior partners debate the findings presented to them, and by extensive discussions and eventual consensus they define an overall investment strategy for the next period, adjusting the overall allocation of asset types across the bank's entire portfolio as the results of their deliberations dictate.

A regular schedule of dissemination meetings ensures that these strategies are implemented, and at the same time they allow for direct tactical experience to be fed back into the system.

The strength of the relationship between openly sourced assets, independently sourced research and our fundamental belief in the core value of responsive asset allocation cannot be overstated: it lies at the philosophical core and operational heart of the bank.



Management Style

As individual as the constitution of your portfolio, we will fulfill the management style you chose to adopt. If you seek total hands on involvement, we can offer you full trading access to your account, and simply adopt an advisory role to suggest alternatives and provide analysis for your consideration.

In fact, the vast majority of our portfolios are discretionary, and we can provide the level of reporting or executive access you require, in complete security. Alternatively, we can send you a report on our activities on a regular basis, or when you ask for it.

Our aim is to provide the level of feedback that corresponds exactly with your appetite to receive it.



Investment Strategy

Depending on your approach to the management of your assets, we allocate money to investment funds, to individual positions, or to a combination of both. Funds have the advantage of spreading risk through their internal diversity; they ensure a permanent presence in the financial markets for all the components of an investment strategy; and often, by delegating the investment process to carefully selected outside managers, we achieve a further layer of diversification.

By contrast, individual positions are more flexible, allowing precisely targeted and rapid decision making, or enabling the nimble correction of any geographical or industry bias that can occur when a fund is tied too closely to an index.

In either case, our integrated IT platform enables us to follow markets and manage portfolios in real time. In this way we can guarantee the immediate execution of orders in response to market trends and investment opportunities.



3. Why Banque Heritage?

- Family Values
- Diverse Products
- Open Architecture
- Market Information
- The Best People
- Philosophy
- Shared Interests





Family Values... *commercially focused*

Banque Heritage grew out of the trust inherent in strong family relationships. And while our activities are now regulated by the Swiss Federal Banking Commission, and supervised by external auditors, we believe that one of the reasons we retain the loyalty and confidence of our clients is the quality of the relationships they develop with their individual portfolio managers.

So, wherever practical, we avoid making a division between relationship and investment management, because of the value our clients attach to being close to the person who helps to tailor-make their portfolios and then directly oversees their performance. However, our commitment to provide best of breed investments across the broadest markets often requires additional specialist support, and our central asset management function is a resource that can be drawn on from across the bank at any time to ensure the highest level of access to the most appropriate products.

In this way we combine the traditional virtues of consistent, highly customised service with the widest opportunities for enhancing portfolio performance.



Diverse Products... *flexibility applied*

The continuing proliferation of financial products mirrors the diversity of needs amongst increasingly well-informed and sophisticated investors, acting in both private and institutional capacities. We take great care to recognise the distinctive priorities held by each of our clients, and build with them a portfolio that maps to their specific requirements, always avoiding the application of generic packages.

We understand too that life circumstances and market conditions change, and that our approach must have the capacity to adapt successfully to events that are both anticipated and unexpected. With the flexible application of appropriate products and services, we have maintained highly competitive growth while avoiding volatility.

We have shown that this approach enables us to cushion against periods of market instability, at the same time as providing our clients with solutions that evolve as they do. In creating portfolios with our clients we draw from a range of traditional and alternative investments, in both funds and individual positions, private equity placements and trade in currencies, equities, bonds and commodities.

In each discipline we possess in-house expertise, but the wisdom of our selection is guided by no other consideration than the individual needs of our clients.



Open Architecture: *transparency & access*

Just as any growing bank, we have our own products and funds, which in our judgement can provide valuable components in any of our client portfolios.

However, we are wedded to the principle of open architecture, meaning that we buy only the most appropriate and best performing assets for our clients – irrespective of their provenance. We strive to achieve the risk/return trade-off that maps most closely with an individual client's appetite, factoring in liquidity needs over time. And because we have set the individual client's needs at the heart of our operation, we must necessarily seek out those products that show the potential to answer them most closely, and then undertake a rigorous quantitative and qualitative due diligence process to satisfy ourselves that we will be delivering only best in class assets.

This is the starting point of a virtuous circle, connecting us with an ever broader array of products and opportunities. In turn we are able to build an ever more sophisticated set of criteria by which we assess our performance, ensuring that our selections remain accurate, reliable and above all tailor-made for our clients.



Market Information... *independently acquired*

Most institutions support large research and analysis departments that provide macro-economic insight and investment guidance across the organisation. Much of this material is made available for third parties to purchase so that they in turn can add further depth and perspective to the advice they give to clients. Of course, having this understanding is essential to an effective investment process, but the emphasis should always be on generating accurate and timely market knowledge rather than a drive for volume in brokerage.

Our research department doesn't output analysis, and nor do we purchase research undertaken by other financial institutions. Instead we develop our own macro-economic and currency allocation models, using research we buy from specialist, independent research organisations.

By deriving our market and economic source data from companies that have no brokerage models of their own, we avoid any possibility of working with potentially conflicted information, and so place well grounded, absolutely independent market intelligence at the heart of our asset allocation process.



The Best People... *our human capital*

Successful private banking is about the establishment and maintenance of successful relationships. The chain of respect and trust between our staff, our clients and the managers of the assets we choose to include in our portfolios is of paramount importance to all of us. In selecting individuals to work at Banque Heritage we demand not only deep understanding and practical competence in a particular field of expertise, but also a general intellectual and cultural fit with the way we operate. In the end that amounts to a requirement for some profoundly human abilities – to elicit and subsequently articulate the unique investment profile of a new client; to give a proper role to intuition when judging the management of a particular product; to be equally sensitive and independently responsive to both the rational and irrational impulses by which markets are driven.

We are confident that by meeting these criteria that our staff can regulate themselves, knowing that the judgment of our clients is the ultimate measurement of their capabilities. The result is an eclectic mix of working styles that we have demonstrated to provide remarkable levels of innovative synergies at the same time as a common cultural commitment to excellence in service and performance.



Philosophy... *intimacy and scale*

Growth inevitably changes the dynamics of any organisation as it moves through the stages of a successful evolution. While we accept that a private bank with a commercial appetite will never retain the closeness of a tied family office, we relish the challenges of success – how to retain the integrity of our philosophy and market attitudes, how to capture the benefits of scale without compromising the intimacy of our relationships.

Our solution addresses these issues directly, to ensure that we continue to operate a culture that remains both uniquely attractive to talented employees and absolutely dedicated to performance on behalf of our clients. We have avoided following a merger and acquisition route that would present us with the mixed benefits of inorganic growth, instead preferring to ally our interests with like minded individuals in enterprises that naturally extend our expertise, and forming with them joint ventures that broaden our offer without diluting our capacity to fulfil it.

At the same time we have developed an internal structure that enables us to replicate the entrepreneurial spirit of the bank's senior partners within its diversified business units. Stringent hiring criteria and carefully balanced remuneration structures mean that we grow with individuals whose sense of teamwork complements their individual efforts to excel. We reward merit not only in material terms, but also with the ability to develop a business unit customised to the style or approach of the individuals involved. As we grow, we understand that each business unit will not retain close operational ties with every other one. But in the certainty of a strong overall cultural fit, and of performance guaranteed by careful oversight, we believe that individual business units will contribute to an aggregate of benefits to be shared by all associates of the bank, employee and client alike.



Shared Interests: *the professional is personal*

In simple terms, we invest our own money alongside that of our clients. Obviously we could never tell our clients one thing and do another; but equally nor could we tell them another thing and do nothing.

At Banque Heritage we are constitutionally bound to share the investment experiences of our clients. We believe that the only way to demonstrate the confidence we have in our methods, from the hard-headed intellectual rigor of our investment modeling to the instinctive responsiveness of our client relationships, is to put our own money into the same assets we recommend to every individual or institution that entrusts us with the management of their wealth.

It has become an article of faith for us, deepening our connection with our clients, and banishing any hint of complacency from any decision we ever make. The results we believe speak for themselves: the steady and consistent addition of value to all of our portfolios that results from innovative flair and the maturity of our strategic judgment. It is a combination we recommend, because we apply it equally to our assets.



4. Products and Services

- Asset Classes
- Absolute Return
- Alternative Investments
- Trading & Brokerage
- Family Office
- Lending





Asset Classes

Our asset allocation process guides both the macro and micro selection of asset types for inclusion in your portfolio. We draw principally from three asset disciplines, in proportions determined by balancing your particular requirements with prevailing market conditions.

Traditional Investments

Our traditional, long only investments are tailor made from opportunities managed both inside and outside the bank. They are subject to a strong due diligence and selection process.

We possess considerable currency exchange expertise and through a combination of hedging and trading we can optimise the levels of risk and opportunity that foreign exchange presents as a portfolio component to ensure it corresponds with a given profile.

In 1996 we established a Luxembourg Part I SICAV which is now UCITS III compliant and currently has four compartments, each with a unique investment objective and individually managed by Investment Managers of longstanding reputation. Integrity, performance, professionalism and accessibility have been the guiding principles in their selection. The consistency and quality of their performance continues to justify our involvement in them, and their range enables us to draw close correspondences with the widest range of portfolio profiles.



Asset Classes

Alternative Investments

We took a pioneering role in the establishment of alternative (hedge fund) investments as a valuable component of a balanced portfolio, and as a result can pass on the benefits of our extensive experience.

Alternative investments effectively adopt a mirror image approach to the management of traditional investments, and, because of this deliberate lack of correlation, they can reduce the elements risk and volatility to any portfolio, while maintaining a capacity to perform.

Our alternative investment department is optimally sized to achieve the critical mass of a leading hedge fund player, while retaining the flexibility and speed to take a dynamic approach to portfolio reallocation. We combine the detailed understanding of a broad range of sophisticated strategies with an established, extensive network of industry contacts enabling us to gain access to superior managers who are now often closed to new investors.

We offer a wide range of products that continue to demonstrate consistent returns, due both to our proprietary information systems and to our track record in picking outstanding managers.

In selecting alternative investments for your portfolio we are governed by strict criteria for quantitative and qualitative due diligence. This process is now so well suited to its purpose that we are able to identify appropriate products with sufficiently competitive speed, enabling us to take advantage of the full growth potential of the funds we recommend, while keeping our risk exposure to a predefined minimum.



Asset Classes

Private Equity

Banque Heritage began allocating to the private equity asset class in 1995 as a further source of diversification with potentially attractive returns. We believe that for that portion of a portfolio that does not require short-term liquidity, private equity can provide an ideal investment. While we place individual investments, minimum amounts are usually high, and so by internally syndicating our investments we give our clients access to top tier Private Equity groups. In this way we enable access to an environment otherwise subject to prohibitively high investment thresholds.

Private equity provides an ideal investment format for the creation of long-term growth and consolidation, free from secondary market pressures.



Absolute Return... *reality unvarnished*

Because we offer our clients assets from a broad range of disciplines, we have had the opportunity to learn from particular performance indicators associated with each asset class. This has given us the ability to make uncommon measurements, to test one asset by the criteria of another, and the result has been our development of the absolute return profile. Free from reporting performance relative to benchmarks established by aggregations of more limited portfolio ranges, we have been able cross-fertilise the measurement criteria of alternative (hedge fund) investments into our understanding of the performance of long-only, traditional investments. Across the entire spectrum of assets we manage, we have developed an analytic approach that provides an honest account, giving our clients crystal clarity in their understanding of our performance.

A consequence of this approach is an unprecedented degree of flexibility, allowing us to exercise our accumulated experience on behalf of our clients through an asset allocation approach that is free from the constraints of being in a particular asset class, because we offer a unified measurement methodology through which all our efforts can be judged.

We believe that both our entrepreneurial responsiveness to opportunity and our responsibility to our clients enjoy a sustained advantage as a result of this approach.



Trading & Brokerage

Our ability to transform an investment decision into a purchase or a sale involves the skills of our trading room, where we work to select the best brokers at precisely the right time to take advantage of any arbitrage opportunities that may arise.

The added value that we achieve in this capacity has brought us a growing number of professional and institutional clients. In turn we see this further enhancing the value we can return, right across our client base.



Family Office

Often we step outside the framework of an investment portfolio to consider particular family, estate or tax circumstances, offering the clarity of a unified perspective for those clients whose assets spread into real estate, holdings in family businesses, works of art, trademarks, patents and similar assets.

Complex issues arise in the effective organisation and control of such estates that cross many legal, commercial and financial disciplines. Our Family Office works with an in house team of legal and tax specialists who are devoted helping clients by proposing and assessing strategies that will provide appropriate solutions.

We work with an international network of advisors to verify and ensure the implementation in any jurisdiction of the legal structures and tax plans we agree upon. Succession is an intensely personal private matter, and in addition to our expertise, we bring the appropriate combination of understanding and discretion in each case.



Lending

We provide carefully monitored credit facilities for our clients, largely in the form of guarantees and various fiduciary arrangements. We study the specific requirements of every case, and take both taxation and currency risk into account.

All of our refinancing operations are guaranteed by our clients' portfolios, and are subjected to highly conservative collateral criteria, which are reassessed on a regular basis to ensure that we never take risks on credit commitments.



5. Alternative Investments

Origin and Development

For over 20 years, Heritage Alternative Investments division has been dedicated to the selection of hedge funds, tailor-made portfolio construction and risk management. Now one of the most established funds of hedge funds providers in Europe, Heritage's team of 20 professionals currently manages over USD 1.3 billion of client assets invested in hedge funds worldwide.

From the outset, Heritage has been a pioneer in developing the concept of multi-manager alternative investment portfolios. Our experience and longevity, as well as a unique, diverse investment approach, has led Heritage to the forefront of the fast-growing industry of alternative investments. The ability to identify and gain access to the very best hedge fund managers across a broad range of strategies has allowed Heritage to consistently produce stable results independent of market conditions.

**“The most
powerful force
in the universe
is
compound interest”**

Albert Einstein



Investment Philosophy

The Heritage Alternative Investments team is one of the pioneers in the hedge fund industry. Our aim is to generate stable performances that are in the long run above the returns of traditional asset classes.

The first objective of our investment process and of our use of the alternative universe is capital preservation.

The second objective is to generate consistent and uncorrelated returns.

In order to achieve our goals, we concentrate our efforts on three areas:

- Our evaluation of the macroeconomic environment is used to combine and weigh the different investment strategies available in the hedge fund universe.
- The due diligence analysis and selection of the best talents in the industry translates our macroeconomic views and objectives for each strategy.
- Our risk management tools are used to:
 - minimize the correlation among the different managers composing our portfolios as well as the risks of blow-up and drawdown at the portfolio level.
 - maximize the risk-return ratio of each manager and each portfolio.

Our due diligence analysis, our risk controls as well as our macroeconomic and strategic analysis are the result of a continuous process that is confronted and approved on a consensus basis during our monthly investment committees.



An experienced and a stable team

- An experienced team in qualitative & quantitative research.
- Advanced techniques of risk management.
- Excellent comprehension of the different hedge fund strategies.
- A well established network in the alternative industry.
- Proprietary database, risk and portfolio management.
- Access to talents that are closed to new investors

A total independence

- Fully owned by family and senior managers.
- We invest on behalf of our customers at the same conditions of liquidity and fees.

Optimal size

- Our assets under management allow us to be part of the many actors of the business while being flexible and dynamic in our allocation.



Investment Process

In a first stage, we define our strategic allocation based on our own views of the macroeconomic environment and external research (hedge fund managers, external advisors).

The due diligence takes place in the second stage of the process. It consists in identifying and selecting the best talents of the alternative universe based on 20 years of experience in the asset class as well as our qualitative and quantitative analysis

Our objective is to evaluate the skills, the background and the operational risk of each hedge fund manager and identify the best risk-return ratio. The team at Heritage Alternative Investments conducts a continuous and rigorous due diligence and concentrates its efforts on a reduced universe of 200 hedge fund managers, allowing us to collect in-depth information on all our managers through regular on-site visits and daily contacts.

In a third and last stage we put the emphasis on quantitative techniques and risk management in order to diversify and monitor our various portfolios and managers. Our risk management tools enable us to confirm and drive our qualitative and strategic choices.

The investment process is ongoing as our hedge fund analysts continuously monitor and confirm the selected hedge fund managers.



6. Fees

Our basic fee structure involves a fixed percentage of assets under management. We believe that this approach delivers the most effective remuneration scheme for the delivery of long-term, client-centred results. Of course we maintain the flexibility to accommodate those clients who by contrast specifically prefer a performance-based scheme.





7. Corporate Information



Our History

Banque Heritage had its earliest beginnings amongst a group of students at the University of Lausanne in the 1970s, all amongst the first generation to study business at university level prior to embarking on careers in finance. As undergraduates, Carlos Esteve, Antonio Bravo and Louis-Frédéric de Pfyffer shared their ideas for a different kind of private bank, but it wasn't until some fifteen years later – after a good deal of exposure to the realities of business and finance – that they were eventually reunited to build the bank they had imagined.

In 1986, after 10 years working in audit, consulting and private banking, Carlos Esteve created a small family office to manage the assets of the Esteve family, which he built with success to warrant the extension of his methods to assets outside those of his immediate family. Consolidating the reputation of his firm around an independent approach to research and product sourcing, as well as flexible asset allocation and a commitment to reporting returns measured as absolute rather than relative to benchmarks, the transformation from family office to fully fledged bank got underway in earnest.

Rejoined by his former student colleagues, and by a growing array of management talent, Carlos Esteve has guided Banque Heritage through its regulation by the Swiss Federal Banking Commission and relocation to a new headquarters building in Geneva. Now employing some 100 individuals and operating in joint venture and partnership with 5 organisations that hold interests in Europe and around the world, Banque Heritage continues to grow as it holds firm to its founding principles of integrity, prudence, independence and professionalism.



Our People

Managing Partners

Drawn together through a web of personal and professional relationships, some of more than thirty years standing, the senior management team at Banque Heritage possess the range and depth of skills to provide adaptive leadership in an evolving financial landscape.

Senior Management

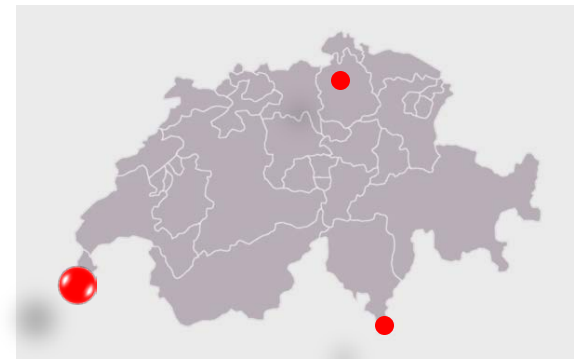
Banque Heritage's senior management are representative of the highest levels of professionalism in private banking, and are of primary importance in implementing – and contributing to – the direction of day-to-day business in the bank.

Governance

Regulated by the Swiss Federal Banking Commission, governance of the activities of Banque Heritage is carried out by a group of highly experienced and renowned individuals, whose responsibility is the ultimate credibility of the bank.



Locations



GENEVA -- Zurich -- Lugano -- London -- Paris --- Milan --- Lisbon -- Montevideo -- Singapore



9. Mailing address

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