

Investment Guidelines

1. Introduction

The investment objective of shaPE Capital AG, Pfaeffikon SZ (the “Company”) and shaPE Capital (Cayman) Limited, Cayman Islands (the “Subsidiary”) (together “shaPE”) is to achieve long term capital growth for its shareholders by investing in a well diversified pool of private equity vehicles, which in turn invest in unlisted privately held companies (“Fund Investments”). Although the Company may invest directly as well, it is anticipated that shaPE’s investments will generally be made through the Subsidiary.

2. Investment Framework and Limitations

The investments of shaPE shall be diversified in terms of geography, financing stage of the underlying investments, industry and time. shaPE may, in line with these Investment Guidelines, at certain times concentrate its investments on certain regions, investment stages and industries as the markets may require or shaPE may consider appropriate at such time.

2.1 Diversification

Not more than 15% of its total assets may be committed in any single investment vehicle at the date of such commitment.

2.2 Investment Universe

2.2.1 New Private Equity Vehicles

Investments in new, unlisted private equity vehicles (“Primary Funds”) are shaPE’s main way to get exposure to the asset class. Investments and commitments to Primary Funds are not limited and shaPE may allocate all of its assets including overcommitments (as described below) to such vehicles.

2.2.2 Secondary Transactions

Although it is the intention of shaPE to focus its investments in Primary Funds, shaPE may also invest up to 100% of its assets including commitments into more mature private equity investment vehicles (“Secondary Funds”).

2.2.3 Listed Private Equity Vehicles

Investments by shaPE in Listed Funds shall not exceed 20% of shaPE’s assets at any time.

2.3 Overcommitment

shaPE may elect to overcommit its capital in order to reach a satisfactory level of investment ratio. shaPE would cover any potential short fall through debt financing.

2.4 Positions in Own Shares

The Company may take positions in its own shares of up to 10% of its outstanding shares. Additionally, the Company may take short positions in its own shares of up to 5% of its outstanding shares solely for stabilization reasons and supporting market making activities.

2.5 Short Positions

Neither the Company nor the Subsidiary is allowed to engage in any kind of short positions with the exceptions of own shares and derivative products.

2.6 Derivative Products

The Company or its Subsidiary may purchase and sell call and put options in order to further optimize the return on their investments. They may only sell call options if such options are covered by the respective underlying. In the case of short put positions they are obliged to have the contract value covered at any time by cash or cash-equivalent positions.

2.7 Cash Equivalent Investments

Cash positions shall be held with prime banks or be invested in short term debt securities. Debt securities shall be rated either P1 by Moody's investors service Inc. or A-1 by Standard & Poor's rating group.

2.8 Foreign Currencies

The net asset value per share of the Company will be calculated in Swiss francs. As shaPE's investments are largely denominated in US dollars and Euro, shaPE is exposed to a certain degree of currency risk, which may affect performance.

The Company or its Subsidiary may hedge currency risks by conducting spot or forward foreign currency transactions, included but not limited to derivatives transactions, timed to settle on or about the same date as the anticipated cash flows. However, ordinarily shaPE will not attempt to hedge currency risks over the long term.

4. Amendment of Investment Guidelines and Date of Effectiveness

The Investment Guidelines may be amended by the Board of Directors of the Company within the scope of the Company's purpose and with one months' prior notice according to article 73 of the Listing Rules of the SWX Swiss Exchange and article 22 of the Additional Rules of the SWX Swiss Exchange for the Listing of Investment Companies. These Investment Guidelines have been approved by the Board of Directors of the Company on 10 April 2008 and take effect as of 31 May 2008.

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