LS FUND

Société d'Investissement à Capital Variable
organised under the laws of Luxembourg
R.C.S. Luxembourg: B 140.175

PROSPECTUS

February 2021

VAT Luxembourg: LU22719870

LS FUND (formerly known as Northern Star) is organised as a "*société d'investissement à capital variable*" under the laws of the Grand Duchy of Luxembourg. It qualifies as UCITS under Part I of the 2010 Law.

Subscriptions are accepted on the basis of the Prospectus and of the latest audited annual or semi-annual accounts (if published after the latest annual accounts) of the Company.

The Shares are offered on the basis of the information and representations contained in this Prospectus. All other information given or representations made by any person must be regarded as unauthorised. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes therein.

Selling restrictions

None of the Shares has been or will be registered under the United States Securities Act of 1933, as amended or registered or qualified under applicable state statutes and (except in a transaction which is exempt from registration under the 1933 Act and such applicable state statutes) none of the Shares may be offered or sold, directly or indirectly, in the United States of America or in any of its territories or possessions, or to any US Person (has the meaning ascribed to that term in Regulation S of the United States Securities Act of 1933, as amended) regardless of location. The Company may at its discretion, sell Shares to US Persons on a limited basis and subject to the condition that such purchasers make certain representations to the Company which are intended to satisfy the requirements imposed by US law on the Company, which limit the number of its Investors who are US Persons, and which ensure that the Company is not engaged in a public offering of its Shares in the United States. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended and Investors will not be entitled to the benefit of the 1940 Act. Based on interpretations of the 1940 Act by the staff of the United States Securities and Exchange Commission relating to foreign investment entities, if the Company has more than 100 beneficial owners of its Shares who are US Persons, it may become subject to the 1940 Act.

The Company will be registered as a Luxembourg Reporting Financial Institution under the Common Reporting Standard (CRS) regimes and will therefore collect the respective reportable information to the Luxembourg tax authorities, which shall in turn forward such information to the relevant foreign tax authorities.

The Company further qualifies as a Foreign Financial Institution (FFI) for the purpose of the United States Foreign Account Tax Compliance Act (FATCA) and the IGA Model I adopted by Luxembourg, and has opted more specifically for the status of a “Reporting Financial Institution”.

Prospective purchasers of Shares should inform themselves as to the legal requirements of so doing and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

Available documents

Upon request prospective purchasers may obtain free of charge a copy of this Prospectus, the annual and semi-annual financial reports of the Company and the Articles of Incorporation. Prospective purchasers should be provided with a Key Investor Information Document for each Class of Shares in which they wish

to invest, prior to their first subscription, in compliance with applicable laws and regulations. These documents are available at the registered office of the Company. The Key Investor Information Document as well as the Management Company remuneration policy will be also available at www.limestone.eu/our-funds/ and www.limestone.eu/docs/document-library/policies/ respectively.

Data Protection

Investors agree that their personal data contained in any application form to subscribe, redeem or convert Shares and those transmitted to the Company or its agents during the time of their business relationship, may be collected, stored, processed, modified or used by the Company, by electronic or other means, in order to comply with legal requirements (in particular regarding regulations on the fight against money laundering and terrorism financing) and to manage and develop the business relationship with the investor.

The personal data of the subscriber and/or distributor may thus be handled by Limestone Platform A.S., RBC Investor Services Bank S.A. and other agents of the Company for the above purposes (in particular, to manage the Company administratively and commercially, handle transactions in respect of the Shares, payments received, general meetings and the Shareholder register). The subscriber and the distributor have the right to access their data in order to modify, correct or update them.

Notwithstanding the foregoing, personal data may be disclosed by the Administrative Agent, Registrar and Transfer Agent to external parties, when required by law or with the prior consent of the relevant Shareholder, for the provision of enhanced shareholders' related services and, particularly in the case of Registrar, for the delegation of data processing activities as part of its Transfer and Registrar Agent duties. The personal data may be used (subject to the application of local laws and/or regulations) outside Luxembourg, and therefore being potentially subject to the scrutiny of regulatory and tax authorities outside Luxembourg. When personal data is transferred to countries which are not deemed as equivalent in terms of GDPR, it is legally required that the Company, the Administrative Agent, Registrar and Transfer Agent or any other agent has recourse to appropriate safeguards. The Registrar will in the scope of the delegation of data processing activities as part of its Transfer and Registrar Agent duties transfer personal data to its affiliate in Malaysia, in which case the appropriate safeguards will consist in the entry into standard contractual clauses approved by the European Commission, of which the Shareholders may obtain a copy by contacting customerservices@rbc.com.

Official Language

The official version of this Prospectus and of the Articles is in English. However, the Board of Directors may translate these documents into other languages as may be required in certain jurisdiction where Shares are distributed. Unless contrary to local law in the concerned jurisdiction, in the event of any discrepancy between the English text and its translation in another language or ambiguity in relation to the meaning of any word or sentence in any translation, the English version shall prevail.

Nominee

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

Warning

Whilst using their best endeavours to attain the investment objectives, there can be no assurance that the investment objectives of each of the Sub-Funds of the Company shall be achieved, and consequently the price of the Shares of any Sub-Fund may go down as well as up.

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MANAGEMENT AND ADMINISTRATION

Registered Office

11-13, Boulevard de la Foire
L-1528 Luxembourg,
Grand-Duchy of Luxembourg

Initiator

LIMESTONE PLATFORM AS (formerly known as Northern Star AS)
Tartu mntee 10
10145 Tallinn
Estonia

Board of Directors

Chairman

Mr Antonio Thomas

Directors

Mr Grenville Carr-Jones, member
Mr Constant Beckers, member

Management Company

LIMESTONE PLATFORM AS
Tartu mntee 10
10145 Tallinn
Estonia

Depositary Bank and Principal Paying Agent

RBC Investor Services Bank S.A.
14, Porte de France
L-4360 Esch-sur-Alzette
Grand-Duchy of Luxembourg

Domiciliary Agent

RBC Investor Services Bank S.A.
14, Porte de France
L-4360 Esch-sur-Alzette
Grand-Duchy of Luxembourg

Registrar, Transfer and Administrative Agent

RBC Investor Services Bank S.A.
14, Porte de France
L-4360 Esch-sur-Alzette
Grand-Duchy of Luxembourg

Auditor

DELOITTE AUDIT
20, boulevard de Kockelscheuer,
L-1821 Luxembourg
Grand-Duchy of Luxembourg

Legal Advisors in Luxembourg

GSK STOCKMANN S.A.
44, avenue J.F. Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

DEFINITIONS

2010 Law	The Luxembourg law of 17 December 2010 on undertakings for collective investment, as may be amended from time to time.
Accumulation Shares	Shares which accumulate their income so that the income is included in the price of the shares.
Administrator	RBC Investor Services Bank S.A., acting as administrative agent, registrar and transfer agent.
Articles	The articles of association of the Company as amended from time to time.
Board of Directors	The board of directors of the Company.
Business Day	A day other than Saturdays and Sundays on which banks are fully open for business in Luxembourg unless otherwise defined for a Sub-Fund in Part II.
Calculation Day	The day on which the Net Asset Value of a Share on a Valuation Day is calculated. Unless otherwise provided for in the Sub-Fund's details in Part II, a Business Day which does not fall within a period of suspension of calculation of the Net Asset Value per Share of the relevant Sub-Fund and such other day as the Board of Directors may decide from time to time.
Class of Shares	A class of Shares with a specific fee structure or other distinctive features.
Company	LS FUND, a "*société d'investissement à capital variable*" in the Grand Duchy of Luxembourg in the form of a "*société anonyme*" under the law of 10th August 1915, as amended and qualifying as an UCITS under the 2010 Law.
Consolidation Currency	EUR.
CSSF	The Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority.
CSSF Circular 08/356	The CSSF Circular 08/356 dated 4 June 2008 on the rules applicable to UCI when they employ certain techniques and instruments relating to transferable securities and money market instruments.
CSSF Circular 13/559	The CSSF Circular 13/559 dated 18 February 2013 regarding the ESMA Guidelines on ETFs and other UCITS issues.
Depositary	RBC Investor Services Bank S.A., acting as depositary bank.
Distribution Shares	Shares which entitle their holders to distribution of income.
EU	The European Union.
EUR	The Euro, the single currency of the member States of the Economic and Monetary Union.
FATCA	The US Foreign Account Tax Compliance Act.

KIID	The Key Investor Information Document in respect of a Sub-Fund or Class of Shares as defined in the 2010 Law.
Initial Issue Price	The price at which Shares may be subscribed to during the Initial Subscription Period of each Sub-Fund, as specified in Part II for each Sub-Fund.
Initial Subscription Period	The period during which Shares in relation to a Sub-Fund may be subscribed at the Initial Issue Price, as specified in Part II for each Sub-Fund.
Investment Management Fee	The fee which is paid by the Sub-Fund to meet the costs of investment management as specified in Part II for each Sub-Fund.
Investment Manager	Any investment manager appointed by the Management Company to provide investment management services in respect of some or all of the assets of a Sub-Fund as specified in Part II for each Sub-Fund.
Investor	A subscriber for Shares.
Management Company	Limestone Platform AS
Management Fee	The fee payable to the Management Company to meet the administrative and certain operating costs of the Company as specified in Part II for each Sub-Fund.
Member State	A member state of the European Union and the other states that are contracting parties to the agreement creating the European Economic Area.
Mémorial	The Mémorial C, Recueil des Sociétés et Associations, the Luxembourg official gazette.
Minimum Holding Amount	As defined in Part II for each Sub-Fund (if applicable).
Minimum Subscription Amount	As defined in Part II for each Sub-Fund (if applicable).
Net Asset Value or NAV	The net asset value of the Company, each Class of Shares and each Share as determined in this Prospectus.
Other Market	Any other market which is regulated, which operates regularly and is recognised and open to the public.
Other State	Any State of Europe which is not a Member State, any State of America, Africa, Asia, Australia and Oceania.
Reference Currency	The reference currency in which the Net Asset Value per Share in a Class of Shares or Sub-Fund is expressed, as defined in Part II for each Sub-Fund.
Regulated Market	A market within the meaning of the directive 2004/39/EC of 21 April 2004 on markets in financial instruments.
SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures

	in the financial services sector.
Share	A share of no par value in any Class of Shares issued by the Company.
Shareholder	A holder of Shares.
Sub-Fund	A separate portfolio of assets for which a specific investment policy applies and which liabilities, income and expenditure are segregated from other portfolio of assets. The assets of a Sub-Fund are exclusively available to satisfy the rights of shareholders in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of that Sub-Fund.
Sustainability Risks	An environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the respective Sub-Fund's investment.
UCI	An "other undertaking for collective Investment" within the meaning of paragraphs a) and b) of Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009.
UCITS	An "undertaking for collective investment in transferable securities" within the meaning of Article 1 (2) Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009.
USD	The United States Dollar, the currency of the United states of America.
Valuation Day	Any day which is designated by the Board of Directors as being a day by reference to which the assets of the relevant Sub-Funds is valued in accordance with the Articles, as further disclosed in Part II.

Words importing the singular shall, where the context permits, include the plural and vice versa.

PART I – GENERAL PART ON THE COMPANY

1. KEY FEATURES

1.1. THE COMPANY

The Company was incorporated on 25 June 2008 under the corporate denomination of Northern Star on for an unlimited period as a "*société d'investissement à capital variable*" and qualifies as an UCITS under the 2010 Law. The corporate denomination was amended into LS FUND by an extraordinary general meeting held on 17 December 2015.

The minimum Share capital of the Company is EUR 1,250.000 which was reached within six (6) months of the official inscription on the UCITS list in the Grand Duchy of Luxembourg. The capital of the Company is represented by Shares of no par value and shall at any time be equal to the total net assets of the Company.

The Company is registered with the Register of Commerce and Companies of Luxembourg under number B.140.175. The Articles were amended for the last time by notarial deed at an extraordinary general meeting held on 17 December 2015, published in the *Mémorial C, Recueil des Sociétés et Associations n° 952 of 31 March 2016*. The consolidated Articles are available for inspection and a copy thereof may be obtained upon request at the Register of Commerce and Companies of Luxembourg and at the registered office of the Company.

The Shares of the Sub-Fund may be listed on the Luxembourg Stock Exchange, as mentioned in Part II for each Sub-Fund and Classes of Shares.

1.2. THE SUB-FUNDS

Investors may invest in one or more Sub-Funds which offer distinct investment objectives and policies. The Board of Directors may decide at any time to launch Sub-Funds and Classes of Shares, the investment objectives and policies of which will be conveyed by the updating of this Prospectus.

The historical performance of the individual Sub-Funds is outlined in the KIID relating to the Sub-Funds / Classes of Shares. Historical performance is not an indication of future performance.

The Company is one single legal entity. However, with regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it. The Articles provide that all liabilities, whatever Sub-Fund they are attributable, to, shall, unless otherwise agreed upon with the creditors or unless otherwise provided in laws from time to time, only be binding upon the relevant Sub-Fund.

The debts, engagements and obligations which are not attributable to one Sub-Fund have to be considered for all Sub-Funds on a pro-rata basis. The Company shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Multi-managers Sub-Funds

The Company will seek to achieve the objectives on behalf of each Sub-Fund and one or more Investment Managers(s) may be appointed to provide investment management services in respect of part or all of the assets of a Sub-Fund. If it is the Directors' intention that a Sub-Fund will become a "multi-manager" type fund, i.e. a Sub-Fund where more than one Investment Manager will be in principle appointed for the purpose of diversifying the investment styles, this will be described in the relevant Sub-Fund's section in Part II.

In the case of a "multi-manager" type fund and subject to any overriding direction of the Directors and/or the Management Company, the Management Company will be responsible for the selection and appointment of any Investment Manager of that Sub-Fund.

1.3. INVESTMENT OBJECTIVE

The exclusive objective of the Company is to place the funds available to it in transferable securities and other permitted assets of any kind, including financial derivative instruments, with the purpose of spreading investment risks and affording its Shareholders the results of the management of its portfolios.

Each Sub-Fund is managed in accordance with its investment policy considering the investment restrictions (see Part I, Clause 11) and using investment techniques and instruments (see Part I, Clause 130).

The specific investment objective and policy of each Sub-Fund is described in Part II.

WARNING:

As the portfolio of each Sub-Fund of the Company is subject to market fluctuations and to the risks inherent in any investment, Share prices may vary as a result and the Company cannot give any guarantee that its objectives will be achieved.

Unless otherwise specified in Part II, each Sub-Fund may for hedging and/or efficient portfolio management purposes, also expose itself to such assets through the use of derivative instruments and employ techniques and instruments relating to transferable securities and money market instruments within the limits set forth in Part I, Clause 13.

2. MANAGEMENT AND OTHER SERVICE PROVIDERS

2.1. BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors is responsible for the Company's overall management and control including the determination of the investment policy of each Sub-Fund.
The board of directors of the Company (the "**Board**") as at the date of this Prospectus is composed as follows:

- Mr Antonio Thomas, acting as chairman of the Board;
- Mr Grenville Carr-Jones
- Mr Constant Beckers.

Antonio Thomas - Chairman

Antonio Thomas acts as a Luxembourg resident Board Director with more than 30 years' experience in the funds industry for a variety of UCITS and AIFM structures.

Previously, Mr. Thomas was the Chairman of RBS Fund Services, which included responsibilities for NatWest Trustee & Depositary, the UK's leading Independent Trustee and RBS (Luxembourg) S.A., one of the largest 3rd party independent Management Companies in Luxembourg at the time.

Prior to this, Mr. Thomas was located in Dublin, Ireland as the Managing Director of RBS Fund Services (Ireland) Limited, an Irish regulated Management Company, for two and a half years.

Before joining the RBS Group, Mr Thomas worked for 14 years in a variety of senior management positions with F&C Asset Management Group, based in the U.K. supporting their retail and institutional products.

Mr Thomas is employed by the AIFM, LIMESTONE PLATFORM AS – LIMESTONE BRANCH.

Gren Carr-Jones

Gren Carr-Jones is a Fellow of the Royal Institution of Chartered Surveyors. Mr Carr-Jones has more than 45 years of direct experience in acquiring and managing different types of real estate assets in a variety of markets throughout the UK, Western and Central Europe, Russia and the North East Asia, including China, Japan and South Korea.

Mr Carr-Jones also has extensive experience in establishing, managing and the administration of real estate funds. In addition he has proven track records in equity raising with a variety of large, multi-national institutional investors and private equity institutions.

He acts as a Luxembourg resident independent board director for a number of Luxembourg domiciled Real Estate investment funds where he provides substance and governance solutions for both regulated and non-regulated entities.

Constant E. Beckers

Mr Beckers ("Stan") is a Luxembourg resident independent board director with more than 40 years in the Finance Industry in a variety of senior and executive roles.

He has a PhD in Finance from UC Berkeley, USA and is an Executive Fellow of the London Business School.

Mr Beckers was the President of BARRA Institutional Analytics for 8 years as well as serving as the Global Head of Investments for West LB Asset Management, Barclays Global Investors and as the Managing Director of BlackRock, London.

Since the 1990's, Stan has held a number of board positions for Dutch Pension Funds, Alternative Investment Funds in both Europe and Internationally as well insurance vehicles.

2.2. MANAGEMENT COMPANY

The Company appointed Limestone Platform AS (formerly known as Northern Star AS) as Management Company by means of the Management Company Agreement dated 28 April 2015, with effective date on 1st June 2015, to provide management, administration and marketing services. Limestone Platform AS is a private Estonian based investment management company founded in August 2007 that has been granted a UCITS IV management company activity license for the management of investment funds and the supply of securities portfolio services by the Estonian Financial Supervisory Authority under the regime foreseen in the European Parliament and Council Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities («**UCITS IV**») as amended.

The list of the other funds managed by the Management Company may be obtained at the registered office of the Management Company.

The Supervisory Board of the Management Company is composed as follows:

- Mr Markku Malkamäki, Chairman,
- Mr Heikki Sirve, and
- Mr Eero Leskinen

The Management Board of directors of the Management Company is composed as follows:

- Mr Antonio Thomas, Chairman
- Mr Paavo Pöld
- Ms Triin Lindma

The subscribed capital and paid-up capital of the Management Company is EUR 376,818.30. -

The Management Company has delegated, on its own responsibility and under its own control, the functions of registrar, transfer and administrative agent to RBC Investor Services Bank S.A. (RBC).

As remuneration for the services of Management Company (excluding portfolio management) which have not been delegated to RBC under section 2.4 below, the Management Company shall receive from the respective Sub-Fund(s) an annual management company fee as specified in Part II, calculated and paid at the end of each quarter on the average net assets of each Sub-Fund during the relevant quarter.

Onetime fees per new sub-funds and hourly or special task related fees may be agreed in the service agreement between the Company and the Management Company.

The Management Company shall also be entitled to be reimbursed by the Company of its reasonable out-of-pocket expenses.

In accordance with Art. 111*ter* of the 2010 Law, the Management Company has adopted a remuneration policy which is adapted to its size and internal organization, and to the nature, scope and complexity of its activities, so that its remuneration policy is consistent with sound and effective risk management and does not encourage risk-taking inconsistent with the Company's risk profile or rules, as well as with the business strategy, objectives, values and interests of the Management Company itself and of the Company and the Company's investors, and includes measures to avoid conflicts of interest.

To the extend a remuneration is related to the performance of the Management Company or one

of the Company's Sub-Fund, the evaluation of that performance shall be aligned on the holding period recommended for investors of such Sub-Fund to ensure that it takes into account the long-term performance and investments' risks of the Sub-Fund concerned and that the actual payment of the compensation components related to that performance is effectively split over the same period.

Additionally, the Management Company shall ensure that there exists at all times an appropriate balance between the fixed and variable components of the total remuneration of staff, including senior management, risk takers or individuals exercising a function control, and of any employee who, given his total compensation, is in the same remuneration bracket as senior management and risk takers, who, by their function, have a material impact on the risk profiles of the Management Company or of the investment its manages on behalf of the Company, the fixed component of the remuneration represents a sufficiently high proportion of the total remuneration in such a way that a fully flexible policy can be exercised on the variable remuneration components, including the possibility to pay no variable remuneration component at all.

This remuneration policy is available on the Management Company's website at www.limestone.eu/docs/document-library/policies/.

2.3. DOMICILIARY AGENT

The Company has appointed RBC Investor Services Bank S.A. as its domiciliary agent by means of a domiciliary agreement effective as of 1st of September 2020 and RBC Investor Services Bank S.A. shall receive for such services the remuneration set forth therein.

2.4. ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT

The Management Company has, by means of an Administrative Agency Agreement and a Registrar and Transfer Agency Agreement with effective date as of 1st of September 2020, appointed RBC Investor Services Bank S.A. as the Company's administrative, registrar and transfer agent. The Management Company with the approval of the Company has appointed RBC as delegated administrative agent. In such capacity, RBC will be responsible for all administrative duties required by Luxembourg laws and among others for handling the processing of subscriptions of Shares, dealing with requests for redemptions and transfer of Shares, for the safekeeping of the register of Shareholders, for the bookkeeping, the maintenance of accounting records, the calculation of the NAV per Share as well as for the mailing of statements, reports, notice and other documents to the concerned Shareholders of the Fund, in compliance with the provisions of, and as more fully described in, the relevant agreement mentioned hereinafter. Those agreements may be terminated by either party upon giving 90 calendar days' prior written notice.

RBC Investor Services Bank S.A shall receive from the Company, for the performance of his functions of Administrative Agent (including in particular NAV calculation and accounting) and Registrar and Transfer Agent, the administrative fees which are conform to common practice in Luxembourg mentioned in Part II for each Sub-Fund. Such fees are payable monthly based on the average net asset value of the preceding month.

RBC shall be entitled to be reimbursed by the Company of its reasonable out-of-pocket expenses.

2.5. DEPOSITARY BANK AND PAYING AGENT

Depositary Bank's functions

The Company has appointed RBC Investor Services Bank S.A. ("**RBC**"), having its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, as depositary bank and principal paying agent (the "**Depositary**") of the Company with responsibility for the

(a) safekeeping of the assets,

(b) oversight duties and

(c) cash flow monitoring

(d) principal paying agent functions

in accordance with the 2010 Law, and the Depositary Bank and Principal Paying Agent Agreement effective as of 1st of September 2020 and entered into between the Company and RBC (the "**Depositary Bank and Principal Paying Agent Agreement**").

RBC Investor Services Bank S.A. is registered with the Luxembourg Register for Trade and Companies (RCS) under number B-47192 and was incorporated in 1994 under the name "First European Transfer Agent". It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services. Its equity capital as at 31 October 2019 amounted to approximately EUR 1,226,823,732.-.

The Depositary has been authorized by the Company to delegate its safekeeping duties (i) to delegates in relation to other Assets and (ii) to sub-custodians in relation to Financial Instruments and to open accounts with such sub-custodians.

An up to date description of any safekeeping functions delegated by the Depositary and an up to date list of the delegates and sub-custodians may be obtained, upon request, from the Depositary or via the following website link: https://apps.rbcits.com/RFP/gmi/updates/Appointed%20subcustodians.pdf.

The Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Company and the Shareholders in the execution of its duties under the 2010 Law and the Depositary Bank and Principal Paying Agent Agreement.

Under its oversight duties, the Depositary will:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the 2010 Law and with the Company's Articles,
- ensure that the value of Shares is calculated in accordance with the 2010 Law and the Company's Articles,
- carry out the instructions of the Company or the Management Company acting on behalf of the Company, unless they conflict with the 2010 Law or the Company's Articles,
- ensure that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits,
- ensure that the income of the Company is applied in accordance with the 2010 Law or Company's Articles.

The Depositary will also ensure that cash flows are properly monitored in accordance with the 2010 Law and the Depositary Bank and Principal Paying Agent Agreement.

Depositary Bank's conflicts of interests

From time to time conflicts of interests may arise between the Depositary and the delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to Company. On an ongoing basis, the Depositary analyzes, based on applicable laws and regulations any potential conflicts of interests that may arise while carrying out its functions. Any identified potential conflict of interest is managed in accordance with the RBC's conflicts of interests' policy which is subject to applicable laws and regulation for a credit institution according to and under the terms of the Luxembourg law of 5 April 1993 on the financial services sector.

Further, potential conflicts of interest may arise from the provision by the Depositary and/or its affiliates of other services to the Company, the Management Company and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company, the Management Company and/or other funds for which the Depositary (or any of its affiliates) act.

RBC has implemented and maintains a management of conflicts of interests' policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interests;
- Recording, managing and monitoring the conflicts of interests situations in:
    - Implementing a functional and hierarchical segregation making sure that operations are carried out at arm's length from the Depositary business ;
    - Implementing preventive measures to decline any activity giving rise to the conflict of interest such as:
        - RBC and any third party to whom the custodian functions have been delegated do not accept any investment management mandates;
        - RBC does not accept any delegation of the compliance and risk management functions.
        - RBC has a strong escalation process in place to ensure that regulatory breaches are notified to compliance which reports material breaches to senior management and the board of directors of RBC.
        - A dedicated permanent internal audit department provides independent, objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

RBC confirms that based on the above no potential situation of conflicts of interest could be identified.

An up to date information on conflicts of interest policy referred to above may be obtained, upon request, from the Depositary or via the following website link: https://www.rbcits.com/en/who-we-are/governance/information-on-conflicts-of-interest-policy.page.

2.6. INVESTMENT MANAGER

The management of the portfolios of the different Sub-Fund may be either assumed by the Management Company itself (which shall then, in that capacity, be referred to hereafter as the Investment Manager) or delegated by the Management Company, or sub-delegated by the Management Company, to one or more third party Investment Manager(s) by means of separate investment management agreements.

The respective investment manager agreements shall provide that the Investment Manager(s) shall manage the investment of the respective Sub-Funds of the Company and continuously supervise the investment and reinvestment of cash, securities and other property composing the assets of the Sub-Funds. The Investment Manager shall provide the Management Company with investment research, data and advice necessary to implement the Company's investment policy, which includes determining what securities should be purchased or sold by the Sub-Funds and what portion of the assets of the Sub-Funds should be held un-invested, subject always to the provisions of the Articles and this Prospectus. The Sub-Fund's fundamental investment policies and portfolio is subject to regular review by the Board of Directors.

If more than one Investment Manager is appointed to a Sub-Fund, the Management Company shall allocate the assets of the Sub-Fund between the Investment Managers in such proportions as it shall, at its discretion, determine.

Investment Management Fee

The Investment Manager (whether the Management Company itself, or a third party investment manager), shall be entitled to receive from the respective Sub-Fund(s) an annual Investment Management Fee calculated and accrued daily and paid monthly as a percentage of the Net Asset Value of Sub-Fund as specified in Part II. This Investment Management Fee will be payable whether or not the management of the Sub-Fund is profitable.

For details of the fees payable to the Investment Manager with respect to a specific Class of Shares, please refer to Part II

Performance Fees

The Investment Manager may, in addition to the Investment Management Fee, be entitled to a performance fee. The amount and calculation of such a performance fee (if applicable) are set out in Part II.

The Investment Manager may at its sole discretion share the Investment Management Fee and the Performance Fees it receives as remuneration for its services with distributors authorised by the Management Company and with other entities engaged in distribution and investor relations of the Company.

2.7. INVESTMENT ADVISORS

The Company may appoint one or more investment advisors for one or more Sub-Funds. In such case the details and remuneration regarding such investment advisors will be disclosed in Part II.

2.8. GENERAL DISTRIBUTOR

The Management Company Agreement provides that the Management Company shall also act as general distributor of the Shares of the Company.

The Management Company, acting as general distributor, is authorised to appoint other distributors (each a sub-distributor) for the distribution of Shares.

The duties of the general distributor and the sub-distributors shall be limited to passing the subscription and redemption orders to the Registrar and Transfer Agent. The general distributor and the sub-distributors may not offset the orders received or carry out any duties connected to the individual processing of the subscription and redemption orders. In addition, any investor may deal directly with the Company in order to subscribe, redeem or convert Shares, on the same terms as if the investor had subscribed through the general distributor or a sub-distributor.

The general distributor and sub-distributors may be entitled to a subscription fee and/or redemption fee. Please refer to Part II for more details.

3. THE SHARES

Within each Sub-Fund the Company may further decide to create different Classes and Categories of Shares whose assets will be commonly invested pursuant to the specific policy of the Sub-Fund concerned but where the different Classes of Shares may be differentiated by different factors such as hedging policy, a specific sales redemption charge structure, a specific distribution policy, minimum holding or subscription amount or other specific features may apply, as further specified Part II,

The Classes of Shares available in each Sub-Fund at the date of this Prospectus and their particular features are disclosed in Part II.

3.1. TYPES OF SHARES

A-Class Shares and **R-Class Shares** are available for any kind of investors (including retail investors).

I-Class Shares are available only to institutional investors within the meaning of article 174 of the 2010 Law ("**Institutional Investors**") and the Company will not issue or give effect to any transfer of Shares of such Classes of Shares to any investor who may not be considered an Institutional Investor. The Company may, at its discretion, delay the acceptance of any subscription for I-Class Shares until such date as it has received sufficient evidence of the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of I-Class Shares is not an Institutional Investor, the Company will either redeem the relevant hares or convert such Shares into Shares of a Class of Shares which is not restricted to Institutional Investors (provided there exists such a Class of Shares with similar characteristics) and notify the relevant Shareholder of such conversion.

Investors should enquire at the Administrator or their Distributor whether any Accumulation or Distribution Shares are available within each Class of Shares and Sub-Fund.

3.2. MINIMUM HOLDING AMOUNT (AS INDICATED OR EQUIVALENT IN ANY FREELY CONVERTIBLE CURRENCIES)

A Minimum Holding Amount may be applied to certain Shares, which can vary according to the Sub-Fund and the Class of Shares concerned, and is provided for in Part II.

The Directors may at their absolute discretion from time to time waive the Minimum Holding Amount of any Class of Shares, if any.

Shares will only be issued in registered form and held on the Share Register of the Registrar and Transfer Agent. No physical Share certificates will be issued. Investors may hold a fraction of a Share. Fractions of a Share may be expressed by a number rounded to three places after the decimal point. Such fractions will, on a pro rata basis, entitle Shareholders to proceeds of liquidation, but shall not confer any voting rights.

Shares may also be held and transferred through accounts maintained with clearing systems.

The NAV per Share and the Subscription and Redemption Prices within each Sub-Fund shall be available at the registered office of the Company. The Subscription and Redemption Prices are expressed in the Reference Currency of each Class or Shares or Sub-Fund, as the case may be.

The NAV per Share will be published on a daily basis in European newspapers or on other media like Reuters, Fundsquare or Bloomberg as determined from time to time by the Board of Directors.

The Board of Directors is free to express and publish the NAV per Share in one or more currencies different from the Reference Currency of the Class of Shares or Sub-Fund.

3.3. DIVIDEND POLICY

Upon proposal of the Board of Directors, the general meeting of Shareholders may decide each year which part of the investment profits of any Sub-Fund - including the net investment incomes and any realized and unrealized capital gains (after deduction of realized and unrealized capital losses) - may be distributed to the holders of Distribution Shares, if any. Dividends may be distributed to the extent that the capital of the Company is maintained at the minimum level as foreseen by law.

Payments of dividends will be made in the Reference Currency of the relevant Class of Shares.

Payment of dividends for registered Shares will be made to the concerned Shareholders on the cash account provided to the Registrar and Transfer Agent.

Dividends not collected within five (5) years will lapse and accrue for the benefit of the relevant Sub-Fund in accordance with Luxembourg law.

No interest will be paid on dividends kept by the Company at the disposal of its beneficiary.

With respect to Accumulation Shares, the investment income attributable to the relevant Shares will not be paid to Shareholders but will be retained in the Class, of Shares thus increasing the Net Asset Value of the Shares.

4. TRANSACTION ON SHARES

4.1. WARNING PRIOR TO AN INVESTMENT

4.1.1. **Anti-Money laundering and Terrorism Financing**

Pursuant to Luxembourg laws and regulations (including CSSF circulars), obligations have been

imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the Registrar and Transfer Agent must in principle ascertain the identity of the Investor in accordance with Luxembourg laws and regulations and the Depositary must verify the origins of funds. The Registrar and Transfer Agent may require Investors to provide any document it deems necessary to effect such identification and the Depositary may require any information in respect of monies received from or to be transferred to an Investor.

In case of delay or failure by an applicant to provide the documents or information required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Company nor the Registrar and Transfer Agent or the Depositary has any liability for delays or failure to process deals as a result of the applicant not providing or only providing incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under relevant laws and regulations.

4.1.2. **Late Trading and Market Timing**

The Company does not allow investments which are associated with late trading or market timing practices, as such practices may adversely affect the interests of the Shareholders:

Market Timing

Shares are not offered, and the Company is not managed, or intended to serve as, a vehicle for frequent trading that seeks to take advantage of short-term fluctuations in the concerned securities markets. This type of trading activity is often referred to as “market timing” and could result in actual or potential harm to the Shareholders of the Company.

Market Timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts Shares of the same Sub-Fund within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the NAV of a Sub-Fund.

Accordingly, the Board of Directors may, whenever it deems it appropriate, instruct the Registrar and Transfer Agent to reject an application for subscription, redemption and/or switching of Shares from investors the Board of Directors considers market timer and may, if necessary, take appropriate measures in order to protect the interests of the other investors. For these purposes, the Board of Directors may consider an Investor’s trading history and the Registrar and Transfer Agent may combine Shares which are under common ownership or control.

Late Trading

Late Trading is to be understood as the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the NAV applicable to such same day. The Board of Directors shall not allow the Registrar and Transfer Agent to accept orders after the cut-off time.

4.2. SUBSCRIPTION OF SHARES

For each Sub-Fund, the Board of Directors is authorized to issue fully paid up Shares at any time and without any limit.

No Shares of any Sub-Fund or Class of Shares will be issued by the Company during any period when the determination of the NAV of Shares of that Sub-Fund or Class of Shares is suspended by the Company pursuant to the power reserved to it by the Articles and described under Part I Clause 8.2.

In the case of a suspension of the calculation of the NAV or a deferral of subscriptions, subscription orders received on a Valuation Day falling during the period of such suspension or deferral will be accepted at the NAV per Share on the first Valuation Day following such suspension or deferral, unless withdrawn in writing prior thereto.

The Board of Directors may agree to issue Shares as consideration for a contribution in kind of securities, in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Company and provided that such securities comply with the investment objectives and policies of the relevant Sub-Fund.

Any costs incurred in connection with a contribution in kind of the securities shall be borne by the relevant Shareholders.

The features linked to subscriptions of Shares in each Sub-Fund are described in Part II.

4.3. REDEMPTION OF SHARES

Shareholders' requests for redemption of Shares must be made in writing to the Company. A request duly made shall be irrevocable, except in case of and during any period of suspension or deferral of redemptions.

In the case of redemption requests exceeding 10% of the NAV of the relevant Sub-Fund on any Valuation Day, the Company may decide to defer redemptions on a pro rata basis to the next Valuation Day. In case of a deferral of redemptions, the relevant Shares shall be redeemed at the NAV per Share prevailing on the Valuation Day on which the redemption is performed. On such Valuation Day such requests shall be complied with by giving priority to the earliest request.

In the case of a suspension of the calculation of the NAV or a deferral of redemptions, Shares to be redeemed on Valuation Days falling during the period of such suspension or deferral will be redeemed at the NAV per Share on the first Valuation Day following such suspension or deferral, unless withdrawn in writing prior thereto.

The value of Shares at the time of their redemption may be more or less than their acquisition cost, depending on the market value of the assets held by the relevant Sub-Fund at the time of acquisition and redemption.

Any Shares redeemed shall be cancelled and removed from the Shareholders register maintained by the Registrar and Transfer Agent.

The features linked to redemptions in each Sub-Fund are described in Part II.

Shareholders are hereby informed that the fees of the Depositary Bank relating to the settlement of the Redemption Price will be supported by the Company but the redeeming Shareholders may be required to pay any additional fees charged by their bank.

4.4. CONVERSION OF SHARES

Conversions of Shares of a Sub-Fund into Shares of another Sub-Fund or another Class of Shares are permitted provided that the applicable requirements of the Sub-Fund and Class of Shares which issue the new Shares are met. Shareholders' request for conversion of Shares must be made in writing to the Company on the Valuation Day as further detailed in the Part II.

Unless otherwise determined in Part II, all conversion applications must be received by the Company no later than 1 p.m. Luxembourg time on the applicable Valuation Day. Conversions applications received after such deadline will be deferred to the next Valuation Day.

The NAV of the Shares converted and issued at the applicable Valuation Day will be calculated on the relevant Calculation Day, as defined in Part II.

A maximum conversion fee of 1 % for any conversion of Shares may be charged to the Shareholders and paid in favour of the general distributor.

The rate at which the Shares in a given Sub-Fund (the **original Sub-Fund**) are converted into Shares of another Sub-Fund (the **new Sub-Fund**) will be determined in accordance with the following formula:

$$A = \frac{B \times C \times D}{E}$$

Where:

A is the number of Shares of the new Sub-Fund to be allotted;
B is the number of Shares of the original Sub-Fund to be converted;
C is the NAV of Shares of the original Sub-Fund to be converted;
D is the rate of exchange between the currency of the Sub-Fund's Shares to be converted and the currency of the Sub-Fund to be allotted, when the original and the new Sub-Fund are not expressed in the same currency;
E is the NAV of the Shares in the new Sub-Fund ruling on the applicable Valuation Day.

In the case of conversion requests in excess of 10% of the NAV of the original Sub-Fund on any Valuation Day, the Company may decide to defer conversions on a pro rata basis to the next Valuation Day. In case of a deferral of conversions, the relevant Shares shall be converted at the NAV per Share prevailing on the Valuation Day on which the conversion is made. On such Valuation Day such requests shall be complied with by giving priority to the earliest request.

In the case of a suspension of the calculation of the NAV or a deferral of conversion orders, Shares to be converted on Valuation Days falling during the period of such suspension or deferral will be converted at the NAV per Share on the first Valuation Day following such suspension or deferral, unless withdrawn in writing prior thereto.

The cash transfer between the concerned Sub-Funds will be executed on the second Business Day following the applicable Calculation Day.

Any taxes and duties levied in connection with the conversion of Shares are charged to the Shareholder concerned.

5. CHARGES AND EXPENSES

Fees and expenses to be borne by the Company will include, without limitation, the fees to the Management Company, to the Investment Manager(s) (if any), and to the Depositary (including the fees and expenses of its correspondents abroad), the Domiciliary Agent, the Registrar and Transfer

Agent, the Administrative Agent, the Paying Agent, the General Distribution Agent (if any) as per the respective agreements, and all other expenses incurred in the operation of the Company, taxes, expenses for legal, auditing and other professional services, costs of printing proxies, Shareholders' reports, Prospectuses (including the KIIDs) and other reasonable promotional and marketing expenses, expenses of issue, redemption and conversion of Shares and payment of dividend, if any, the registration fees and other expenses due or incurred in connection with the authorization by and reporting to supervisory authorities in various jurisdictions, cost of translation of the Prospectus and KIIDs and other documents which may be required in various jurisdictions where the Company is registered, the fees and out-of-pocket expenses of the Board of Directors, reports provided to the Board of Directors, insurance, interest, listing and brokerage costs, taxes and costs relating to the transfer and deposit of securities or cash, out-of-pocket disbursements of the Depositary and of all other agents of the Company and the costs of computation and publication of the NAVs.

All fees, costs and expenses to be borne by the Company will be charged initially against the investment income and thereafter against capital. The costs and expenses of organisation and for registering the Company as a UCITS in Luxembourg will be borne by the Company, and will be amortised in equal amounts over a period of five (5) years from the date on which they are incurred. Costs in relation to the subsequent launching of new Sub-Funds are amortised on the net assets of these new Sub-Funds over five (5) years. New Sub-Funds will also bear not yet amortised incorporation costs of the Company.

The Management Company and/or Investment Managers may, from time to time, pay a part of the fees received to various sub-distributors, intermediaries, brokers, professional investors and/or assimilated entities, which may or may not be part of the Management Company's consolidation group. Such payments are intended to compensate such sub-distributors, brokers or other intermediaries for providing distribution or other services to Investors, including but not limited to the enhancement of the communication of ongoing information to Investors, the transaction processing or other shareholder and/or administrative services. Any request for additional information regarding any such payments should be addressed by Investors to their relevant intermediaries.

Investment Managers may enter into soft commission agreements with brokers/dealers. The services to be rendered by such broker/dealers must be in direct relation to the activities of the Investment Manager. Subject to the portfolio transactions directed to brokers/dealers and volume of revenue generated thereby, such soft commission agreement may provide that the broker/dealer supplies, pays for or rebates a portion of the brokerage commissions for additional investment research, information and other related services utilized by the Investment Manager, or its affiliates. Soft commission agreements generally make available to the Investment Manager views and information of individuals and research staff of other firms that supplement internal research and analysis in providing the investment management services to the clients, including the Company. Such agreements may be entered into only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the Company, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the Company. The soft commission agreements do not relieve the Investment Manager from the obligation to obtain the best execution of portfolio transactions for its clients, including the Company, consistent with the applicable best execution policy. Any such arrangement must be made by the Investment Manager on terms commensurate with best market practice. The soft commissions shall not be payable to physical persons. The use of soft commissions shall be disclosed in the periodic reports.

6. MEETINGS, REPORTS AND NOTICES

6.1. MEETINGS

The annual general meeting of Shareholders of the Company is held in Luxembourg on the second Friday of the month of October at 4:00 p.m. (Luxembourg time). If permitted by and under the conditions set forth in Luxembourg laws and regulations, the annual general meeting of shareholders may be held at a date, time or place other than those set forth in the preceding paragraph, that date, time or place to be decided by the Board. Other general meetings or special meetings of Shareholders of one or more Sub-Funds may be held at such time and place as are indicated in the notices of such meetings. Notices of general meetings and other notices are given in accordance with Luxembourg law. Notices will specify the place and time of the meeting, the conditions of admission, the agenda, the quorum and voting requirements.

Under the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of Shareholders may provide that the quorum and the majority at a general meeting is determined according to the Shares issued and outstanding at midnight (Luxembourg time) on the fifth day prior to such general meeting (the "**Record Date**") and the right of a Shareholder to attend such general meeting of Shareholders and to exercise the voting rights attaching to his/its/her Shares shall be determined by reference to the Shares he holds at the Record Date.

6.2. REPORTS

Financial years of the Company start on 1 July and end on 30 June each year. The annual report containing the audited consolidated financial accounts of the Company in respect of the preceding financial period are expressed in EUR and are made available at the Company's registered office at least fifteen (15) calendar days before the annual general meeting. Unaudited semi-annual reports are made available within two (2) months of the end of the relevant semester. Copies of all financial reports will be available at the registered office of the Company.

6.3. NOTICES

Notices and relevant communications to Shareholders are sent at the address recorded in the Share register of the Company in addition to any publication that may be required under Luxembourg or local laws.

7. TAXATION

The following is of a general nature only and is based on the Company's understanding of, and advice received on, certain aspects of the law and practice currently in force in Luxembourg as of the date of this Prospectus. It does not purport to be a complete analysis of all possible tax considerations that may be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. This summary is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Prospectus and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis. Prospective investors should consult their own professional advisors with respect to particular circumstances, the effects of

state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net worth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge invariably applies to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

7.1. TAXATION OF THE COMPANY

The Company is not liable to any Luxembourg income tax.

The Company is, however, liable in Luxembourg to a subscription tax of (i) 0.05 % per annum of its net assets, payable quarterly on the basis of the value of the net assets of ordinary Shares of the Company, and (ii) 0.01 % per annum of its net assets, payable quarterly on the basis of the value of the net assets of institutional Shares of the Company at the end of each quarter except for the portion of assets already submitted to that tax.

Except for an initial capital duty of EUR 1,250 which was paid upon incorporation, no other stamp or tax is payable in Luxembourg upon the issue of Shares except a fixed duty of EUR 75 upon amendment of the articles of association.

No Luxembourg tax is payable on the realised or unrealised capital appreciation of the assets of the Company.

Dividends and/or interest received by the Company on its investments may be subject to non-recoverable withholding taxes in the countries of origin.

7.2. TAXATION OF SHAREHOLDERS

Distributions made by the Company and income, dividends, other distributions and capital gains received by a Shareholder resident in Luxembourg or abroad are not subject to a Luxembourg withholding tax.

7.2.1. **Income taxation**

Individual resident Shareholders

Any dividends and other payments derived from the Shares by resident individual Shareholders, who act in the course of either their private wealth or their professional / business activity are subject to income tax at the progressive ordinary rates.

A gain realized upon the sale, disposal or redemption of Shares by resident individual Shareholders, acting in the course of the management of their private wealth, is not subject to

Luxembourg income tax, provided this sale, disposal or redemption took place more than 6 months after the Shares were acquired and provided the Shares do not represent a substantial shareholding. A shareholding is considered as substantial shareholding in limited cases, in particular if (a) the Shareholder has held, either alone or together with his spouse or partner and/or his minor children, either directly or indirectly, at any time within the 5 years preceding the realization of the gain, more than 10% of the share capital of the Company or (b) the taxpayer acquired free of charge, within the 5 years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same 5-year period). Capital gains realised on a substantial participation more than 6 months after the acquisition thereof are subject to income tax according to the half global-rate method, (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

Capital gains realized on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

An individual resident Shareholder is not subject to net wealth tax in Luxembourg. Under current Luxembourg tax law, in the case where an individual resident shareholder is a resident for tax purposes of Luxembourg at the time of his death, the Shares are included in his taxable estate, for inheritance tax purposes and gift tax may be due on a gift or donation of Shares, if the gift is recorded in a Luxembourg deed.

Corporate resident Shareholders

Luxembourg resident companies

Luxembourg resident corporate (sociétés de capitaux) Shareholders must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Luxembourg resident companies benefiting from a special tax regime

Luxembourg resident corporate Shareholders which are companies benefiting from a special tax regime (such as (i) undertakings for collective investment subject to the amended 2010 Law (ii) specialized investment funds subject to the amended 2007 Law, (iii) family wealth management companies governed by the law of 11 May 2007) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg income tax.

Non-resident Shareholders

Subject to the application of the provisions of Article 156, 8 of the amended law dated 4 December 1967 on income tax, Shareholders, who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are not liable to any Luxembourg income tax on income received and

capital gains realized upon the sale, disposal or redemption of the Shares.

Non-resident corporate Shareholders which have a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable, must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to non-resident individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

7.2.2. **Net worth tax**

Luxembourg resident Shareholders and non-resident Shareholders who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are subject to Luxembourg net worth tax on such Shares, except if the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the amended 2010 Law, (iii) a specialized investment fund governed by the amended 2007 Law or (iv) a family wealth management company governed by the law of 11 May 2007.

7.2.3. **Other taxes**

No estate or inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes.

Luxembourg gift tax may be levied on a gift or donation of the Shares if embodied in a Luxembourg deed or registered in Luxembourg.

7.3. FATCA

The Foreign Account Tax Compliance Act (FATCA), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US (Foreign Financial Institutions or FFIs) to pass information about “Financial Accounts” held, directly or indirectly by “Specified US Persons”, to the US tax authorities, the Internal Revenue Service (IRS), on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement.
On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement (IGA), and a memorandum of understanding in respect thereof, with the United States of America. The Company would hence have to comply with such Luxembourg IGA, once the IGA has been implemented into Luxembourg law in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. As a “Reporting Financial Institution” under the IGA, the Company may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes (reportable accounts). Any such information (which will contain personal data) on reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in

Income and Capital, entered into in Luxembourg on 3 April 1996.

The Company intends to comply with the provisions of the Luxembourg IGA to be deemed compliant with FATCA and to avoid, to the extent possible, being subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments. The Company will continually assess the extent of the requirements that FATCA, and notably the Luxembourg IGA, places upon it. As from the date of signature of the Luxembourg IGA and until the Grand Duchy of Luxembourg has implemented the national procedure necessary for the entry into force of the IGA, the United States Department of the Treasury will treat the Company as complying with and not subject to the FATCA Withholding.

To ensure the Company's compliance with FATCA and the Luxembourg IGA in accordance with the foregoing, the Company may:

- request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such shareholder's FATCA status;
- report information concerning a Shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a US reportable account under the Luxembourg IGA; and
- deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA and the Luxembourg IGA.

7.4. COMMON REPORTING STANDARD

The Company will be registered as a Luxembourg Reporting Financial Institution under the CRS regimes and will therefore collect the respective reportable information (including investors personal data) for further transmission to the Luxembourg tax authorities, which shall in turn forward such information to the relevant foreign tax authorities.

The Common Reporting Standard (CRS) implemented within the European Union through the amended Directive on administrative cooperation in the field of taxation will be implemented within the OECD through bilateral or multilateral agreements between participating countries. The CRS provides for annual automatic exchange between governments of financial account information, including balances, interests, dividends, and sales proceeds from financial assets, reported to governments by financial institutions and covering accounts held by individuals and entities, including trusts and foundations. It sets out the financial account information to be exchanged, the financial institutions that need to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.

Over 90 jurisdictions have already publicly expressed their commitment to implementing the standard and over 50, including the Grand Duchy of Luxembourg, have already set a timetable leading to the first automatic exchange in 2017.

8. NET ASSET VALUE

8.1. CALCULATION OF THE NAV

The Net Asset Value in respect of each Sub-Fund and Class of Shares shall be calculated on the

Calculation Day of the relevant Sub-Fund which is set forth in Part II.

The NAV per Share of a Class of Shares shall be expressed in the reference currency of the relevant Sub-Fund. The NAV per Share will be determined by dividing the net assets of the Sub-Fund by the total number of Shares of that Sub-Fund then outstanding taking into account the allocation of the net assets between classes and/or categories of Shares and shall be rounded up or down to the nearest whole hundredth.

The valuation of the assets of the various Sub-Funds will be determined as follows:

1) the value of cash and deposits, drafts and bills payable on demand, receivables, expenditures paid in advance, dividends and interests announced or due but not yet received, will be constituted by the nominal value of these assets, unless it appears unlikely that this value can be realized. In this case, the value will be determined by subtracting an amount deemed to be appropriate by the Company to reflect the real value of these assets;

2) the valuation of any transferable securities or money market instruments or derivatives traded or listed on a stock exchange shall be made on the basis of the last price as at the Valuation Day unless such price is not representative;

3) the value of any transferable securities or money market instruments traded on another regulated market shall be determined on the basis of the last price as at the Valuation Day;

4) in as much as transferable securities and money market instruments on a dedicated Valuation Day are neither officially traded nor listed on an exchange or regulated market, or in the case where, for securities and money market instruments officially listed or traded on a stock exchange or another regulated market, the price as determined pursuant to paragraphs 2 and 3 above is not representative of the true value of such transferable securities or money market instruments, the valuation shall be made on the basis of their likely value of realisation, estimated with due care and good faith by the Board of Directors;

5) money market instruments with a residual maturity of less than 12 months are valued as follows (linear valuation): the determining rate for these investments will be gradually adapted during repayment starting from the net acquisition price and keeping the resulting return constant. If there are notable changes in market conditions, the basis for evaluating money market instruments will be adapted to new market returns;

6) shares/units of UCITS and other UCI's will be valued on the basis of their last available NAV at the Valuation Day;

7) the valuation of swaps will be based on their market value, which itself depends on various factors (e.g. level and volatility of the underlying asset, market interest rates, residual term of the swap). Any adjustments required as a result of issues and redemptions are carried out by means of an increase or decrease in the nominal of the swaps, traded at their market value;

8) the valuation of derivatives traded over-the-counter (OTC), such as futures, forward or option contracts not traded on exchanges, or on other recognized markets, will be based on their net liquidating value determined, pursuant to the policies established by the Company on the basis of recognized financial models in the market and in a consistent

manner for each category of contracts. The net liquidating value of a derivative position is to be understood as being equal to the net unrealized profit/loss with respect to the relevant position.

If due to special circumstances a valuation made on the basis of the above rules should prove impossible or inaccurate, other generally accepted and verifiable valuation shall be applied criteria to obtain a fair valuation.

Any asset that may not be expressed in the reference currency of the Sub-Fund to which it belongs will be converted into the reference currency of this Sub-Fund at the exchange rate applicable on the Valuation Day or at the exchange rate fixed in the forward contracts.

During the existence of any state of affairs which, in the opinion of the Board of Directors, makes the determination of the NAV of a Sub-Fund in its reference currency either not reasonably practical or prejudicial to the Shareholders of the Company, the NAV and the Subscription Price and Redemption Price may temporarily be determined in such other currency as the Board of Directors may determine.

All valuation regulations and determinations shall be interpreted and made in accordance with generally accepted accounting principles (LuxGAAP).

In connection with CSSF Circular 02/77 the Board of Directors resolved to allow an error margin of 1% (upwards and downwards) with view to the Net Asset Value calculation. Such error margin allowance shall apply until the Board of Directors revises such decision.

8.2. SUSPENSION OF CALCULATION OF THE NAV AND OF ISSUE AND REDEMPTION OF SHARES

The Board of Directors may suspend the calculation of the NAV of any Sub-Fund and may suspend the issue and redemption of Shares of the relevant Sub-Fund, in the interests of the Shareholders, due to any of the following situations or a combination thereof:

a) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of the Company's investments attributable to any Sub-Fund for the time being are quoted, is closed, (otherwise than for ordinary holidays), or during which dealings are substantially restricted or suspended;

b) during the existence of any state of affairs which in the opinion of the Board of Directors constitutes an emergency as a result of which disposals or valuations of assets owned by the Company attributable to any Sub-Fund would be impracticable;

c) during any breakdown in, or restriction in the use of the means of communication normally employed in determining the price or value of any of the investments attributable to any Sub-Fund or the current prices on any market or stock exchange;

d) during any period when the Company is unable to repatriate moneys for the purpose of making payments on the redemption of its Shares or during which any transfer of moneys involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange;

e) during any period when, in the opinion of the Board of Directors, there exists unusual circumstances which make it impracticable or unfair towards the Shareholders to continue dealing with Shares of any Sub-Fund of the Company;

f) in case of a decision to liquidate the Company or the given Sub-Fund, on or after the day of publication of the first notice convening the general meeting of Shareholders for this purpose;

g) when there is a suspension of redemption or withdrawal rights by several investment funds in which the Company or the relevant Sub-Fund is invested;

h) during any period when the publication of the notice of the general meeting of Shareholders at which the merger of the Company or a Sub-Fund is to be proposed, or of the decision of the Board to merge one or more Sub-Funds, to the extent that such a suspension is justified for the protection of the shareholders;

i) during any period where the master UCITS of a Sub-Fund or one or several Sub-Funds in which a Sub-Fund has invested a substantial portion temporarily suspends the repurchase, redemption or subscription of its units, whether at its own initiative or at the request of its competent authorities.

Shareholders having requested issue, redemption of their Shares will be notified in writing of any such suspension within seven calendar days of their request and will be promptly notified in writing of the termination of such suspension.

The suspension affecting any Sub-Fund will have no effect on the calculation of NAV, Subscription Price and Redemption Price or the issue and redemption of the Shares of any other Sub-Fund.

9. LIQUIDATION, TERMINATION AND AMALGAMATION

9.1. LIQUIDATION

The Company has been established for an unlimited period of time. However, the Company may be dissolved and liquidated at any time by a resolution of the general meeting of Shareholders.

In the event of a dissolution of the Company, liquidation shall be carried out by one or several liquidators (who may be physical persons or legal entities) named by the meeting of Shareholders effecting such dissolution and which shall determine their powers and their compensation.

In the event of dissolution, the liquidator(s) appointed by the Shareholders of the Company in accordance with the CSSF will realise the assets of the Company in the best interests of the Shareholders, and the Depositary, upon instruction given by the liquidator(s), will distribute the net proceeds of liquidation (after deducting all liquidation expenses) among the Shareholders in proportion to their respective rights.

As provided for by Luxembourg law, at the close of liquidation, the proceeds of liquidation corresponding to Shares not surrendered for repayment will be kept in safe custody at the "*Caisse de Consignations*" until the statute of limitation has lapsed.

If the capital of the Company falls below two-thirds of the minimum capital as required by the law, the Board of Directors must submit the question of the dissolution of the Company to a general meeting of Shareholders convened to be held within 40 days and for which no quorum shall be prescribed and which shall decide by a simple majority of the share represented at the meeting.

If the capital of the Company falls below one quarter of the minimum capital stated above, the Board of Directors must submit the question of dissolution of the Company to a general meeting of Shareholders convened to be held within 40 days and for which no quorum shall be prescribed, dissolution the Company may be resolved by the Shareholders holding one quarter of the Shares at the meeting.

In addition, the Company shall inform holders of Shares by sending a redemption notice to all Shareholders at their address in the Share register.

All the decisions taken by the General Meeting or the Board of Directors regarding the liquidation of the Company will be published according to Luxembourg law.

9.2. TERMINATION OF SUB-FUNDS

The Board of Directors may decide to terminate a Sub-Fund.

(i) if the net assets of any Sub-Fund has not reached or has decreased to a minimum amount, to be the minimum level for such a Sub-Fund to be operated in an economically efficient manner as determined by the Board of Directors; or

(ii) in case the Board of Directors deems that it is appropriate because of changes in the economic or political situation affecting the relevant Sub-Fund; or

(iii) if an economic rationalization is needed.

The Company shall serve a written notice to the holders of the relevant Sub-Funds or categories of shares prior to the effective date of the liquidation, which will indicate the reasons of and the procedure for the liquidation operations.

The Company may, until the decision to liquidate is executed, continue to redeem or convert the Shares of the Sub-Fund which it has been decided to liquidate, taking account of liquidation costs but without deducting any redemption fee as stated in the Prospectus. The formation expenses will be fully amortized.

Termination of a Sub-Fund for other reasons than those mentioned here above may be effected only upon prior approval by the Shareholders of the Sub-Fund to be terminated at a duly convened meeting which may be validly held without quorum and decide at the simple majority of expressed votes.

Assets which could not be distributed to their beneficiaries upon the close of the liquidation of the Sub-Fund concerned will be deposited in escrow with the *Caisse de Consignation* on behalf of their beneficiaries. If not claimed, they shall be forfeited in accordance with Luxembourg law.

9.3. MERGER OF SUB-FUNDS

Any merger of a Sub-Fund with another Sub-Fund of the Company or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board, unless the Board decides to submit the decision for the merger to the general meeting of shareholders of the Sub-Fund concerned. In the latter case, no quorum will be required for this meeting and the decision for the merger shall be taken by a simple majority of the votes cast.

In the case of a merger of a Sub-Fund where, as a result, the Company ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a meeting of shareholders resolving in accordance with the quorum and majority requirements for the amendment of the Articles. Such a decision will be undertaken and notified to the relevant Shareholders in accordance with the provisions of the 2010 Law and any applicable regulations and at least thirty (30) calendar days before the term for requesting repurchase or redemption or, as the case may be conversion without additional charge.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during usual business hours on any Business Days at the registered office of the Company:

1) Investment Management Agreement;
2) Management Company Agreement
3) General Distribution Agreement;
4) Depositary Agreement;
5) Domiciliary Agency Agreement;
6) Registrar and Transfer Agency Agreement;
7) Administrative Agency Agreement;
8) Principal Paying Agency Agreement;
9) Articles;
10) the financial reports;
11) complaints handling procedure;
12) voting right strategy; and
13) conflict of interest policy.

11. INVESTMENT RESTRICTIONS

Unless more restrictive rules are provided for in the investment policy of any specific Sub-Fund, each Sub-Fund shall comply with the investment restrictions detailed below.

The Board of Directors shall, based upon the principle of risk spreading, have power to determine the investment policy of each Sub-Fund, the Reference Currency and the course of conduct of the management and business affairs of the Company.

The investment policy of each Sub-Fund shall comply with the rules and restrictions laid down hereafter.

11.1. ELIGIBLE ASSETS

The Sub-Funds may only invest in one or more of the following:

a) transferable securities and money market instruments admitted to or dealt in on a Regulated Market;

b) transferable securities and money market instruments dealt in on another market in a Member State which operates regularly and is recognised and open to the public;

c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State or dealt in on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public provided that the choice of the stock exchange or market is located in a state which is not a member of the European Union: all the countries of Europe, Asia, Oceania, the American continents and Africa;

d) recently issued transferable securities and money market instruments, provided that:

   (i) the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another Regulated Market which operates regularly and is recognised and open to the public, provided that the choice of the stock exchange or the market has been foreseen in the Articles of the Company;

   (ii) such admission is secured within one (1) year of issue.

e) units/shares of UCITS authorised according to Directive 2009/65/EC and/or other UCIs within the meaning of the Article 1 paragraph (2) points a) and b) of the Directive 2009/65/EC, whether established or not in a Member State provided that:

   (i) such other UCIs are authorised under laws which provide that they are subject to a supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured. Such other UCIs must have been authorised under the laws of any Member State of the EU or under the laws of Norway, Switzerland, the United States of America, Guernsey or Jersey;

   (ii) the level of protection for unit-holders/shareholders in such other UCIs is equivalent to that provided for unit-holders/shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;

   (iii) the business of the other UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;

   (iv) no more than 10% of the UCITS' or other UCIs' assets, whose acquisition is contemplated, can, according to their management regulations or constitutional documents, be invested in aggregate in units/shares of other UCITS or other UCIs;

f) deposits with a credit institution which are repayable on demand or may be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is

situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in this Clause 11.1 a), b) and c) above and/or financial derivative instruments dealt in over-the-counter (**OTC Derivatives**), provided that:

(i) the underlying consists of instruments covered by this Clause 11.1, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives as stated in the Articles;

(ii) the counterparties to OTC Derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF;

(iii) the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

(iv) the exposure to the underlying assets does not exceed the investment restrictions set out in clause 11.6.2.

Under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objectives.

h) money market instruments other than those dealt in on a Regulated Market, as defined under Article 1 of the 2010 Law, if the issue or issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

(i) issued or guaranteed by a central, regional or local authority, or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

(ii) issued by an undertaking the securities of which are dealt in on regulated markets referred to in this Clause 11.1 a), b) or c) above, or

(iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or

(iv) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in this Clause 11.1, h) (i) (ii) and (iii) and provided that the issuer is a company whose capital and reserves amount at least to ten million Euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the Fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the

group finance or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

i) securities issued by one or several other Sub-Funds (the "**Target Sub-Fund**(s)", provided however that:

(i) the Target Sub-Fund does not, in turn invest in the Sub-Fund investing in the Target Sub-Fund; and

(ii) no more than 10% of the net assets of the Target Sub-Fund whose acquisition is contemplated may be invested in aggregate in Shares of other Target Sub-Funds of the Company; and

(iii) the voting right, if any, attached to the relevant securities shall be suspended as long as they are held by the Sub-Fund investing in the Target Sub-Fund, without prejudice to the appropriate processing in the accounts and the periodic reports; and

(iv) in any event, as long as these securities are held by the Company, their value shall not be taken into consideration for the calculation of the Net Asset Value of the Company for the purpose of verifying the minimum threshold of the net assets imposed by the 2010 Law; and

(v) there is no duplication of management/subscription or repurchase fees perceived at the level of the Sub-Fund investing in the Target Sub-Fund and this Target Sub-Fund.

11.2. ANCILLARY ELIGIBLE ASSETS

Each Sub-Fund may invest:

a) no more than 10% of its assets in transferable securities and money market instruments other than those referred to in Part I, Clause 11.1 a) to d) and h);

b) in cash and cash equivalent on an ancillary basis; except under exceptional and temporary circumstances if the Board of Directors considers this to be in the best interest of the Shareholders.

11.3. RESTRICTED TRANSACTIONS

A Sub-Fund may borrow up to 10% of its assets, provided that such borrowings (i) are made only on a temporary basis; or (ii) enable the acquisition of immovable property essential for the direct pursuit of the Company's business.

When authorized to borrow under (i) and (ii) above, such borrowing shall not exceed 15% of its assets in total.

Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

However, a Sub-Fund may acquire foreign currency by means of a back-to-back loan.

11.4. LIMITATIONS TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

11.4.1. A Sub-Fund may not purchase additional transferable securities and money market instruments of any single issuer if:

(i) upon such purchase more than 10% of its assets would consist of transferable securities or money market instruments of one single issuer; or

(ii) the total value of all transferable securities and money market instruments of issuers in each of which it invests more than 5% of its assets would exceed 40% of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

11.4.2. A Sub-Fund may invest on a cumulative basis up to 20% of its assets in transferable securities and money market instruments issued by the same Group of Companies.

11.4.3. The limit of 10% set forth above under this Clause 11.4.1(i) is increased to 35% in respect of transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by any another state or by a public international body of which one or more Member State(s) are member(s).

11.4.4. The limit of 10% set forth above under this Clause 11.4.1(i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public supervision in order to protect the holders of such qualifying debt securities. For the purposes hereof, "**Qualifying Debt Securities**" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its assets in Qualifying Debt Securities issued by such an issuer, the total value of such investments may not exceed 80% of the assets of such Sub-Fund.

11.4.5. The securities specified above under these Clauses 11.4.3 and 11.4.4 are not to be included for the purpose of computing the ceiling of 40% set forth above under this Clause 11.4.1 (ii).

11.4.6. Notwithstanding the ceilings set forth above, each Sub-Fund is authorized to invest, in accordance with the principle of risk spreading, up to 100% of its assets in transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by any other member state of the OECD and G20 or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the total assets of such Sub-Fund.

11.4.7. Without prejudice to the limits set forth hereunder under Part I, Clause 11.10, the limits set forth in Part I, Clause 11.4.1 are raised to a maximum of 20% for investments in stocks and/or debt securities issued by the same body when the aim of the Sub-

Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognized by the CSSF, on the following basis:

(i) the composition of the index is sufficiently diversified,
(ii) the index represents an adequate benchmark for the market to which it refers,
(iii) it is published in an appropriate manner.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

11.5. LIMITATIONS TO BANK DEPOSITS

The Company may not invest more than 20% of the net assets of any Sub-Fund in deposits made with the same body.

11.6. LIMITATIONS TO DERIVATIVE INSTRUMENTS

11.6.1. The risk exposure to a counterparty of the Company in an OTC Derivative transaction may not exceed 10% of the net assets of any Sub-Fund when the counterparty is a credit institution referred to in Part I Clause 11.1 f), or 5% of its net assets in the other cases.

11.6.2. Investment in financial derivative instruments shall only be made, and within the limits set forth in Part I, Clauses 11.4.2 , 11.4.5 and 11.9.2 , provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in Part I, Clauses 11.4.1 to 11.4.5, 11.5, 11.6.1 and 11.9.2 . When the Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits set forth in Part I, Clauses 11.4.1 to 11.4.5, 11.5, 11.6.1 and 11.9.2.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this Clause 11.6 as well as with the risk exposure and information requirements laid down in this Prospectus.

11.7. LIMITATIONS TO UNITS AND SHARES OF UCITS AND UCI

Any Sub-Fund of the Company may not invest more than 10% of its assets in units/shares of UCITS and/or other UCIs referred to in under Part I, Clause 11.1.e) unless provided for in the specific investment policy of a Sub-Fund in Part II.

For the purposes of applying this investment limit, each sub-fund of a UCI with multiple sub-funds, within the meaning of Article 181 of the 2010 Law, shall be considered as a separate entity, provided that the principle of segregation of commitments of the different sub-funds is ensured towards third parties.

When a UCITS has acquired units or shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combines for the purposes of the limits laid down in 11.4.1 to 11.4.5, 11.5, 11.6.1 and 11.9.2.

When the Company invests in the units/shares of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company to which it is linked by common management or control or by a direct or indirect substantial holding of the capital or of the voting rights, that management company or other company may not charge subscription or redemption fees on account of the Company's investment in the units/shares of other UCITS and/or UCI.

A Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs shall disclose in the Prospectus the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it intends to invest. In its annual financial report, the Company shall indicate the maximum proportion of asset management fee charged both to the Sub-Fund itself and to the UCITS and/or other UCIs in which it invests.

11.8. LIMITATIONS TO A FEEDER SUB-FUND

The Company or any of its Sub-Funds may be a feeder (the **Feeder**), within the meaning of the 2010 Law and invest as such in at least 85% of its assets in units or shares of another UCITS (or its sub-funds) (the **Master**), provided that the Master is not itself a Feeder and does not hold units or shares in a Feeder.

The Feeder may hold up to 15% of its assets in one or more of the following:

a) ancillary liquid assets in accordance with Clause 11.2 b);

b) financial derivative instruments, which may be used only for hedging purposes, in accordance with Part I, Clause 11.1g) and article 42, (2) and (3) of the 2010 Law;

c) movable and immovable property which is essential for the direct pursuit of the Company's business.

In such a case, a description of all remuneration and reimbursement of costs payable by the Feeder, by virtue of its investment in the Master, as well as of the aggregate charges of the Master and the Feeder shall be defined in Part II.

11.9. COMBINED LIMITS

11.9.1. Notwithstanding the individual limits laid down in Part I Clauses 11.4.1, 11.5, and 11.6.1, a Sub-Fund where this would lead to investing more than 20% of its assets in a single body shall not combine any of the following:

(i) investments in transferable securities or money market instruments issued by that body,
(ii) deposits made with that body and/or,
(iii) exposures arising from OTC Derivatives transactions undertaken with that body.

11.9.2. The limits set out in Part I, Clauses 11.4.1, 11.4.3, 11.4.4, 11.5, 11.6.1 and 11.9.1 above may not be combined, and thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments

made with this body carried out in accordance with Part I, Clauses 11.4.1, 11.4.3, 11.4.4, 11.5, 11.6.1 and 11.9.1 above may not exceed a total of 35% of the assets of each Sub-Fund.

11.10. LIMITATIONS ON CONTROL

11.10.1. The Company may not acquire such amount of shares carrying voting rights which would enable the Company to exercise legal or management control or a significant influence over the management of the issuer.

11.10.2. The Company, as a whole, may not acquire:

(i) more than 10% of the outstanding non-voting shares of the same issuer;
(ii) more than 10% of the outstanding debt securities of the same issuer;
(iii) more than 10% of the money market instruments of any single issuer; and
(iv) more than 25% of the outstanding shares or units of the same UCITS and/or UCI.

The limits set forth in this Clause 11.10.2 (ii) to (iv) above may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

11.10.3. The ceilings set forth above under these Clauses 11.10.1 and 11.10.2 do not apply in respect of:

(i) transferable securities and money market instruments issued or guaranteed by a Member State or by its public local authorities;
(ii) transferable securities and money market instruments issued or guaranteed by a State other than a member state of the European Union;
(iii) transferable securities and money market instruments issued by a public international body of which one or more EU member state(s) are member(s);
(iv) shares in the capital of a company which is incorporated under or organized pursuant to the laws of a non-EU member state provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investment policy the restrictions set forth under Part I, Clauses 11.4, 11.5, 11.6, 11.7 to 11.10.2; and
(v) Shares in the capital of subsidiary companies which, exclusively on behalf of the Company carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of Shares at the request of Shareholders.

11.11. PROHIBITED INVESTMENTS AND TRANSACTIONS

A Sub-Fund may not:

(i) acquire commodities or precious metals or certificates representative thereof.
(ii) invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;

(iii) issue warrants or other rights to subscribe for its Shares;
(iv) grant loans or guarantees in favour of a third party, but may invest in non-fully paid-up transferable securities, money market instruments or other financial instruments, as mentioned under Part I, Clause 11.1 (e), (g) and (h);
(v) enter into short sales of transferable securities, money market instruments or other financial instruments as listed under Part I, Clause 11.1 (e), (g) and (h).

11.12. EXCEPTIONS

Notwithstanding anything to the contrary herein contained:

The ceilings set forth above may be disregarded by a Sub-Fund when exercising subscription rights attaching to transferable securities and money market instruments which form part of its portfolio.

If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.

While ensuring observance of the principle of risk spreading, newly authorized Sub-Funds may derogate from Clauses 11.6, 11.5, 11.4, 11.4.6 and 11.7 for six (6) months following the date of their authorization.

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The Company may determine additional investment restrictions for a specific Sub-Fund in Part II or *inter alia* to comply with the laws and regulations of countries where Shares are offered or sold.

12. GLOBAL RISK EXPOSURE AND RISK MANAGEMENT

The Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions in its portfolios and their contribution to the overall risk profile of its portfolios.

In relation to financial derivative instruments the Company must employ a process (or processes) for accurate and independent assessment of the value of OTC derivatives and the Company shall ensure for each Sub-Fund that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.

The global risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Risks linked to the management of the collateral, such as operational and legal risks are identified, managed and mitigated by the risk management process.

In the framework of the risk management process, either the commitments approach, or relative or absolute “value-at-risk” approach (**VaR**) may be used to manage and measure the global risk exposure of each Sub-Fund. The choice of the approach used is based on the investment strategy

of each Sub-Fund and on the type and on the complexity of the financial derivative instruments in which the relevant Sub-Fund may invest, and also the proportion of financial derivative instruments held by the Sub-Fund.

The commitments approach measures the overall risk exposure linked to investment in financial derivative instruments and other investment techniques (taking into account the netting and hedging effects), which shall not exceed the Net Asset Value. Pursuant to this approach, each financial derivative instrument is in principle converted to the market value of an equivalent investment in the underlying asset to this financial derivative instrument.

The VaR measures the potential loss to a Sub-Fund due to market risk and is expressed as the maximum expected loss measured at a 99% confidence level over a twenty (20) business days' time horizon.

When using relative VaR, the calculated overall global risk exposure related to the whole portfolio investments of the relevant Sub-Fund does not exceed twice the VaR of the reference portfolio.

When using absolute VaR, the VaR of the relevant Sub-Fund is limited to a maximum of 20% of its Net Asset Value.

The method used to determine the overall global risk exposure and the reference portfolio for the Sub-Funds using the relative VaR approach are set out for each Sub-Fund in Part II.

The expected level of leverage for each Sub-Fund using VaR is indicated for each Sub-Fund in Part II. In certain circumstances, this level of leverage may however be exceeded. The method used for determining the expected level of leverage of these Sub-Funds is based on the sum of the notionals.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down in Part I, Clauses 11 and 0, in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Part I, Clause 11.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits laid down in Part I, Clauses 11.4.1 to 11.4.5, 11.5, 11.6.1 and 11.7.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this section.

Whenever risk management processes, adequate to perform the functions described above are employed on behalf of the Company by the Investment Manager in managing the Sub-Fund(s), they are deemed to be used by the Company.

13. INVESTMENT TECHNIQUES AND INSTRUMENTS

The Company may use financial techniques and instruments relating to transferable securities and other financial liquid assets for efficient portfolio management, investment, hedging or other risk management purposes. The use of certain financial derivative instruments (such as total

return swaps) and efficient portfolio management techniques is regulated by the CSSF Circular 08/356 and the CSSF Circular 13/559 amended by the CSSF Circular 14/592 relating to the ESMA Guidelines on ETFs and other UCITS issues.

The attention of Investors is drawn to the risks linked to such derivative transactions and portfolio management techniques which are described in Part I, Clause 14.

13.1. DERIVATIVES TRANSACTIONS

The financial derivative instruments may include, among others, options, warrants, forward contracts on financial instruments and options on such contracts as well as swap options and swap contracts by private agreement on any type of eligible instrument(s). Such derivative financial instruments must be dealt on an organised market or contracted by private agreement with first class institutions specialised in this type of transaction. Throughout this Clause and others that refer to derivatives, privately negotiated or non-exchange traded derivatives are referred to as being "over-the-counter" (**OTC**).

When a Sub-Fund invests in a total return swap or other financial derivative instrument with similar characteristics, the underlying assets and investment strategies to which exposure will be gained are described in the relevant Sub-Fund's investment objective and policy set out in Part II.

Under no circumstances may the use of financial derivative instruments causes a Sub-Fund to deviate from its investment objectives set out in Part II.

13.2. EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

Each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks (i) engage in securities lending transactions and (ii) enter into, either as purchaser or seller, optional as well as non-optional repurchase transactions and. Such management techniques should in no event result in a change of the declared investment objectives of the Sub-Funds or add substantial supplementary risks in comparison to the original risk policy of the Sub-Funds.

The Company, through its Management Company, conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or securities lending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment process, and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted without delay.

All the revenues arising from the use of Efficient Portfolio Management, net of direct and indirect operational costs, will be returned to the Company. In particular, fees and costs may be paid to agents of the Company and other intermediaries providing services in connection with Efficient Portfolio Management techniques as normal compensation for their services. Such fees may be calculated as a percentage of gross revenues earned by a Sub-Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect as well as the identity of the entities to which such costs and fees are paid – as well as any relationship they may have with the Depositary Bank or the Investment Manager – will be

available in the annual report of the Company.

13.2.1. **Securities Lending and Borrowing**

The Company may engage in securities lending transactions either directly or through a standardised lending system organised by a recognised clearing institution or by a financial institution specialising in this type of transaction and subject to prudential supervision rules which are considered by the CSSF as equivalent to those provided by EU law, in exchange for a securities lending fee. The Company must be able to recall any security lent or to terminate the securities lending agreement.

The Company may pay fees to third parties for services in arranging such loans, as such persons may or may not be affiliated with the Company, or any investment manager as permitted by applicable securities and banking law. Information relating to the identity of these third parties and to the revenues arising from and the direct and indirect operational costs and fees incurred in relation to securities lending transactions shall be disclosed in the annual reports of the Company.

13.2.2. **Repurchase Agreements and Reverse Repurchase Agreements**

The Company may enter into repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

The Company can act either as purchaser or seller in repurchase agreement transactions or a series of continuing repurchase transactions, subject however to the following rules:

1) the counterparty in such transactions is a first class financial institution specialising in this type of transaction subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law;

2) during the life of a repurchase agreement contract, the Company cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired, except to the extent the Company has other means of coverage;

3) the Company shall ensure that it is able at any time (i) in respect of reverse repurchase agreement, to recall the full amount of cash or to terminate the agreement on either an accrued basis or mark to market basis; and (ii) in respect of repurchase agreement to recall the securities subject to the agreement or to terminate the repurchase agreement; and

4) as the Company is exposed to redemptions of its own Shares, it must ensure that the level of its exposure to repurchase agreement transactions enable it, at all times, to meet its redemption obligations.

13.3. COLLATERAL POLICY FOR OTC DERIVATIVE TRANSACTIONS AND EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

To limit the counterparty risks linked to OTC Derivatives transactions and efficient portfolio

management techniques, the Sub-Funds must require that their counterparties grant and maintain during the lifetime of the transaction, collateral which complies with the requirement of this Clause 13.3.

13.3.1. **Level and valuation of collateral**

Level: The collateral received by a Sub-Fund must represent at any time, during the lifetime of the agreement, 100 % of the total value of the securities lent or sold under repurchase agreement or OTC Derivatives transactions.

Valuation: The amount of collateral received is valued daily to ensure that this level is maintained. The valuation of collateral is based on the available stock market prices taking into account the appropriate haircut applied by the Company (see Part I, Clause 13.3.3).

13.3.2. **Permitted collateral**

The assets eligible as collateral are (i) liquid assets, (ii) bonds issued by supranational issuers and agencies rated at least AA by Standard & Poor's (**S&P**) or the equivalent (iii) sovereign bonds issued by OECD member states rated at least A by S&P or the equivalent, (iv) corporate bonds rated at least A by S&P or the equivalent.

In addition, collateral received should meet the following criteria:

Liquidity: Collateral must be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.

Issuer credit quality: Collateral received should be of high quality.

Non-correlation: should be issued by an entity independent from the counterparty and should not display a high correlation with the performance of the counterparty.

Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers. In particular, it should no expose a Sub-Fund to a given issuer for more than 20% of its Net Asset Value. For this calculation, the Sub-Fund should aggregate all collateral received from all counterparties.

Full ownership: Collateral received in full ownership, by transfer of title, should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Enforceability: Collateral received must be enforceable by the Sub-Funds at any time without reference to or approval from the counterparty.

13.3.3. **Haircut policy**

The Management Company has set up a haircut policy adapted to the characteristics of the class of assets received as collateral, such as the credit standing, the price volatility, the outcome of the stress tests performed (if any).

The following haircuts are applied by the Sub-Funds to the eligible assets received as collateral:

Eligible collateral	**Haircut**
Cash and liquid assets	0%
Bonds issued by supranational issuers and agencies (≥ AA)	3%
Bonds issued by OECD member states (≥ BBB)	3%
Corporate bonds (≥ A)	5%

13.4. COLLATERAL REINVESTMENT POLICY

Non cash collateral received by the Sub-Funds should not be sold, re-invested or pledged.

Reinvestments of cash collateral received by the Sub-Funds may only be:

(i) placed on deposit with credit institutions having their registered office (x) in a Member State or (y) in a third country, provided that they are subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(ii) invested in high-quality government bonds;

(iii) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;

(iv) invested in short-term money market funds, as defined in the CESR's (former ESMA) guidelines on a common definition of European Money Market Fund of 19 May 2010.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral referred to in Part I, Clause 13.3.2.

Risks arising from the reinvestment of cash collateral are listed in Part I, Clause 14.

14. RISK FACTORS

As the portfolio of each Sub-Fund is subject to market fluctuations and to the risks inherent in any investment, Share prices may vary as a result and the Company cannot give any guarantee that its objectives will be achieved.

14.1. INVESTMENTS IN EMERGING AND EASTERN EUROPEAN COUNTRIES

Potential social, political and economic instability of some of the emerging and Eastern European countries in which certain Sub-Funds intend to invest in, could impact the value and liquidity of the investments of these Sub-Funds. Furthermore, investments in some countries may be subject to currency risk as currencies have often experienced periods of weakness or repeated devaluations.

In addition to the above generic risks to all emerging and Eastern European countries, there are specific risks linked to investing in Eastern Europe and Russia. These risks are outlined more

specifically in relation to Russia hereafter. The Russian market presents specific risks in relation to the settlement and safekeeping of securities as well as in the registration of assets, where registrars are not always subject to effective government supervision. Russian securities are not on physical deposit with the Depositary or its local agents in Russia. Therefore, neither the Depositary nor its local agents in Russia can be considered as performing a physical safekeeping or custody function in the traditional sense. The Depositary's liability only extends to its own negligence and wilful default and to negligence or wilful misconduct of its local agents in Russia and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses the Company will have to pursue its rights directly against the issuer and/or its appointed registrar.

Currently certain markets in Russia and other Eastern European countries do not qualify as Regulated Markets under the investment restrictions and therefore, investments in securities dealt on such markets are subject to the 10% limit set forth in Part I, Clause 11. Russian Trading System Stock Exchange (RTS Stock Exchange) and Moscow Interbank Currency Exchange (MICEX) can be considered as Regulated Markets. Accordingly, the 10% limit generally applicable to securities which are listed or traded on markets in Russia will not apply to investments in securities listed or traded on the RTS Stock Exchange or MICEX. However, the risk warnings regarding investments in Russia will continue to apply to all investments in Russia.

14.2. VALUE OF SHARES

The value of Shares and the return derived from them can fluctuate. Furthermore, investors should be aware that redemptions of Shares may be subject to limitations or suspension in certain circumstances described in Part I, Clause 4.3.

14.3. POTENTIAL CONFLICTS OF INTEREST

In the course of their business, the Investment Manager, the Investment Adviser and Sub-Investment Manager(s) may have potential conflicts of interest with the Company. They may, for example, make investments for other clients (including other investment funds they manage or advise) or on their own behalf without making the same available to the Company. They will, in such event, have regard to their obligations under the agreements pursuant to which they are appointed and, in particular, to their obligations to act in the best interests of the Company, so far as practicable having regard to their obligations to other clients when undertaking any investments where potential conflicts of interest may arise.

The Investment Manager will not, in relation to any investment or proposed investment of the Company, deal with the Company as principal or representative, except in circumstances where it is able to show that the terms of the operation are no less beneficial to the Company than they would be according to the “at arm’s length” principle, or, if the circumstances do not make it practicable to show that, where the Board of Directors gives its consent.

14.4. FRONTIER MARKETS RISK

Investments in emerging market countries involve special risks, including currency fluctuations and economic and political uncertainties, in addition to those associated with these markets’ smaller size, lesser liquidity and lack of established legal, political, business and social frameworks to support securities markets. Frontier markets are even smaller, less developed and less accessible emerging markets and involve additional risks.

14.5. RISKS CONNECTED WITH THE USE OF DERIVATIVES

The prudent use of derivatives can yield advantages. However, derivatives can also entail risks that are different, and in some cases higher, than those associated with more conventional investments. These risks include:

(i) **market risk**, which applies to all forms of investment;

(ii) **management risk**, as the use of derivatives not only requires an understanding of the underlying instrument but also of the derivative itself, without it being possible at the same time to monitor derivative performance under all possible market conditions;

(iii) **risk of default**, if the other party to a derivative transaction fails to respect the terms and conditions of the relevant contract. The risk of default in the case of derivatives traded on an exchange is generally lower than the risk associated with derivatives that are traded over-the-counter on the open market because the clearing agents who assume the function of issuer or counterparty in relation to each derivative traded on an exchange assume a performance guarantee. To reduce the overall risk of default, such guarantee is supported by a daily payment system (i.e. cover requirements) maintained by the clearing agent. In the case of derivatives traded over-the-counter on the open market, there is no comparable clearing agent guarantee and in assessing the potential risk of default, the Company must take into account the creditworthiness of each counterparty;

(iv) **liquidity risks** as it is difficult to buy or sell certain instruments. When derivative transactions are particularly large, or the corresponding market is illiquid (as is the case with many derivatives traded over-the-counter on the open market), it might not be possible to execute a transaction or liquidate a position at an attractive price;

(v) **volatility risk,** the prices of derivative instruments are highly volatile. Price movements of forward contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies;

(i) **risk of valuation**, in particular of incorrectly valuing or determining the price of derivatives and that the derivatives fail to correlate perfectly with the underlying assets, interest rates and indices. Many derivatives are complex and frequently valued subjectively. Inappropriate valuations can result in higher cash payment requirements in relation to counterparties or in a loss of value for the Company. There is not always a direct or parallel relationship between a derivative and the value of the assets, interest rates or indices from which it is derived. For these reasons, the use of derivatives by the Company is not always an effective means of attaining the Company's investment objective and can at times even have the opposite effect; and

(vi) **legal risk,** the use of OTC derivatives, such as forward contracts, swap agreements and contracts for difference, will expose the Sub-Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

14.6. FOREIGN EXCHANGE CONTRACTS

Where the Sub-Funds utilize derivatives which alter the currency exposure characteristics of transferable securities held by the Sub-Funds, the performance of the Sub-Funds may be strongly influenced by movements in foreign exchange rates because currency positions held by the Sub-Funds may not correspond with the securities positions held.

14.7. FUTURES TRADING

The ability to use futures may be limited by market conditions, regulatory limits and tax considerations. The use of futures involves certain special risks, including (i) dependence on the Investment Manager(s)' ability to predict movements in the price of interest rates, securities and currency markets; (ii) imperfect correlation between movements in the securities or currency on which a futures contract is based and movements in the securities or currencies; (iii) the absence of liquid market for any particular instrument at any particular time.

14.8. RISKS OF SWAP TRANSACTIONS

Swap transactions are subject to the risk that the swap counterparty may default on its obligations. If such a default were to occur the Sub-Funds would, however, have contractual remedies pursuant to the relevant OTC swap transaction. Investors should be aware that such remedies may be subject to bankruptcy and insolvency laws which could affect a Sub-Fund's rights as a creditor and as a result a Sub-Fund may for example not receive the net amount of payments that it contractually is entitled to receive on termination of the OTC swap transaction where the swap counterparty is insolvent or otherwise unable to pay the amount due. The net counterparty risk exposure each Sub-Fund may have with respect to a single swap counterparty, expressed as a percentage (the "Percentage Exposure") (i) is calculated by reference to this Sub-Fund's Net Asset Value, (ii) may take into account certain mitigating techniques (such as remittance of collateral) and (iii) cannot exceed 5 percent or 10 percent depending on the status of the swap counterparty, in accordance with and pursuant to the 2010 Law (please refer to paragraph 11.6.1 of the section "Limitations to Derivative Instruments" for more details on the maximum Percentage Exposure).Investors should nevertheless be aware that the actual loss suffered as a result of a swap counterparty's default may exceed the amount equal to the product of the Percentage Exposure multiplied by the Net Asset Value, even where arrangements have been taken to reduce the Percentage Exposure to nil. As a matter of illustration, there is a risk that the realised value of collateral received by a Sub-Fund may prove less than the value of the same collateral which was taken into account as an element to calculate the Percentage Exposure, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral or the illiquidity of the market in which the collateral is traded. Any potential investor should therefore understand and evaluate the swap counterparty credit risk prior to making any investment.

14.9. OPERATIONAL RISKS

The Company's operations (including investment management, distribution and collateral management) are carried out by several service providers some of whom are described in the section headed "Management and Other Service Providers". In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

14.10. LIQUIDITY RISKS

Certain types of securities may be more difficult to buy or sell than others, particularly during adverse market conditions, which may affect their value. The fact that the Shares may be listed on a stock exchange is not an assurance of liquidity in the Shares.

14.11. COUNTERPARTY RISK

Cash held by a counterparty pursuant to an agreement may not be treated as client money subject to the protection conferred by the local rules and accordingly may not be segregated and thus be used by the counterparty. The relevant Sub-Fund may therefore rank as an unsecured creditor in relation thereto.

A Sub-Fund may also be exposed to a credit risk on the counterparties with which it trades in relation to non-exchange traded futures, options, contracts for differences and swaps. Non-exchange traded futures, options, contracts for differences and swaps are agreements specifically tailored to the needs of an individual investor that enable the user to structure precisely the date, market level and amount of a given position. Non-exchange traded futures, options, contracts for differences and swaps are not afforded the same protections as may apply to participants trading futures, options, contracts for differences or swaps on organized exchanges, such as the performance guarantee of an exchange clearing house. The counterparty for these agreements will be the specific company or firm involved in the transaction, rather than a recognized exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which the Compartment trades such options or contracts for differences could result in substantial losses to the Sub-Fund.

Finally, a Sub-Fund may also be exposed to a credit risk on counterparties with whom it trades securities, and may bear the risk of settlement default.

14.12. DEPOSITARY RISKS

A substantial part of the Company's assets as well as the assets pledged in favour of the Company are held in custody by the Depositary or, as the case may be, third party custodians and sub-custodians. This exposes the Company to a custody risk. This means that the Company is exposed to the risk of loss of these assets as a result of insolvency, negligence or fraudulent trading by the Depositary and these third parties.

14.13. LEGAL AND REGULATORY RISKS

The Company must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the investment restrictions, which might require a change in the investment policy and objectives followed by a Sub-Fund, which may affect Sub-Fund's assets value and/or liquidity.

14.14. RISKS LINKED TO SECURITIES LENDING AND REPURCHASE AGREEMENTS

There is no assurance that a Sub-Fund will achieve the objective for which it entered into securities lending or repurchase agreement transaction.

In relation to repurchase transactions, investors must notably be aware that:

(ii) in the event of the failure of the counterparty with which cash of a Sub-Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded;

(iii) (x) locking cash in transactions of excessive size or duration, (y) delays in recovering cash placed out, or (z) difficulty in realising collateral may restrict the ability of the Sub-Fund to meet redemption requests, security purchases or, more generally, reinvestment; and

(iv) repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with optional or forward derivative financial instruments. The prices of derivative instruments are highly volatile.

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner and/or at a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially. This risk is increased when a Sub-Fund's loans are concentrated with a single or limited number of borrowers. Investors must notably be aware that (i) if the borrower of securities lent by a Sub-Fund fail to return these, there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; and that (ii) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales or payment obligations arising from redemption requests.

14.15. RISKS OF COLLATERAL REINVESTMENT

The Company may reinvest the cash collateral received in connection with efficient management portfolio techniques and OTC Derivative transactions. Reinvestment of cash collateral involves risks associated with the type of investments made. The Company may also incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received from the counterparty. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Company to the relevant counterparty. The Company would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Company. Reinvestment of cash collateral may create a leverage effect which will be taken into account for the calculation of the Company's global exposure.

14.16. RISKS OF INVESTING IN INVESTMENT FUNDS

14.16.1. Investment management fees

When investing in Shares, the Company may in turn invest in securities issued by investment funds. In such case, Shareholders will incur the costs for investment management services and the fees and expenses paid by the Company to its service providers, as well as fees and expenses paid by the investment funds to their service providers. These costs may in aggregate be higher than if the Sub-Fund had invested directly in equity and debt securities. Where investment funds

invest in other collective investment vehicles, there may be further levels of fees and expenses. This will however not apply should any Sub-Fund invest in investment funds, managed by the Investment Manager(s) of the Company.

14.16.2. **Valuation Risk**

The method by which the Net Asset Value per Share of each Class in each Sub-Fund is calculated assumes that the Company is able to value its holdings in investment funds. In valuing those holdings, the Company will need to rely on financial information provided by external sources including the investment funds themselves. Independent valuation sources such as exchange listing may not be readily available for investment funds.

The holdings in investment funds are valued on the basis of the last official net asset value of the underlying investment funds known at the time of calculating the Net Asset Value, which may not necessarily correspond with the actual net asset value on the relevant date. However, the Company shall not make retroactive adjustments in the Net Asset Value previously used for subscriptions, conversions and redemptions. Such transactions are final and binding notwithstanding any different later determinations (save in exceptional circumstances as provided for in the Articles).

14.16.3. **Currency Risk**

The rate of exchange between various currencies is a direct consequence of supply and demand factors as well as relative interest rates in each country, which are in turn materially influenced by inflation and the general outlook for economic growth. The investment return, expressed in the investor's domestic currency terms, may be positively or negatively impacted by the relative movement in the exchange rate of the investor's domestic currency unit and the currency units in which the Sub-Fund's investments are made. Investors are reminded that the Sub-Fund may have multiple currency exposure.

14.16.4. **Hedging Risk**

The Investment Manager(s) may, if set out in Part II enter into certain transactions using futures, forwards or other exchange-traded or over-the-counter instruments or by the purchasing of securities (Hedging Transactions) to hedge the Sub-Fund's exposure to foreign exchange risk where Classes of Shares are denominated in a currency other than the Reference Currency and/or certain other exposures including the risk of the value of a Class of Shares, or any increase thereto, being reduced by inflation in the underlying currency of the relevant Class of Shares.

Hedging transactions, while potentially reducing the risk of currency and inflation exposure which a Class of Shares may otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty. There is no guarantee that a Hedging Transaction will fully protect a Class of Shares against foreign exchange and/or inflation risks.

14.16.5. **Fluctuating Market Values**

The market value of an investment represented by an investment fund in which the Sub-Funds invest, may be affected by fluctuations in the currency of the country where such investment fund invests, by foreign exchange rules, or by the application of the various tax laws of the relevant countries (including

withholding taxes), government changes or variations of the monetary and economic policy of the relevant countries.

14.17. SFDR

In accordance with SFDR, the Company shall include in its Prospectus, where relevant, in respect of each particular Sub-Fund, a description of the manner in which Sustainability Risks are integrated into their investment decisions and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the financial products they make available. Therefore, the Management Company has categorized each Sub-Fund in accordance with SFDR, as further specified in the relevant special section under the heading “SFDR Considerations”.

PART II – SUB-FUND DETAILS

The Company is designed to give Investors the flexibility to choose between investment portfolios with differing investment objectives and levels of risk.

The following Sub-Funds are currently outstanding:

1. LS FUND - NORTHERN STAR GLOBAL DYNAMIC OPPORTUNITIES 10+, and

The specific investment objectives and policies of the different LS FUND's Sub-Funds are the following:

1. NORTHERN STAR GLOBAL DYNAMIC OPPORTUNITIES 10+

1.1. INVESTMENT OBJECTIVE

This Sub-Fund has an absolute return target aiming to generate a positive return of 10% annualized on invested capital over the period of a business cycle (3 – 7 years) by shifting among asset classes and by selecting appropriate investments whereas the timing of the investments is a crucial factor. However, there is no guarantee that this target is reached or that there will be a positive return over any given time frame.

1.2. INVESTMENT POLICY

To achieve these objectives, the Sub-Fund invests mainly in a diversified manner in any region of the world, including emerging markets and frontier markets, without being restricted to a specific region or industry in:

(i) equities or equity related securities;
(ii) fixed income securities
(iii) floating-rate instruments;
(iv) Exchange Traded Funds (ETF);
(v) structured products (volatility linked products and currencies or currency linked products).

The Investment Manager invests mainly with a top-down approach with a focus on the selection of the asset class and the geographical region. Therefore, investment funds might be a substantial part of the portfolio. The selection of investments based on themes is an important factor in the bottom-up investment process and complements the top-down investment approach.

The Sub-Fund also intends from time to time to utilize the developments on the international natural resources and commodity markets up to 20% of the Sub-Fund's assets. Such exposure will be realized through ETF and ETC.

The Sub-Fund may hold on an ancillary basis cash and cash equivalents. In this respect, time deposits in depository institutions and money market instruments which are regularly negotiated and which have a residual maturity of twelve (12) months or less from the acquisition date shall be deemed to be cash equivalents. Furthermore, in exceptional circumstances, when market conditions so require, the Sub-Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the Shareholders.

Contrary to Part I, Clause 11.7, The Sub-Fund may invest more than 10% of its net assets

in units/shares of other UCITS or UCIs including money market funds. This may entail a double payment of fees (such as subscriptions and redemptions fees, management fees…). The total management fee calculated based on actual management fees costs paid on behalf of fund holdings may vary up to 3% of their respective net assets.

The Sub-Fund may use financial derivative instruments for investment purposes, hedging and/or efficient portfolio management (see Part I, Clause 13). The Sub-Fund does however not undertake any securities lending, repurchase/reverse repurchase operations, nor does it invest in total return swaps as described in Clause 13.

1.3. INVESTMENT MANAGER

The Management Company has appointed Northern Star Partners Oy as Investment Manager of the Sub-Fund, in accordance with an investment management agreement dated 6 December, 2016 made for an unlimited duration.

Northern Star Partners Oy is an investment management company based in Eteläranta 8, Helsinki, 00130, Finland, owned by highly experienced portfolio managers and licensed by the Finnish Financial Supervision Authority on 22nd May 2015. The license grants Northern Star Partners Oy the right to manage collective investment schemes (i.e. investment funds, including UCITS funds) and provides an authorization to provide portfolio management services on a discretionary client-by-client basis in accordance with mandates given by clients. Northern Star Partners Oy specializes in active asset management and strategic partnerships with institutional clients. Northern Star Partners Oy is pioneering in dynamic multi-asset solutions and investment practices in worldwide emerging and frontier markets.

The Investment Manager may appoint one or more Investment Advisors, in which case this section shall be completed by the identity of the Investment Advisor(s) so appointed.

1.4. INITIAL SUBSCRIPTION PERIOD AND INITIAL ISSUE PRICE

Initial subscription period of the Sub-Fund has been from 28 November to 6 December 2011 at an initial subscription price of EUR 100,- per Share. The payment date of the initial subscription price was fixed at 6th of December 2011.

1.5. SUBSCRIPTIONS AFTER THE INITIAL SUBSCRIPTION PERIOD

Application applies on a weekly basis where subscription application may apply on each Wednesday or in case this is a Bank Holiday the following available Business Day, of each week and must be received by the Company no later than 1 p.m. Luxembourg time on the applicable Valuation Day.

The net asset value as of the applicable Valuation Day will be calculated on each Calculation Day as defined in Part II Clause 1.12 below.

Requests for subscription received after such deadline will be deferred to the next Valuation Day.

Payment procedure

Payment of the Subscription Price must be made in cleared funds on the fourth Business Day following the relevant Valuation Day.

Any taxes and duties levied in connection with the subscription of shares of the Company in certain countries (if any) shall be charged to the Shareholder concerned.

1.6. REDEMPTIONS

Redemption application applies on a weekly basis where redemption application may apply on each Wednesday, or in case this is a Bank Holiday the following available Business Day, of each week and must be received by the Company no later than 1:00 p.m. Luxembourg time two (2) Business Days before the applicable Valuation Day.

The net asset value as of the applicable Valuation Day will be calculated on each Calculation Day as defined in Part II, Clause 1.12 below.

Requests for redemptions received after such deadline will be deferred to the next Valuation Day.

Payment procedure

Payment of the Redemption Price must be made in cleared funds on the fifth Business Day from the relevant Valuation Day.

1.7. CONVERSIONS

Notwithstanding the provisions of Part I Clause 4.4, conversion applications in relation to the Shares of the Sub-Fund applies on a weekly basis, on each Wednesday, or in case this is a Bank Holiday the following available Business Day, and must be received by the Company no later than 1 p.m. Luxembourg time five (5) Business Days before the applicable Valuation Day.

Payment of the conversion price/ amount, if any, should be made in cleared funds on the fifth Business Day from the relevant Valuation Day.

1.8. CLASSES OF SHARES AND APPLICABLE FEES

Share Class	Subscription Fee	Redemption Fee	Dividend Policy	Minimum Holding Amount	Listing on LuxSE
A-Class EUR	Max. 1%	Max. 1%	Accumulation Shares	n/a	Yes
A-Class GBP	Max. 1%	Max. 1%	Accumulation Shares	n/a	No
A-Class SEK	Max. 1%	Max. 1%	Accumulation Shares	n/a	No
I-Class EUR	N/A	Max. 1%	Accumulation Shares	EUR 2,000,000	Yes
I-Class EUR (Dis)	N/A	Max. 1%	Distribution Shares	EUR 2,000,000	Yes
R-Class EUR	Max. 3%	Max. 1%	Accumulation	n/a	Yes

			Shares		

Fees Paid by the Sub-Fund / Classes of Shares to the Management Company and/or to the Service Providers[1]

Share Class	Investment Management Fee[2][3]	Management Company fee
A-Class EUR	1.5% p.a.	0.05% p.a. of the average NAV with a minimum of EUR 25,000.- p.a. for the Sub-Fund, paid on a quarterly basis
A-Class GBP		
A-Class SEK		
I-Class EUR	1% p.a.	
I-Class EUR (Dis)		
R-Class	2.5% p.a.	

The Company will pay to the Depositary, the Central Administration Agent and the Registrar and Transfer Agent annual fees which will vary up to a maximum of 0,5 % of the net asset value at the Company level subject to a minimum fee per sub-fund of EUR 34,850 and a minimum fee of EUR 24,000 at the Company level. These fees are payable on a monthly basis and do not include any transaction related fees, and costs of sub-custodians or similar agents. The Depositary, the Central Administration Agent as well as the Registrar and Transfer Agent are also entitled to be reimbursed of reasonable disbursements and out of pocket expenses which are not included in the above mentioned fees.

The amount paid by the Company to the Depositary, the Central Administration Agent and the Registrar and Transfer Agent will be mentioned in the annual report of the Company.

The Board of Directors may decide, in its own discretion, to create additional Share Classes.

1.9. PERFORMANCE FEE

The Investment Manager is entitled to Performance Fee.

If the Sub-Fund's NAV per Share of a given Sub-Fund appreciates during a given financial period (starting from the Sub-Fund's NAV per Share of a given Class as per the end of the preceding Financial Year) for more than Hurdle Rate, Investment Manager is entitled to receive 15 % of the excess increase of appreciation.

The performance fee will be payable if the Sub-Fund's NAV per Share at the end of the current performance fee calculation period has reached a value which is higher than the value at the same

[1] Without prejudice of the applicable Depositary fee, the Management Company specific service fees (see 2.2 of the general section), domiciliary fee, registrar and transfer agency fees, paying agency fees.

[2] Earned by the Management Company, unless a distinct Investment Manager is appointed.

[3] Without prejudice of the Performance fee under Clause 1.9 below).

time of the last performance fee payment, with the exception of crystallized performance fees, and at the same time has surpassed the Hurdle Rate (**High Water Mark system**).

The period for which such performance fee is calculated will be based on the Financial Year of the Sub-Fund. The performance fee will be payable on the outstanding Shares of the Sub-Fund at the end of the relevant Financial Year.

For the purpose of calculating the performance fee, the Sub-Fund's NAV per Share will be calculated by the Administrative Agent on the relevant day by determining the NAV of the Sub-Fund by the method outlined in Part I, Clause 8.1, divided by the number of Shares in issue on that day.

In case of subscription, the performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. To perform this adjustment, the performance of the NAV per Share against the reference NAV until the subscription date is not taken into account in the performance fee calculation. This adjustment amount is equal to the product of the number of subscribed Shares by the positive difference between the subscription price and the reference NAV adjusted by the Hurdle Rate at the date of the subscription. This cumulated adjustment amount is used in the performance fee calculation until the end of the relevant period and is adjusted in case of subsequent redemptions during the period.

If any Shares are redeemed or converted into Shares of another Sub-Fund during the calculation period, the cumulative performance fee accrued during the calculation period in respect of those Shares shall be crystallized and become payable to the Investment Manager even if no accrual for performance fees is done at the date of the payment. The payment of the crystallized performance fees will be made at the end of each quarter.

For distribution Shares, if a dividend was distributed during the relevant year, this dividend per Share is added to the current NAV per Share in order to determine the variation to be taken in consideration.

1.10. HURDLE RATE

The Investment Manager is entitled to a Performance Fee in the amount of 15% in excess of the performance of 8% annually, as Hurdle Rate.

1.11. REFERENCE CURRENCY

The Net Asset Value of this Sub-Fund is expressed in EUR.

1.12. NAV CALCULATION AND DEALINGS

The Net Asset Value of the Company's assets in the Sub-Fund is calculated each Business Day (**Calculation Day**), dated as of the preceding Business Day (**Valuation Day**), based on the closing prices as of such Valuation Day.

1.13. SPECIFIC RISK WARNING

Prospective Investors should consider, amongst others, the following factor before subscribing for Shares:

Investment in Underlying Funds: Investment in collective investment schemes may embed a duplication of the fees and expenses charged to the Company, i.e. setting-up, filing and domiciliation costs, subscription, redemption or conversion fees, management fees, custodian bank fees and other service providers' fees. The accumulation of these costs may entail higher costs and expenses than would have been charged to the Company if the latter had invested directly. The Company will however seek to avoid any irrational multiplication of costs and expenses to be borne by investors.

1.14. RISK PROFILE OF THE SUB-FUND

The objective of the Sub-Fund is to provide positive absolute returns in different environments over a business cycle. The Sub-Fund's assets are invested in equities (including emerging market and frontier market equities), commodity related investments, currencies, bonds and similar investments which means that Investors are exposed to stock market fluctuations, political risk, currency risk and the financial performance of the companies held in the Sub-Fund's portfolio. Special political instability and illiquidity related risks, which might mainly occur in emerging and frontier markets, can increase overall risks compared to more traditional equity related investing within developed markets. In addition, the investor is exposed to fluctuations in commodity markets, currency markets, bond markets and the financial markets in general. Therefore, Investors may see the value of their investment fall as well as rise on a daily basis, and they may get back less than they originally invested. However, the volatility of the Sub-Fund is limited by its diversification across a large number of companies, industry groups and different asset classes.

1.15. RISK PROFILE OF THE TYPICAL INVESTOR

Considering the investment objectives, as stated above, the Sub-Fund may appeal to investors looking to:

(i) achieve positive returns in different environments over a business cycle;
(ii) achieve capital growth;
(iii) make an investment for the medium to long term.

The value of a Share can decrease or increase and the investor may not get back the amount initially invested. The past performance of a Sub-fund is no indication for the future performance.

1.16. SFDR CONSIDERATIONS

Sustainability Risks within the meaning of SFDR, which could have a significant negative impact on the return of the Sub-Fund's investment, are not included in the investment decision-making process, including due diligence procedures, and are therefore not continuously assessed. This results from the investment strategy of the Sub-Fund. The expected impact of Sustainability Risks on the Sub-Fund's return is not considered relevant as the Sustainability Risks are not expected to have a material negative impact on the return or the performance of the Sub-Fund which is not significantly influenced. Furthermore, the adverse sustainability impacts of investment decisions on sustainability factors are not considered either due to the investment strategy of the Sub-Fund.

The Sub-Fund does not promote environmental or social characteristics (the so-called "Article 8 product" under SFDR), nor is it classified as a product that has sustainable investments as its

objective (the so-called “Article 9 product” under SFDR).

1.17. CALCULATION METHOD TO CALCULATE THE GLOBAL EXPOSURE

For the calculation of the global exposure in connection with the use of derivatives the Sub-Fund is using the commitment approach.