

# Probus Investment Fund UCITS

## Prospectus

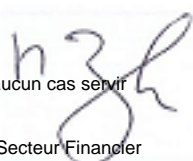
for an umbrella investment company with variable capital (*société d'investissement à capital variable*; SICAV) incorporated as public limited liability company (*société anonyme*) under part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended

SEPTEMBER 2023

The Board, whose Directors' names appear in this Prospectus, is responsible for the information contained in this document. To the best of the knowledge and belief of the Board (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

VISA 2023/174221-8621-0-PC

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2023-09-25  
Commission de Surveillance du Secteur Financier



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## **ADDITIONAL INFORMATION FOR QUALIFIED INVESTORS IN SWITZERLAND**

### **1. Distribution to Qualified Investors:**

The Sub-Funds of “Probus Investment Fund UCITS” have not been and shall not be approved by the Swiss Financial Market Supervisory Authority (“FINMA”) as a foreign collective investment scheme pursuant to Article 120 of the Swiss Collective Investment Schemes Act of 23 June 2006 (the “CISA”), as amended. Only the Sub-Funds “Saisei Japan Equity” and “Asean Equity” are intended for qualified investors in Switzerland as set out under Article 10 paragraph 3, 3bis and 3ter of the CISA as revised, and under Article 6 and 6a of the Swiss Federal Collective Investment Schemes Ordinance (“CISO”) (“Qualified Investors”). Recipients of the document in Switzerland should not pass it on to anyone without first consulting their legal or other appropriate professional adviser, or the representative in Switzerland.

### **2. Representative in Switzerland:**

The representative in Switzerland is Carnegie Fund Services SA (hereinafter the “Representative”), 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel.: + 41 (0)22 705 11 77, Fax: + 41 (0)22 705 11 79.

### **3. Paying Agent in Switzerland**

The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l’Ile, 1204 Geneva, Switzerland.

### **4. Location where the relevant documents may be obtained**

The Prospectus for Switzerland, the Key Information Documents, the Articles of Incorporation as well as the annual and semi-annual reports may be obtained free of charge from the Representative.

### **5. Payment of retrocessions and rebates**

#### **A. Retrocessions**

The Management Company or the Fund or their agents may pay retrocessions as remuneration for distribution activity in respect of fund units in Switzerland. This remuneration may be deemed payment for the following services in particular:

- a) Sales promotions and introductions with potential clients or the organization of road shows and/or fund fairs,
- b) assistance in making applications,
- c) providing investors with the Company’s documents.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

## **B. Rebates**

In the case of distribution activity in Switzerland, the Management Company or the Fund or their agents may pay, upon request, rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that:

- they are paid from fees received by the Management Company or the Fund or their agents and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.
- The objective criteria for the granting of rebates are as follows:
- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter;
- the total amount of fees to be paid by the investor;
- the investment behavior shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of an investor, the Management Company or the Fund or their agents must disclose the amounts of such rebates free of charge.

## **6. Place of performance and Place of jurisdiction**

In respect of the Shares distributed in Switzerland, the place of performance and jurisdiction is the registered office of the Representative.

## **INFORMATION ON DISTRIBUTION IN OR FROM THE DUBAI INTERNATIONAL FINANCIAL CENTRE**

The Prospectus is intended for distribution to persons who meet the regulatory criteria to be a classified as a "Professional Client", as specified in the regulation applicable in the DFSA, and must not, therefore, be delivered to, or relied on by, any other type of person.

This Prospectus relates to a fund which is not subject to any form of regulation or approval by the DFSA. The DFSA has no responsibility for reviewing the Prospectus or other documents in connection with the Company. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it.

The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective investors should conduct their own due diligence on the Shares.

If you do not understand the contents of this document you should consult an authorised financial adviser.

## 1. INTRODUCTION

- 1.1 All capitalized terms used in this Prospectus shall have the meanings given to them under the Section 3 unless the context requires otherwise.
- 1.2 This Prospectus includes information relating to the Company, an undertaking for collective investment in transferable securities under the Law of 2010. The Company has adopted an “umbrella structure”, which allows its capital to be divided into different portfolios of securities and other assets permitted by law with specific investment objectives and various risk or other characteristics (hereinafter referred to as the “**Sub-Funds**” and each a “**Sub-Fund**”). The Company may issue different classes of Shares which are related to specific Sub-Funds established within the Company.
- 1.3 Authorization does not imply approval by any Luxembourg authority of the content of this Prospectus or of any portfolio of securities held by the Company. Any representation to the contrary is unauthorized and unlawful. In particular, authorization of the Company by the CSSF does not constitute a warranty by the CSSF as to the performance of the Company and the CSSF shall not be liable for the performance or default of the Company.
- 1.4 The most recent Reports will be available at the registered office of the Company and will be sent to investors upon request. This Prospectus and the KIDs can also be obtained from the registered office of the Company.
- 1.5 Statements made in this Prospectus are, except where otherwise stated based on the law and practice currently in force in Luxembourg and are subject to changes therein.
- 1.6 No person has been authorized to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus and the Reports, and, if given or made, such information or representations must not be relied on as having been authorized by the Company.
- 1.7 The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons who come into possession of this Prospectus are required by the Company to inform themselves of, and to observe, any such restrictions and all applicable laws and regulations of any relevant jurisdictions. Potential subscribers or purchasers of Shares should also inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or sale of Shares. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.
- 1.8 The Company shall not offer, sell or delivered Shares to U.S. Person. Shares have not been and will not be registered under the U.S. Securities Act and the Company has not been and will not be registered under the U.S. Investment Company Act. Accordingly, Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to any U.S. Person or U.S. Taxpayer. If it comes

to the attention of the Company at any time that a U.S. Person unauthorized by the Company, either alone or in conjunction with any other person, owns Shares, the Company may compulsorily redeem such Shares.

- 1.9 This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, the English language will prevail, except to the extent (but only to the extent) required by the laws of any jurisdiction including the regulations or requirements of the financial regulator of such jurisdiction where the shares are sold, that in any action based upon disclosure in the Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail.
- 1.10 There can be no guarantee that the objectives of the Sub-Funds will be achieved.
- 1.11 The Sub-Funds' investments are subject to normal market fluctuations and the risks inherent in all investments and there can be no assurances that appreciation will occur. It will be the policy of the Sub-Funds to maintain a diversified portfolio of investments so as to minimize risk.
- 1.12 The investments of a Sub-Fund may be denominated in currencies other than the Reference Currency of that Sub-Fund. The value of those investments (when converted to the Reference Currency of that Sub-Fund) may fluctuate due to changes in exchange rates. The price of Shares and the income from them can go down as well as up and investors may not realize their initial investment.
- 1.13 Attention is drawn to the general risk factors described in Section 15 and the specific risk factors described in the relevant section dedicated to a Sub-Fund. Risk factors described in this Prospectus are not exhaustive.
- 1.14 Potential subscribers and purchasers of Shares should inform themselves as to
  - 1.14.1 Possible tax consequences;
  - 1.14.2 Legal requirements; and
  - 1.14.3 Any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding, switch and disposal of Shares.
- 1.15 If you are in any doubt about any of the contents in this Prospectus, you should consult your financial advisor. No person is authorized to give any information other than that contained in the Prospectus, or any of the documents referred to herein that are available for public inspection at the registered office of the Company.
- 1.16 Information on the listing of the Shares on the Luxembourg Stock Exchange, if applicable, is disclosed for each Sub-Fund in the relevant Appendix.
- 1.17 This Prospectus contains forward-looking statements, which provide current assumptions, expectations or forecasts of future events. Words such as "may", "expects", "future" and "intends", and similar expressions, may identify forward-



looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements include statements and assumptions about the Company's or a Sub-Fund's plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements are subject to known and unknown risks and uncertainties and inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Prospective Shareholders should not unduly rely on these forward-looking statements, which apply only as of the date of this Prospectus.

## 2. DIRECTORY

<p><b>Company's name and registered office</b></p> <p>Probus Investment Fund UCITS 12, rue Eugène Ruppert L - 2453 Luxembourg Grand Duchy of Luxembourg</p>	
<p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>- Philippe Toussaint, Luxembourg, Chairman of the Board <i>Allsaint Services S.à r.l.</i></li> <li>- Bernard Bonvin, Dubai, Director <i>Probus Middle East Ltd.</i></li> <li>- Kim Müller, Geneva, Director <i>Pleion S.A. and Probus Middle East Ltd.</i></li> <li>- Usman Basharat, Dubai, Director <i>Probus Middle East Ltd.</i></li> </ul>	
<p><b>Management Company</b></p> <p>Degroof Petercam Asset Services S.A. 12, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg</p>	<p><b>Investment Managers</b></p> <p><i>With respect to the High Conviction Equity, ASEAN Equity and India Equity Fund sub-funds:</i> Probus Middle East Limited Emirates Financial Towers, South Tower, Office 1101, DIFC, Dubai United Arab Emirates</p> <p><i>With respect to the Saisei Japan Equity sub-fund:</i> PLEION SA Rue François-Bonivard 12 CH-1201 Geneva</p>
<p><b>Depository and Paying Agent</b></p> <p>Banque Degroof Petercam Luxembourg S.A. 12, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg</p>	<p><b>Administrator, Domiciliation, Registrar and Transfer Agent</b></p> <p>Degroof Petercam Asset Services S.A. 12, rue Eugène Ruppert L-2453 Luxembourg Grand Duchy of Luxembourg</p>
<p><b>Auditor</b></p> <p>Ernst &amp; Young 35E, Avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg</p>	<p><b>Legal Adviser as to Luxembourg law</b></p> <p>Dechert (Luxembourg) LLP 1, Allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg</p>

### 3. GLOSSARY OF TERMS

3.1 This glossary is intended to help readers who may be unfamiliar with the terms used in this Prospectus. It is not intended to give definitions for legal purposes.

**Administrative Fee** means the remuneration to be paid to the Administrator in accordance with Section 21.13.

**Administrator** means Degroof Petercam Asset Services S.A. in its capacity as central administrator and domiciliation agent of the Company.

**Appendix** means an appendix to this Prospectus dedicated to a relevant Sub-Fund and which inter alia contains the specific terms and conditions of that Sub-Fund.

**Articles** means the articles of incorporation of the Company.

**Board** means the board of directors of the Company.

**Business Day** means unless otherwise provided for in the relevant Appendix, a day on which banks in Luxembourg are open for business and such other days as the Board may decide. Shareholders will be notified in advance of such other days according to the principle of equal treatment of Shareholders. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business. For Sub-Funds that invest a substantial amount of assets outside the European Union, the Board may also take into account whether relevant local exchanges are open, and may elect to treat such closures as non-business days.

**Circular 08/356** means CSSF Circular 08/356 on the rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to Transferable Securities and Money Market Instruments.

**Circular 14/592** means CSSF Circular 14/592 on ESMA guidelines on ETFs and other UCITS issues.

**Class or Share Class** means one class of Shares of no par value in a Sub-Fund.

**Company** means Probus Investment Fund UCITS, an open-ended investment company organized as a *société anonyme* under the laws of Luxembourg and which qualifies as a *société d'investissement à capital variable*.

**CRS** means Common Reporting Standard.

**DAC 6** means Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

**Data Protection Legislation** means the GDPR and any other applicable national laws and regulations.

**Dealing Deadline** means the time on any Valuation Day by which complete applications for subscription, redemption or switching must be received and approved by the Registrar and Transfer Agent to have the transaction effective as of, and thereby effected at the Net Asset Value for, that Valuation Day, as specified for each Sub-Fund in the relevant Appendix.

**Depository** means Banque Degroof Petercam Luxembourg S.A. in its capacity as depository under the Law of 2010.

**Depository and Paying Agency Agreement** means the agreement effective as of September 27<sup>th</sup>, 2017 entered into between the Company and the Depository.

**Depository and Paying Agency Fee** means the remuneration paid to the Depository in accordance with Section 21.11.

**Directors** means the members of the Board for the time being and any successors to such members as they may be appointed from time to time.

**Distributor** means any distributor, placing agent or any person from time to time appointed or authorized by the Management Company or its appointed delegate(s) to distribute or market Shares.

**Eligible Market** means a stock exchange or Regulated Market in one of the Eligible States.

**Eligible State** means, unless otherwise stated for a relevant Sub-Fund, any Member State or any other state in Eastern and Western Europe, Asia, Africa, Australia, North America, South America and Oceania.

**ESMA** means the European Securities and Markets Authority (formerly the Committee of European Securities Regulators).

**ESMA 2014/937** means ESMA Guidelines and Recommendations 2014/937 dated 1 August 2014 regarding Guidelines on ETFs and other UCITS issues.

**EU** means the European Union.

**EU Savings Directive** means Council Directive 2003/48/EC on the taxation of savings income, as amended.

**FATCA** means the U.S. Foreign Accounting Tax Compliance Act.

**FATF** means the Financial Action Task Force established by the G-7 Summit in Paris in July 1989 to examine measures to combat money laundering.

**FATF State** means such country (as shall be reviewed and) deemed from time to time by the FATF to comply with the FATF regulations and criteria necessary to become a member country of FATF and to have acceptable standards of anti-money laundering legislation.

**FDI** means a financial derivative instrument.

**GDPR** means the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

**Grand-Ducal Regulation of 2008** means the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010.

**Hedging Manager** means Degroof Petercam Asset Services in its capacity as hedging manager of certain Sub-Fund(s) of the Company.

**Hedging Management Agreement** means the agreement effective as of September 27<sup>th</sup>, 2017 entered into between the Company and the Hedging Manager.

**Hedging Management Fee** means the remuneration paid to the Hedging Manager in accordance with Section 21.15;

**Initial Offering Period** means the date or period during which Shares are offered for subscription as shall be specified by the Board for each Class within a Sub-Fund.

**Institutional Investor** means an institutional investor within the meaning of articles 174, 175 and 176 of the Law of 2010.

**Investment Managers** means Probus Middle East Limited and / or Pleion SA in their capacity as investment managers appointed by the Management Company for the account of the Company.

**Investment Management Agreement(s)** means (i) with respect to Probus Middle East Limited, the agreement effective since 1<sup>st</sup> December 2020 entered into the Management Company (and as amended from time to time) and the Company and (ii) with respect to Pleion SA, agreement effective as of 1st July 2023 entered into the Management Company and the Company.

**Investment Management Fee** means the investment management fee to be paid to the Investment Manager in accordance with Section 21.10.

**KID** means a key information document.

**Law of 2010** means the Luxembourg law dated 17 December 2010 concerning undertakings for collective investment, as may be amended from time to time.

**Management Company** means Degroof Petercam Asset Services S.A. in its capacity as a management company under the Law of 2010.

**Management Company Fee** means the remuneration paid to the Management Company in accordance with Section 21.6.

**Management Company Services Agreement** means the agreement effective as of 1<sup>st</sup> December 2020 entered into between the Company and the Management Company (hereinafter referred to as the “**Management Company Agreement**”).

**Member State** means a member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the European Union, within the limits set forth by this agreement and related acts are considered as equivalent to member states of the European Union.

**MiFID II** means the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, the Markets in Financial Instruments (MiFIR) Regulation (EU) No 600/2014 and any implementing legislation or regulation thereunder.

**Money Market Instruments** means money market instruments within the meaning of the Law of 2010 and the Grand-Ducal Regulation of 2008.

**Net Asset Value** means the net value of the assets less liabilities attributable to the Company or a Sub-Fund or a Class, as applicable, and calculated in accordance with the provisions of this Prospectus.

**OECD** means Organization for Economic Cooperation and Development.

**Other UCIs** means an undertaking for collective investment within the meaning of article 1, paragraph (2), points a) and b) of UCITS Directive.

**Paying Agent** means Banque Degroof Petercam Luxembourg S.A. in its capacity as paying agent.

**Prospectus** means the prospectus of the Company in accordance with the Law of 2010.

**Reference Currency** means the reference currency of the Company, each Sub-Fund and each Class as the context requires.

**Registrar and Transfer Agent** means Degroof Petercam Asset Services S.A. in its capacity as registrar and transfer agent.

**Regulated Market** means

- a regulated market within the meaning of article 4, item 1.21 of MiFID II;
- a market in a Member State which is regulated, operates regularly and is recognized and open to the public; or
- a stock exchange or market in a non-Member State which is regulated, operates regularly and is recognized and open to the public.

**Related UCIs** means undertakings for collective investment which are managed by the Investment Manager or other entities related to it by common management or control or by a significant direct or indirect investment.

**Reports** means the most recent annual and semi-annual reports of the Company, if any.

**RESA** means the *Recueil Electronique des Sociétés et Associations*.

**Rule 144A Securities** means securities that are not registered in the U.S. under the U.S. Securities Act, but that can be sold in the U.S. to certain qualified institutional buyers.

**Sale Fee** means any sale fee charged upon the issuance of Shares and which is determined in the Subscription Form within the limits set in the Prospectus.

**Section** means any section of this Prospectus.

**SFDR** means EU Regulation 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector.

**Shares** means shares of the Company, of any Sub-Fund or Class.

**Shareholders** means holders of Shares.

**Subscription Form** means the subscription form to be completed by an investor when contemplating to invest into the Company.

**Sub-Fund** means a separate sub-fund established and maintained in respect of one or more Classes to which the assets and liabilities and income and expenditure attributable or allocated to each such Class or Classes will be applied or charged.

**Sustainability Risks** means 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 investment.

**Taxonomy Regulation** means Regulation (EU) 202/852 on the establishment of a framework to facilitate sustainability investment and amending SFDR.

**TER** means the total expense ratio which is the ratio of the gross amount of the expenses of the relevant Sub-Fund to its average net assets (excluding transaction costs). The TER includes all the expenses levied on the assets of the relevant Sub-Fund which include, but are not limited to, advisory fees, Management Company Fees, Administrative Fee, Depositary and Paying Agency Fee, Directors' fees, registration costs, regulatory fees, audit fees, legal fees, registration fees, formation costs, translation costs, printing costs, publication costs and duties.

**Transferable Securities** means transferable securities within the meaning of the Law of 2010 and the Grand-Ducal Regulation of 2008.

**UCITS** means an undertaking for collective investment in transferable securities authorized pursuant to the UCITS Directive.

**UCITS Directive** means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as may be amended from time to time.

**United States** or **U.S.** means the United States of America, its territories and possessions and places subject to its jurisdiction, any state of the United States of America, the District of Columbia and the Commonwealth of Puerto Rico.

**U.S. Investment Company Act** means the U.S. Investment Company Act of 1940, as amended.

**U.S. Person** means for this purpose of this Prospectus

- any citizen or resident of the United States, or other persons or entities whose income is subject to U.S. federal income tax regardless of source; or
- any person that are considered to be U.S. persons pursuant to regulation S of the US Securities Act of 1933 and/or the U.S. Commodity Exchange Act, as amended.

**Valuation Day** means each day on which the Net Asset Value of the relevant Sub-Fund shall be dated, which, unless otherwise provided for in the relevant Appendix, shall be each Business Day.

- 3.2 All references herein to “€” and “EUR” are to the Euro, the official currency of the euro area. All references to “USD” are to United States Dollars, the lawful currency of the United States of America.
- 3.3 The descriptions in the main body of this Prospectus are generally applicable to all Sub-Funds. However, where different descriptions or exceptions appear in the Appendix of a Sub-Fund, the descriptions or exceptions in such Appendix shall prevail. Thus, it is advisable to carefully review the relevant Appendices together with the main body of the Prospectus.

#### **4. PRINCIPAL CHARACTERISTICS OF THE COMPANY**

- 4.1 The Company was incorporated as an exempted company under the laws of the Cayman Islands on 12 September 2001 and registered under number 112811 as a mutual fund with the Cayman Islands Monetary Authority pursuant to section 4(3) of the Cayman Islands Mutual Funds Law on 19 September 2001. By written resolutions of the Board of the Company adopted on 8 July 2015 and written special resolutions of the ordinary shareholder of the Company validly adopted on 8 July 2015, it was resolved to transfer the registered office, the principal establishment and the place of effective management of the Company from the Cayman Islands to the City of Luxembourg (Grand Duchy of Luxembourg) without the Company being dissolved but on the contrary with full corporate and legal continuance. All formalities required under the laws of the Cayman Islands to give effect to these resolutions were duly performed. The extraordinary general meeting of shareholders of 31 July 2015 held in front of public notary in Luxembourg converted the Company into an investment company with variable capital (*société d'investissement à capital variable*; SICAV) under part I of the Law of 2010 adopting the form of public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg. The minutes of the extraordinary general meeting of shareholders of 31 July 2015 were published in the Luxembourg official gazette on 12 September 2015. The Company is registered with the Luxembourg trade and companies' register under B 199306.
- 4.2 The Company was incorporated with an initial capital of EUR 31,000. The Shares subscribed for by the founding Shareholder(s) at the incorporation of the Company will normally be transferred to investors subscribing in the Initial Offering Period of the initial Sub-Fund(s). The capital of the Company shall be equal to the net assets of the Company. The minimum capital of the Company is EUR 1,250,000 and must be reached within 6 months from the date of the authorization of the Company (and may not be less than this amount thereafter).
- 4.3 The Company is authorized by the CSSF as a UCITS under the Law of 2010.
- 4.4 The Board shall maintain for each Sub-Fund a separate portfolio of assets. Each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. A Shareholder shall only be entitled to the assets and profits of that Sub-Fund in which it participates. The Company is considered as one single legal entity. With regard to third parties, including the Company's creditors, the Company will only be responsible for all liabilities incurred by a Sub-Fund exclusively based on the



assets of the relevant Sub-Fund. The liabilities of each Sub-Fund to its Shareholders are only incurred with respect to the relevant Sub-Fund.

- 4.5 The subscription proceeds of all Shares in a Sub-Fund are invested in one common underlying portfolio of investments. Each Share is, upon issue, entitled to participate equally in the assets of the Sub-Fund to which it relates on liquidation and in dividends and other distributions as declared for such Sub-Fund or Class. The Shares will carry no preferential or pre-emptive rights and each whole Share will be entitled to one vote at all meetings of Shareholders.

## **5. BOARD**

### **Directors' Functions**

- 5.1 The Directors are responsible for the overall management and control of the Company. The Directors will receive periodic reports from the Investment Manager detailing each Sub-Fund's performance and analyzing its investment portfolio. The Investment Manager will provide such other information as may be reasonably required by the Directors from time to time.

### **Directors**

- 5.2 Philippe Toussaint, Luxembourg, chairman of the Board,  
5.3 Bernard Bonvin, Dubai, Director,  
5.4 Kim Müller, Geneva, Director, and  
5.5 Usman Basharat, Dubai, Director.

## **6. MANAGEMENT AND INVESTMENT MANAGEMENT**

### **Management Company**

- 6.1 For the implementation of the investment policy of each Sub-Fund and the management of their assets, the administration and the marketing of the Fund, the Board of Directors has appointed a management company established under the Chapter 15 of the 2010 Law, Degroof Petercam Asset Services (the "Management Company"). For this purpose, the Fund and the Management Company have entered into a Management Company Agreement. The Management Company is responsible on a day-to-day basis, for providing administration, marketing and distribution, investment management and risk management services in respect of all the Sub-Funds and may delegate part or all of such functions to third parties.
- 6.2 The Management Company is a company incorporated in Luxembourg as a société anonyme on 20 December 2004. Its corporate capital amounts to EUR 2 million. Its registered office is at 12, rue Eugène Ruppert, L-2453 Luxembourg. Its articles of incorporation were modified on November 18, 2005, and were published in the "Mémorial C, Recueil des Sociétés et Associations" (the "Mémorial") N° 390, on February 22, 2006. The main purpose of the Management Company is the management of UCITS and other UCIs including the investment management, the administration and the marketing of UCITS and other UCIs.

- 6.3 The Management Company oversees compliance with the investment restrictions and oversees the implementation of the Company's strategies and investment policies. The Management Company reports to the Board on a periodic basis and is obligated to inform each Director without delay of any non-compliance by the Company with the investment restrictions.
- 6.4 For the purpose of a more efficient conduct of its duties, the Management Company may delegate to third parties, on its behalf and under its responsibility, the power to carry out one or more of its functions, in accordance with applicable laws and regulations of Luxembourg, as applicable and with the prior consent of the Fund. The delegated functions shall remain under the supervision and responsibility of the Management Company and the delegation shall not prevent the Management Company from acting, or the Fund from being managed, in the best interests of the investors. The delegation to third parties is subject to the prior approval of the CSSF. If one or more of the Management Company's functions are so delegated, it will be specified in the Prospectus. The Management Company, with the approval and upon recommendation of the Company, has delegated the investment management function to the Investment Manager and the distribution function, where applicable, to agents to market the shares of the Company.
- 6.5 Its management board is composed as follows:
- Mrs. Sylvie HURET
  - Mrs. Sandra REISER
  - Mr. Frank VAN EYLEN
  - Mr. Jérôme CASTAGNE
  - Mrs. France COLAS
- 6.6 Its supervisory board is composed as follows:
- Mrs Annemarie ARENS
  - Mr. Frédéric WAGNER
  - Mr. Peter DE COENSEL
- 6.7 Information regarding procedure on clients' complaints handling and a brief description of the strategy put in place by the Management Company for determining when and how voting rights attached to instruments held in the Fund's portfolio are to be exercised, may be consulted from the Management Company's website [www.dpas.lu](http://www.dpas.lu).
- 6.8 The Management Company applies a remuneration policy (the « Policy ») within the meaning of article 111bis of the Law of 2010 and in accordance with the principles laid down in article 111ter of the 2010 Law. The Policy aims among others to prevent risk taking which is incompatible with a sound and effective risk management, with the business strategy, the objectives, the values and the interests of the Management Company or the Fund, with the interests of the shareholders of the Fund, to avoid potential conflicts of interests and to decorrelate the decisions relating to control operations, from the performances obtained. The Policy includes an assessment of performance set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the long-term performance of the Fund and its

investment risks. The variable remuneration component is also based on a number of other qualitative and quantitative factors. The Policy contains an appropriate balance of fixed and variable components of the total remuneration

- 6.9 This Policy is adopted by the board of directors of the Management Company, who is also responsible for its implementation and supervision. The Policy applies to any kind of benefit paid by the Management Company, as well as to any amount paid directly by the Fund itself, including performance fees (if any), and to any transfer of shares of the Fund, made in favour of a category of staff covered by the Policy.
- 6.10 The general principles of the Policy are reviewed by the board of directors of the Management Company at least annually and are based on the size of the Management Company and/or on the size of the UCITS it manages.
- 6.11 The details of the up-to-date Policy are available on the website [www.dpas.lu](http://www.dpas.lu) (« Investor Information » section). A hard copy will be made available free of charge upon request.

### **Investment Managers**

- 6.12 The Management Company has appointed pursuant to the investment management agreement effective since 1<sup>st</sup> December 2020 (and as amended from time to time) Probus Middle East Limited with registered office at Emirates Financial Towers, South Tower, Office 1101, DIFC, Dubai, United Arab Emirates as the investment manager of the High Conviction Equity, ASEAN Equity and India Equity Fund sub-funds. Probus Middle East Limited is regulated by the Dubai Financial Services Authority (“DFSA”).
- 6.13 The Management Company has appointed pursuant to the investment management agreement effective as of 1st July 2023 Pleion SA with registered office at Rue François-Bonivard 12, CH-1201 Geneva as the investment manager of the Saisei Japan Equity sub-fund. Pleion SA is regulated by Swiss Financial Market Supervisory Authority FINMA.
- 6.14 The Investment Managers have received full authority to act on behalf of the Sub-Funds in all matters concerned with the daily management and affairs of the Sub-Fund’s portfolio they respectively manage. The Investment Managers will be liable and responsible towards the Management Company in accordance with the terms of the Investment Management Agreements and this Prospectus.

### **Investment Advisors**

- 6.15 The Investment Manager may benefit from the services of investment advisers, who may provide the Investment Manager with recommendations, opinions and advice regarding the choice of investments and the selection of securities to be included in the portfolio of the relevant sub-funds, in which case the particulars of these services (names and fees) will be recorded in the data sheet on the relevant sub-fund in the appendix to the Prospectus.

## 7. DEPOSITARY

- 7.1 Banque Degroof Petercam Luxembourg SA has been appointed as depositary of the Company (hereinafter the ‘Depositary’) within the meaning of article 33 of the Law of 2010.
- 7.2 Banque Degroof Petercam Luxembourg S.A. is a *société anonyme* incorporated under the laws of Luxembourg. It was incorporated in Luxembourg on 29 January 1987 for an indefinite term under the name of Banque Degroof Luxembourg S.A. Its registered office is located at 12 Rue Eugène Ruppert, L-2453 Luxembourg, and it has engaged in the banking business since its incorporation.
- 7.3 The Depositary performs its duties pursuant to a depositary agreement entered into on September 27<sup>th</sup>, 2017 for an indefinite term between Banque Degroof Petercam Luxembourg S.A. and the Company.
- 7.4 Pursuant to this agreement, Banque Degroof Petercam Luxembourg S.A. also acts as paying agent with respect to provide financial servicing (mainly dividend handling) for the Company’s shares.
- 7.5 The Depositary performs its duties and tasks as prescribed by Luxembourg laws and particularly the duties set out in articles 33 to 37 of the Law of 2010.
- 7.6 The Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Company and the investors of the Company.
- 7.7 The Depositary shall not carry out activities with regard to the Company or the Management Company on behalf of the Company that may create conflicts of interest between the Company, the shareholders and the Management Company. An interest is a source of a benefit of any kind whatsoever and a conflict of interest is a situation in which the interest of the Depositary during performance of its activities conflicts with the interest of the Company, the shareholders and/or the Management Company.
- 7.8 The Depositary may provide the Company, directly or indirectly, with a wide range of banking services in addition to the depositary services.
- 7.9 The provision of additional banking services, as well as the capital links between the Depositary and some service providers of the Company, may lead to potential conflicts of interests between the Depositary and the Company.
- 7.10 Situations that may give rise to a potential conflict of interest during performance of the Depositary’s activities may include the following:
- 7.10.1 The probability that the Depositary will make a financial gain or avoid a financial loss, at the Company’s expense;
  - 7.10.2 the Depositary’s interest while its performs its activities is not the same as the Company’s interest;
  - 7.10.3 financial or other reasons exist that might encourage the Depositary to act in the interest of a client rather than in the interest of the Company ;

- 7.10.4 the Depositary receives or will receive a benefit in connection with the performance of its activities, other than its usual fees, from a counterparty other than the Company.
  - 7.10.5 the Depositary also acts as central administration agent of the Company;
  - 7.10.6 the Depositary delegates the custody of financial instruments of the Company to a number of sub-custodians;
  - 7.10.7 the Depositary may provide additional banking services beyond the depositary services.
- 7.11 The Depositary may exercise such activity if it has separated, functionally and hierarchically, the performance of its Depositary tasks from its other potentially conflicting tasks, and whether potential conflict of interests are properly identified, managed, monitored and reported to the shareholders of the Company.
- 7.12 In order to identify, prevent and minimize conflicts of interest that may arise, the conflict of interest procedures and measures put in place by the Depositary include practical measures to ensure that if a conflict of interest arises the Depositary's interest is not unfairly prioritised.
- 7.13 Especially :
- 7.13.1 None of the staff of Banque Degroof Petercam Luxembourg S.A., performing or participating in the care, monitoring and/or adequate monitoring of cash flow can be a member of the Board of the Company.
- 7.14 Nevertheless, the Depositary may perform these activities provided it has put in place functional and organisational barriers to separate performance of its tasks as Depositary from its other potentially conflictual tasks, and the potential conflicts of interest are duly and properly identified, managed, monitored and disclosed to the Company shareholders.
- 7.15 The Depositary publishes on the following website, [www.degroofpetercam.lu](http://www.degroofpetercam.lu) (Home > Institutional Investor > UCI establishment and administration), the list of delegates and sub-delegates it uses.
- 7.16 The selection and monitoring process of sub-custodians is handled in accordance with the Law of 2010. The Depositary control the potential conflicts of interests that may arise with sub-delegates. Presently, the Depositary found no conflicts of interest with its sub-delegates.
- 7.17 When, despite the measures in place to identify, prevent and minimize conflicts of interest that may arise with the Depositary, such a conflict arises, the Depositary shall at all times comply with its legal and contractual obligations to the Company. If a conflict of interest was likely to significantly and adversely affect the Company or the shareholders of the Company and cannot be resolved, the Depositary shall duly inform the Company will take appropriate action.
- 7.18 Updated information relating to the Depositary may be obtained by shareholders upon request.

7.19 The rights and duties of Banque Degroof Petercam Luxembourg S.A. as Depositary are governed by an agreement entered into for an unlimited period of time and which may be terminated at any time by the Company or the Depositary on giving a three (3) months' prior written notice. However, the Depositary shall continue to act as Depositary pending replacement and until all assets of the Company have been transferred to the successor depositary.

## **8. ADMINISTRATION**

8.1 The Management Company is acting as Administrator of the Company - in such capacity it will be responsible for:

8.1.1 all administrative duties required by Luxembourg law, and in particular for the bookkeeping and the calculation of the Net Asset Value of any Class of Shares within each Sub-Fund, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

8.1.2 handling the processing of subscriptions for Shares, dealing with requests for redemptions and conversions and accepting transfers of funds, for the safekeeping of the register of shareholders of the Company, the delivery of Share certificates, if requested, the safekeeping of all non-issued Share certificates of the Company, for accepting Share certificates tendered for replacement, redemption or conversion, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

8.2 The rights and duties of the Administrator are governed by the Management Company Agreement which may be terminated at any time by the Management Company or the Company on giving a three (3) months' prior written notice.

## **9. DISTRIBUTORS**

### **General information**

9.1 Upon the consent and recommendation of the Company and in accordance with the Management Company Agreement, the Management Company will appoint one or more Distributors to market the Shares of different Sub-Funds. A Distributor may appoint one or more sub-distributors. Where sub-distributors are carrying out all or part of the investor identification and anti-money laundering process they may only do so if they are subject to investor identification and anti-money laundering rules of a FATF State.

9.2 A Distributor or sub-distributor is not entitled to accept, receive, forward or transfer any funds from and to investors. Payments will only be made between the investor and the Depositary and Paying Agent or any other duly appointed delegate.

9.3 The relevant Distributor or sub-distributor may offer to enter into arrangements with the relevant investors to provide nominee services to those investors in relation to the Shares or arrange for third party nominee service providers to provide such nominee services to the underlying investors.

9.4 A Distributor or a sub-distributor, with regards to the distribution of certain Classes may be entitled to a distribution fee payable by the Management Company or the

Company out of the assets of the relevant Sub-Fund, in which case this Prospectus will be amended accordingly. A Distributor may have the right, to reallocate such fee at its discretion, in whole or in part, to sub-distributors.

## **10. EXTERNAL AUDITOR**

The Company has appointed Ernst & Young as external auditor.

## **11. INVESTMENT OBJECTIVES AND POLICIES**

11.1 The purpose of the Company is to offer investors the ability to invest in a range of Sub-Funds representing a selection of markets and a variety of investments.

11.2 The investment objectives and policies of each Sub-Fund are set out in the relevant Appendix.

11.3 The Company may, in its discretion, alter investment objectives and policies provided that any material change in investment objectives and policies is notified to Shareholders at least one month prior to its effective date and this Prospectus is updated accordingly.

11.4 When used in the description of the Sub-Funds, the term "primarily" must be understood as equivalent to at least half and the term "mainly" as equivalent to at least two-thirds. These notions of "primarily" and "mainly" may apply to the type of financial assets, the geographical or industrial sector, the amount of stock market capitalisation of companies, the quality of issuers or the investment currency. Use of these notions in the description of the investment policy of the Sub-Funds indicates a minimum threshold defined as an objective by the Board and not as a constraint. The Sub-Funds may therefore temporarily derogate from these minimum limits to take account of special market situations or when cash is held pending investment opportunities.

11.5 Where an investment policy requires a particular percentage to be invested in a specific type or range of investments, a Sub-Fund may hold the remaining percentage in cash or other Transferable Securities or Money Market Instruments that are consistent with its investment objectives, policies and strategies, including, but not limited to, U.S. Government obligations, shares of UCITS or Other UCIs (subject to the 10% limit set forth in Clause 24.23), repurchase agreements or other instruments.

11.6 In addition, such requirement to have a particular percentage invested in a specific type or range of investments will not apply under extraordinary market conditions and is subject to liquidity and/or market risk hedging considerations arising from the issuance, switching or redemption of Shares. In particular, a Sub-Fund may hold assets in cash or make investments in Transferable Securities or Money Market Instruments other than those mentioned in the preceding paragraph, including, but not limited to, U.S. Government obligations, shares of UCITS or Other UCIs (subject to the 10% limit set forth in Clause 24.23), repurchase agreements or other short-term instruments, in order to maintain liquidity or for short-term defensive purposes when the Investment Manager believes it is in the best interests of the Shareholders to do so. During these periods, a Sub-Fund may not achieve its objective.

11.7 Subject to their respective investment policies and to the general restrictions set forth above, the Sub-Funds may invest in Rule 144A Securities.

11.8 Neither the Management Company, nor the Investment Manager is exercising any voting rights on investments of the Company.

## **12. PROFILE OF THE TYPICAL INVESTOR AND TARGET MARKET**

12.1 It is recommended that potential investors in the Sub-Funds seek independent financial advice before making their investment decision.

12.2 Manufacturers and distributors of financial instruments that are subject to the requirements of MIFID II are required to undertake a target market assessment.

12.3 The profile of the typical investor in each Sub-Fund and details of what is considered to be the potential target market for each Sub-Fund are set out in the Appendix of the relevant Sub-Fund.

## **13. DISCLOSURE UNDER SFDR AND TAXONOMY REGULATION**

13.1 SFDR establishes harmonized rules for the Company on transparency with regard to the integration of Sustainability Risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability information.

13.2 For instance, environmental, social and governance issues, respect for human rights and the fight against corruption and bribery may represent a risk defined as an event or situation in the environmental, social or governance fields which, if it occurs, could have a material adverse impact, actual or potential, on the value of the Company's investments.

13.3 The likely effects of taking into account such risks on the value of the Company's investments would be that the latter are performing differently than if these risks are not taken into account.

13.4 It should be noted that there are currently no fixed frameworks or factors to be taken into account in assessing the sustainability of an investment. On certain items, the related legal framework is still under development at European level. This lack of common standards may lead to a divergence between actors in their respective approaches to this matter and thus introduce a certain subjectivity by the same actors in the matter related to the environmental, social or governance fields through the introduction of a judgment factor and the various interpretations used within this matter. Another important point to consider, being correlative to the previous ones, is that the information in the environmental, social or governance fields coming from data providers may therefore be incomplete, unavailable or inaccurate.

13.5 Finally, the approach to environmental, social or governance issues is likely to evolve as a result of future legal and regulatory changes, as well as market practice. The Company reserves the right to adopt such provisions as it deems necessary or desirable to ensure that the Company complies with all relevant requirements.



Where appropriate, the Prospectus and/or the website of the Management Company may be updated or amended accordingly.

13.6 In accordance with article 6.1 of the SFDR, Sustainability Risks are currently being addressed without promoting any sustainability factors by Degroof Petercam Asset Services acting as the management company of the Company in charge of the risk management of each Sub-Fund in accordance with the policy on Sustainability Risk integration published on the website of Degroof Petercam Asset Services: [www.dpas.lu](http://www.dpas.lu).

13.7 Article 7 of Taxonomy Regulation applies to each Sub-Fund: Investments underlying this financial product do not take into account EU criteria for environmentally sustainable economic activities. However and pursuant to Article 4 of the Regulation, the Management Company, may not take into account the negative impact of investment decisions on sustainability factors as defined in the Regulation. At this stage, the Management Company does not take into account such impacts for the following reasons:

- as at the date of this prospectus, the regulatory requirements along with the consideration, on a voluntary basis, of negative sustainability impacts await further clarification. This is in particular the case of the regulatory technical standards still to be adopted by the European Commission, detailing the content, methods and presentation for information on sustainability indicators relating to negative climate impacts and other negative environmental impacts, social and governance, respect for human rights and the fight against corruption and bribery, as well as the presentation and content of information with regard to the promotion of environmental or social characteristics and sustainable investment objectives to be published in pre-contractual documents, annual reports and on the websites of financial market participants, and

- in view of the investment policy of the Fund's sub-funds, it is not certain at the date of this prospectus that qualitative and quantitative data relating to sustainability indicators, which have yet to be adopted by the European Commission, are publicly available for all issuers and financial instruments concerned.

13.8 The Management Company will reassess its decision once the regulatory framework, relating to the consideration of the negative impact of its investment decisions on sustainability factors, is fully known.

13.9 The investments underlying the Fund's sub-funds **do not take into account** the EU criteria for environmentally sustainable economic activities.

## 14. RISK PROFILE

14.1 The risks inherent in an investment in the Sub-Funds are mainly related to possible changes in the value of Shares which, in turn, are affected by the value of the financial instruments held by the Sub-Funds. The use of derivative instruments may magnify the volatility of the Shares. An investor can lose money by investing in the Company.

14.2 The risk profile of each Sub-Fund is described in the Appendix of the relevant Sub-Fund.

## **15. DIVIDEND POLICY**

- 15.1 Details of the distribution policy of each Sub-Fund and their Classes are disclosed in the Appendix of the relevant Sub-Fund.
- 15.2 No distribution may be made which would result in the net assets of the Company falling below the minimum provided for by Luxembourg law.
- 15.3 Dividends not claimed within five years from their payment date will lapse and revert to the relevant Sub-Fund.

## **16. RISK WARNINGS**

### **General information**

- 16.1 Investors should remember that the price of Shares of any of the Sub-Funds and any income from them may fall as well as rise and that investors may not get back the full amount invested. Past performance is not a guide to future performance and, depending on each Sub-Fund's investment objectives, policies and strategies, a Sub-Fund should generally be regarded as long-term investment. Where a purchase involves a foreign exchange transaction, it may be subject to the fluctuations of currency values. Exchange rates may also cause the value of underlying overseas investments to go down or up. The investor should be aware that not all of the following risk warnings apply to all Sub-Funds. The attention of the investors is drawn to the fact that the Company may also be exposed to additional risk factors which may not necessarily be described in this Prospectus.
- 16.2 For the purpose of the relations between the Shareholders of different Sub-Funds, each Sub-Fund will be deemed to be a separate entity with, but not limited to, its own contributions, capital gains, losses, charges and expenses. Thus, liabilities of an individual Sub-Fund which remain undischarged will not attach to the Company as a whole. However, while Luxembourg law states that, unless otherwise provided for in the fund documentation, there is no cross-liability, there can be no assurance that such provisions of Luxembourg law will be recognized and effective in other jurisdictions.

### **Active Trading Risk**

- 16.3 Frequent trading will result in a higher-than-average portfolio turnover ratio which increases trading expenses, may result in increased financial transaction taxes (if applicable), and may generate higher taxable capital gains (if applicable).

### **Counterparty Risk**

- 16.4 When a Sub-Fund enters into a repurchase agreement, an agreement where it buys a security in which the seller agrees to repurchase the security at an agreed upon price and time, the Sub-Fund is exposed to the risk that the other party will not fulfil its contract obligation. Similarly, the Sub-Fund is exposed to the same risk if it engages in a reverse repurchase agreement where a broker-dealer agrees to buy securities and the Company agrees to repurchase them at a later date. The Sub-Fund is also exposed to such a risk when it enters into OTC derivative transactions.

## **Currency Risk**

- 16.5 Certain Sub-Funds and their Classes may be exposed to currency exchange risk. Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a Sub-Fund's or Classes' investments to diminish or increase. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by relevant governments or central banks, or by currency controls or political developments. The attention of the Shareholders is drawn to the fact that certain Sub-Funds have several Classes which distinguish themselves by, inter alia, their reference currency and that, due to the hedging of currency risk in relation to one Class of Shares, the Net Asset Value of one or more other Classes may be affected. To manage currency exposure, a Sub-Fund and its Classes may, but is not required to, purchase currency futures or enter into forward currency contracts to "lock in" the USD or EUR or other reference currency price of the security. A forward currency contract involves an agreement to purchase or sell a specified currency at a specified future price set at the time of the contract. Similar to a forward currency contract, currency futures contracts are standardized for the convenience of market participants and quoted on an exchange. To reduce the risk of one party to the contract defaulting, the accrued profit or loss from a futures contract is calculated and paid on a daily basis rather than on the maturity of the contract. Use of hedging techniques cannot protect against exchange rate risk perfectly. If the Investment Manager is incorrect in its judgment of future exchange rate relationships, the Company could be in a less advantageous position than if such a hedge had not been established. Losses on foreign currency transactions used for hedging purposes may be reduced by gains on the assets that are the subject of a hedge. The Company may also purchase a foreign currency on a spot or forward basis in order to benefit from potential appreciation of such currency relative to other currencies in which the Company's holdings are denominated. Losses on such transactions may not be reduced by gains from other fund assets. The Company's gains from its positions in foreign currencies may accelerate and/or re-characterize the Company's income or gains and its distributions to Shareholders. The Company's losses from such positions may also re-characterize the Company's income and its distributions to Shareholders and may cause a return of capital to the Shareholders.

## **Debt Securities Risk**

- 16.6 Debt securities, such as notes and bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due. Changes in the financial strength of an issuer or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain debt securities, including government bonds. Debt securities with longer maturities are generally more sensitive to interest rate changes than those with shorter maturities. Changes in market interest rates do not affect the rate payable on an existing debt security, unless the instrument has adjustable or variable rate features, which can reduce its exposure to interest rate risk. Changes in market interest rates may also extend or shorten the duration of certain types of

instruments, thereby affecting their value and the return on an investment in a Sub-Fund.

### **Depository and Sub-Custodian Risk**

- 16.7 As the Company may invest in markets where custody and/or settlement systems are not fully developed, the Company's assets which are traded in such markets and which have been entrusted to sub-depositaries, in circumstances where the use of sub-depositaries is necessary, may be exposed to risk in circumstances whereby the Depository will have limited or no liability.

### **Derivatives Risk**

- 16.8 The term "derivatives" covers a broad range of investments, including futures, options and swap agreements (including credit default swaps). In general, a derivative refers to any financial instrument whose value is derived, at least in part, from the price of another security or a specified index, asset or rate. For example, a swap agreement is a commitment to make or receive payments based on agreed upon terms, and whose value and payments are derived by changes in the value of an underlying financial instrument. The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. The use of derivatives can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the derivatives. These risks are heightened when the Investment Manager uses derivatives to enhance a Sub-Fund's return or as a substitute for a position or security, rather than solely to hedge (or offset) the risk of a position or security held by the Sub-Fund. The success of management's derivatives strategies will depend on its ability to assess and predict the impact of market or economic developments on the underlying asset, index or rate and the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.

- 16.9 A Sub-Fund may use FDIs for investment purposes or to attempt to hedge or reduce the overall risk of its investments. A Sub-Fund's ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. In addition to those mentioned above, use of these strategies involves special risks, including:

- 16.9.1 Dependence on the Investment Manager's ability to predict movements in the price of securities being hedged and movements in interest rates;
- 16.9.2 Imperfect correlation between the movements in securities or currency on which a derivatives contract is based and movements in the securities or currencies in the relevant Sub-Fund;
- 16.9.3 Absence of a liquid market for any particular instrument at any particular time;
- 16.9.4 Degree of leverage inherent in futures trading (i.e., the loan margin deposits normally required in futures trading means that futures trading may be highly leveraged). Accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to a Sub-Fund; and

- 16.9.5 Possible impediments to efficient portfolio management or the ability to meet repurchase requests or other short-term obligations because a percentage of a Sub-Fund's assets will be segregated to cover its obligations.
- 16.10 Each Sub-Fund may use leverage subject to applicable laws and the conditions of the relevant Appendix. The use of leverage can lead to an enhanced increase of the value of the Sub-Fund's assets, if the costs incurred by the use of the derivative instruments are lower than the profits resulting therefrom. However, should the costs of such transactions exceed the profits resulting from the use of the derivative instruments, enhanced losses can be incurred.
- 16.11 Upon request by any Shareholder, information relating to the risk management methods employed for any Sub-Fund, including the quantitative limits that are applied and any recent developments in risk and yield characteristics of the main categories of investments may be provided to such Shareholder by the Company or the Management Company.

#### **Economic Dislocation Risk**

- 16.12 The financial sector may experience periods of substantial dislocation and the impacts of that dislocation are difficult to predict. Imbalances in trade and finance may lead to sudden shocks. Moreover, the evolution of economies and financial systems may result in sudden and major shifts in the perception of risk, for example between emerging and developed markets. For example, the failure Lehman Brothers was considered by many as unlikely, and the impact of that failure generally not well understood in advance. More recently, European financial markets have experienced volatility and have been adversely affected by concerns about high government debt levels, credit rating downgrades, and possible default on or further restructuring of government debt. Holders of Euro-denominated sovereign debt, including banks and other financial institutions, could be adversely affected by weakness in sovereign borrowers, which in turn may have less ability to support the financial system. It is possible that countries that have already adopted the Euro could abandon the Euro and return to a national currency or that the Euro will cease to exist as a single currency in its current form. The effects of voluntary or involuntary abandonment of the Euro on that country, the rest of the countries using the Euro, and global markets are unknown, but are likely to be negative. In addition, under these circumstances, it may be difficult to value investments denominated in Euro or in a replacement currency.

#### **Fees in underlying undertakings for collective investment**

- 16.13 A Sub-Fund may, subject to the conditions set out in Section 24.23 to 24.26, invest in shares or units of other UCITS and Other UCIs which may be operated and/or managed by the Investment Manager, a related party or any other party. As an indirect investor in such UCITS or Other UCI, in addition to the fees, costs and expenses payable by a Shareholder in the Sub-Funds, each Shareholder will also indirectly bear a portion of the fees, costs and expenses of the underlying UCITS or Other UCI, including management, investment management and, administration and other expenses.

#### **Geographic Concentration Risk**

16.14 The Company may concentrate its investments in specific geographic regions and markets. Therefore, the performance of the Company may be affected by economic downturns and other factors affecting the specific geographic regions in which the Company invests.

16.15 The Company is subject to potentially much greater risks of adverse events that occur in that region and may experience greater volatility than a fund that is more broadly diversified geographically. Political, social or economic disruptions in the region, including conflicts and currency devaluations, even in countries in which the Company is not invested, may adversely affect security values in other countries in the region and thus the Company's holdings.

#### **Global Investment Risk**

16.16 Securities of certain jurisdictions may experience more rapid and extreme changes in value. The value of such securities may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which an investment may be made. The securities markets of many countries are relatively small, with a limited number of companies representing a small number of industries. Additionally, issuers in many countries may be subject to a high degree of regulation. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Adverse conditions in a certain region can adversely affect securities of other countries whose economies appear to be unrelated.

#### **Growth Style Investment Risk**

16.17 Growth stocks can perform differently from the market as a whole and from other types of stocks. Growth stocks may be designated as such and purchased based on the premise that the market will eventually reward a given company's long-term earnings growth with a higher stock price when that company's earnings grow faster than both inflation and the economy in general. Thus a growth style investment strategy attempts to identify companies whose earnings may or are growing at a rate faster than inflation and the economy. While growth stocks may react differently to issuer, political, market and economic developments than the market as whole and other types of stocks by rising in price in certain environments, growth stocks also tend to be sensitive to changes in the earnings of their underlying companies and more volatile than other types of stocks, particularly over the short term. Furthermore, growth stocks may be more expensive relative to their current earnings or assets compared to the values of other stocks, and if earnings growth expectations moderate, their valuations may return to more typical norms, causing their stock prices to fall. During periods of adverse economic and market conditions, the stock prices of growth stocks may fall despite favourable earnings trends. Finally, there is always the risk that the stock of any company could potentially become worthless.

#### **Issuer Non-Diversification Risk**

16.18 Focusing investments in a small number of countries, issuers or local/foreign currencies increases risk. The Company may, while complying with the general

restrictions set forth under Section 24, invest in a relatively small number of issuers and may be more susceptible to risks associated with a single financial, economic, market, political or regulatory occurrence than a more diversified portfolio might be. Some issuers may present substantial credit or other risks. Default by a single security in a concentrated portfolio may have a greater negative effect than a similar default in a diversified portfolio.

#### **Issuer Risk**

- 16.19 The value of a security may decline for a number of reasons, which directly relate to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods and services.

#### **Leverage Risk**

- 16.20 Certain transactions may give rise to a form of leverage. Such transactions may include, among others, reverse repurchase agreements, loans of portfolios securities, and the use of when-issued, delayed delivery or forward commitment transactions. The use of derivatives may also create a leveraging risk. The use of leverage may cause a Sub-Fund to liquidate portfolio positions when it may not be advantageous to do so. Leveraging, including borrowing, may cause a Sub-Fund to be more volatile than if the Sub-Fund had not been leveraged. This is because leverage tends to increase a Sub-Fund's exposure to market risk, interest rate risk or other risks by, in effect, increasing assets available for investment.

#### **Sustainability Risks**

- 16.21 Many economic segments and industries where a relevant Sub-Fund may invest or be otherwise exposed to may be subject to Sustainability Risks. Factors driving Sustainability Risks include changes in law, regulations, industry standards, consumer preference and influence from media, social groups and non-governmental organisations.
- 16.22 The occurrence of Sustainability Risks may have a material impact on the operations, the financial and the business model of an issuer of securities which have been directly or indirectly acquired by one of the Sub-Funds. The value and/or the income of such a security may decrease which will ultimately have an adverse impact on the performance of the Sub-Fund.

#### **Liquidity Risk**

- 16.23 A security may not be able to be sold at the time or price desired due to market conditions, such as limited volumes and less active markets. In addition, certain securities held by a Sub-Fund, such as Rule 144A Securities, are subject to restrictions on resale.

#### **Management Risk**

- 16.24 There is no guarantee that a Sub-Fund will meet its investment objective. Neither the Investment Manager, nor any other party guarantees the performance of a Sub-Fund, nor do they assure that the market value of an investment in a Sub-Fund will not decline. They will not "make good" on any investment loss an investor may suffer, nor can anyone the Company contracts with to provide services, such as

selling agents or other service providers, offer or promise to make good on any such losses.

### **Market Risk**

- 16.25 The market price of securities owned by a Sub-Fund may go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously. Equity securities generally have greater price volatility than debt securities. Different parts of the market and different types of equity securities can react differently to these risks. For example, large cap stocks can react differently from small cap stocks, and “growth” stocks can react differently from “value” stocks.

### **Regulatory Risk**

- 16.26 Changes in government regulations may adversely affect the value of a security. An insufficiently regulated market might also permit inappropriate practices that adversely affect an investment.

### **Sector Emphasis Risk**

- 16.27 Investing a substantial portion of a Sub-Fund’s assets in related industries or sectors may have greater risks because companies in these sectors may share common characteristics and may react similarly to market developments.

### **Smaller Company Securities Risk**

- 16.28 Securities of companies with smaller market capitalizations tend to be more volatile and less liquid than securities of larger companies. Smaller companies may have no or relatively short operating histories, or be newly public companies. Some of these companies have aggressive capital structures, including high debt levels, or are involved in rapidly growing or changing industries and/or new technologies, which pose additional risks.

### **Sovereign Default Risk**

- 16.29 There are increasing concerns regarding the ability of multiple sovereign entities to continue to meet their debt obligations. In particular, ratings agencies have recently downgraded the credit ratings of various countries. Many economies are facing acute fiscal pressures as they struggle to balance budgetary austerity with stagnant growth. Many observers predict that a depressed economic environment will cause budget deficits in these economies to expand in the short term and further increase the perceived risk of a default, thereby rendering access to capital markets even more expensive and compounding the debt problem.



- 16.30 In particular, the Eurozone is currently undergoing a collective debt crisis. Greece, Ireland and Portugal have already received one or more “bailouts” from other Member States, and it is unclear how much additional funding they will require. Investor confidence in other Member States, as well as European banks exposed to risky sovereign debt, has been severely impacted, threatening capital markets throughout the Eurozone. Although the resources of various financial stability mechanisms in the Eurozone continue to be bolstered, many market participants have expressed doubt that the level of funds being committed to such facilities will be sufficient to resolve the crisis. There also appears to be a lack of political consensus in the Eurozone concerning whether and how to restructure sovereign debt, particularly sovereign bonds of peripheral countries. The consequences of any sovereign default would likely be severe and wide-reaching, and could include the removal of a Member State from the Eurozone, or even the abolition of the Euro. Any such consequences could result in losses to the Sub-Funds.

#### **U.S. Withholding Tax**

- 16.31 There are new U.S. federal tax rules known as FATCA. FATCA will impose a 30% U.S. withholding tax on (a) U.S. source income beginning in 2014, (b) on gross proceeds from the disposition of U.S. securities paid to a Sub-Fund in 2015, and (c) on certain payments made by non-U.S. entities to a Sub-Fund in 2017 or later. It is expected that each Sub-Fund can avoid this 30% withholding tax by entering into an agreement with the IRS and by complying with FATCA reporting requirements, including reporting requirements relating to investors of the Sub-Funds (generally investors who are U.S. Taxpayers or who are owned by U.S. Taxpayers). Currently, the Company intends to enter into (and comply with) FATCA agreements with the IRS. However, if the Company cannot enter into (or reasonably comply with) a FATCA agreement or otherwise satisfy the FATCA requirements, the Company may be subject to the 30% withholding tax, which would reduce the value of the Sub-Funds. Even if the Company is able to comply, investors who fail to comply with information requests (or otherwise with the FATCA requirements) may be subject to a 30% withholding tax on certain amounts paid to them by the Company, or may be required to redeem their investment in the Company. The administrative cost of compliance with FATCA may cause the operating expenses of the Sub-Funds to increase, thereby reducing returns to investors. FATCA may also require the Company to provide to the IRS private and confidential information relating to certain investors.

#### **Data Protection Legislation**

- 16.32 The Company’s processing of personal data imposes regulatory risks and legal requirements relating to the collection, storage, handling and transfer of personal data continue to develop. The Company may become subject to new legislation or regulation concerning the personal data it may process (as defined in the GDPR), including the requirements of the GDPR. The GDPR has direct effect since 25 May 2018, and introduces a range of new compliance obligations regarding the processing of personal data and new obligations on data controllers and data processors and rights for data subjects, including, among others:
- 16.32.1 accountability and transparency requirements, which will require data controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding processing;

- 16.32.2 enhanced data consent requirements, which includes “explicit” consent in relation to the processing of sensitive data;
  - 16.32.3 obligations to consider data privacy as any new products or services are developed and limit the amount of information collected, processed, stored and its accessibility;
  - 16.32.4 constraints on using data to profile data subjects;
  - 16.32.5 providing data subjects with personal data in a useable format on request and erasing personal data in certain circumstances; and
  - 16.32.6 reporting of breaches without undue delay (72 hours where feasible).
- 16.33 The GDPR also introduces new fines and penalties for a breach of requirements, including fines for serious breaches of up to the higher of 4% of annual worldwide turnover or €20m and fines of up to the higher of 2% of annual worldwide turnover or €10m (whichever is highest) for other specified infringements. The GDPR identifies a list of points to consider when imposing fines (including the nature, gravity and duration of the infringement).
- 16.34 The Company or its service providers may also need to comply with data protection laws and regulations of other jurisdictions. Compliance with these laws and regulations may divert the Company’s time and effort and entail substantial expenses being borne directly or indirectly by the Company in accordance with this Prospectus. Any failure to comply with these laws and regulations could result in the Company or its service providers facing significant administrative fines.

### **Foreign Securities and Emerging Markets Risks**

- 16.35 The performance of foreign securities depends on the political and economic environments and other overall economic conditions in the countries where a Sub-Fund invests. Emerging markets involve greater risk and volatility than more developed markets. Some emerging markets countries may have fixed or managed currencies that are not free-floating. Certain of these currencies have experienced, and may experience in the future, substantial fluctuations or a steady devaluation relative to other currencies. Securities markets in the emerging world may not have as stringent insider trading and market manipulation regulations as in developed markets.

## **17. ISSUE OF SHARES**

### **General information**

- 17.1 Under the Articles, the Directors have the power to issue Shares corresponding to different Sub-Funds each consisting of a portfolio of assets and liabilities. Within each Sub-Fund, the Directors may issue different Classes with different characteristics, such as different fee structures, different minimum amounts of investment or different currencies of denomination. The Classes available for each Sub-Fund are indicated in the relevant Appendix.
- 17.2 Any Sub-Fund or Class may, upon the determination of the Board, suspend the acceptance of new and/or subsequent subscriptions or of switches for any reason,

which may be subject to certain exceptions (e.g., exceptions for subsequent subscriptions by existing Shareholders, automated investments, certain retirement/pension accounts). Any such suspension will not be lifted until, in the opinion of the Board, the circumstances which required such suspension no longer exist. Where a suspension occurs, a notification will be included with relevant offering materials and existing Shareholders will be notified to indicate the applicable Sub-Fund or Class and the details of the suspension. Investors should confirm with the Management Company or the relevant Distributor, if any, for the current status of Sub-Funds or Classes.

- 17.3 If it appears at any time that a holder of Shares of a Sub-Fund or Class reserved to Institutional Investors is not an Institutional Investor, the Board will convert the relevant Shares into Shares of a Sub-Fund or Class which is not restricted to Institutional Investors or compulsorily redeem the relevant Shares. The Board will refuse to give effect to any transfer of Shares and consequently refuse any transfer of Shares to be entered into the register of Shareholders in circumstances where such transfer would result in a situation where Shares of a Sub-Fund or Class restricted to Institutional Investors would, upon such transfer, be held by a person not qualifying as an Institutional Investor. Investors should further refer to article 8 of the Articles.
- 17.4 The eligibility requirements applicable to Shareholders, as set forth in this Prospectus, are collectively referred to as the “Eligibility Requirements”. Although the Shares may be listed on the Luxembourg Stock Exchange, the Eligibility Requirements would nevertheless apply to any party to which Shares are being transferred on the Luxembourg Stock Exchange. The holding at any time of any Shares by a party which does not satisfy the Eligibility Requirements may result in the compulsory redemption of such Shares by the Company.
- 17.5 The Company may issue further Sub-Funds or Classes. The Prospectus of the Company will be updated as new Sub-Funds or different Classes are issued. The Company may also revise, amend, or modify existing Sub-Funds or Classes.
- 17.6 Shares may normally be bought from or sold to the Company at buying and selling prices based on the Net Asset Value of the relevant Shares. The Subscription Price is determined in accordance with Section 18 and the Redemption Price is determined in accordance with Section 19.
- 17.7 Shares are available in registered form without certificates.
- 17.8 Fractions of Shares will be issued in denominations of up to three decimal places.
- 17.9 Fractions of Shares will not carry any voting rights but will participate pro rata in all distributions made.
- 17.10 The Company may not issue warrants, options or other rights to subscribe for Shares to its Shareholders or to other persons.

#### **Acceptance of Applications and Mandatory Redemptions**

- 17.11 Notwithstanding anything to the contrary in this Prospectus, the Company may reject any application in whole or in part for any reason whatsoever, and the Company does not incur any liability as a result. If an application is rejected, the

application monies or balance thereof will be, subject to applicable laws, returned at the risk of the applicant and without interest as soon as reasonably practicable at the cost of the applicant. In such event the Company is not required to provide the applicant with an explanation, but may choose to do so in its sole discretion. Additionally, the Company may redeem the Shares of any Shareholder, in whole or in part, at any time or not less than 30 days' written notice provided that the Company determines such action is in the best interest of the remaining Shareholders.

#### **Anti-Money Laundering**

- 17.12 Pursuant to the Luxembourg laws of 19 February 1973 to combat drug addiction, as amended, of 5 April 1993, relating to the financial sector, as amended, and of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, and to the relevant grand-ducal regulations as well as circulars and regulations of the CSSF (especially CSSF Regulation No 12-02, CSSF Circular 14/592 and any CSSF regulation or circular amending, supplementing or replacing them), obligations have been imposed on professionals of the financial sector to prevent the use of undertakings for collective investment such as the Company for money laundering purposes. Within this context measures to ensure the identification of investors have been imposed.

#### **Late Trading**

- 17.13 Late trading is illegal as it violates the provisions of this Prospectus. The Board will implement reasonable measures to ensure that late trading does not take place. The effectiveness of these procedures is closely monitored.

#### **Market Timing Policy**

- 17.14 The Company does not knowingly allow investments to be made which are associated with market timing practices, as such practices may adversely affect the interests of all Shareholders.
- 17.15 As per CSSF Circular 04/146, market timing is defined as an arbitrage method through which an investor systematically subscribes and redeems or switches units or shares of the same undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset values of the sub-funds of the undertaking for collective investment.
- 17.16 Opportunities may arise for the market timer either if the Net Asset Values of the Sub-Funds are calculated on the basis of market prices which are no longer up to date (stale prices) or if the Sub-Funds accept orders on a Business Day after calculating the Net Asset Value for that Business Day.
- 17.17 Market timing practices are not acceptable as they may affect the performance of the Company through an increase in costs and/or dilution in Net Asset Value. The Company is not designed for investors with short-term investment horizons. Activities which may adversely affect the interests of the Shareholders (for example that disrupt investment strategies or impact expenses) such as market timing or the use of the Company as an excessive or short-term trading vehicle are not permitted.

17.18 While recognizing that Shareholders may have legitimate needs to adjust their investments from time to time, the Board, in its discretion may, if it deems that such activities adversely affect the interests of the Shareholders, take action as appropriate to deter such activities.

17.19 Accordingly, if the Company determines or suspects that a Shareholder has engaged in such activities, the Company may suspend, cancel, reject or otherwise deal with that Shareholder's subscription or switching applications and take any action or measures as appropriate or necessary to protect the Company and its Shareholders.

## **18. CLASSES OF SHARES**

A relevant Sub-Fund may issue other Classes as set forth in the relevant Appendix.

## **19. BUYING SHARES**

### **General information**

19.1 Shares of each Sub-Fund may be subscribed for at the Registrar and Transfer Agent. Investors must fill out and sign the Subscription Form available at the Registrar and Transfer Agent as well as other banks, professionals of the financial sector, a Distributor, sub-distributors and financial institutions authorized to that end.

19.2 Subscriptions are subject to acceptance by the Company in its sole discretion and/or by the Registrar and Transfer Agent (subject to certain conditions) in whole or in part without liability and without explanation. Subscriptions could also be rejected by the Management Company in whole or in part in accordance with Management Company Agreement without liability and without explanation. The Company will accept subscriptions transmitted via fax or post sent to the Registrar and Transfer Agent.

19.3 Unless otherwise provided for in the relevant Appendix, the Subscription Price of Shares in any Class, denominated in the reference currency of the relevant Class indicated in the relevant Appendix, corresponds to the Net Asset Value of the relevant Class determined as of the Valuation Day on which the Subscription Form is accepted (the Subscription Form shall be accepted as of particular Valuation Day only if received in proper form prior to the Dealing Deadline on that Valuation Day by the Registrar and Transfer Agent), increased by the applicable initial Sale Fee, if any, as detailed for each Sub-Fund in the relevant Appendix.

19.4 In certain instances, depending on the nature of the arrangement with a particular bank, a professional of the financial sector, a Distributor, a sub-distributor or a financial institution authorized to offer and sell Shares, the bank, professional of the financial sector, Distributor, sub-distributor or financial institution may charge and retain an initial Sale Fee, in which case the initial Sale Fee would not be reflected in the Subscription Price. Investors should confirm with the bank, professional of the financial sector, Distributor, sub-distributor or financial institution through whom they invest whether any initial Sale Fee will apply to their purchase and, if so, how it will be applied.

19.5 Unless otherwise provided for in the relevant Appendix, complete applications for shares must be received and approved by the Registrar and Transfer Agent on a Valuation Day by the Dealing Deadline. Subscription requests received and

approved by the Registrar and Transfer Agent on a day which is not a Valuation Day or on a Valuation Day after the Dealing Deadline will be deemed to have been received on the next Valuation Day. Executed Subscription Forms that are received by the Company, other banks, professionals of the financial sector, a Distributor, a sub-distributor or a financial institution authorized to that end will be forwarded by the relevant recipient to the Registrar and Transfer Agent. For the purpose of applying the Dealing Deadline they are however not deemed to be received before they are actually received by the Registrar and Transfer Agent.

- 19.6 Applicants wishing to subscribe for Shares must complete in all respects a Subscription Form and send it to the Registrar and Transfer Agent together with all required identification documents. Should such documents not be provided, or provided in incomplete form, the Registrar and Transfer Agent will request such information and documentation as is necessary to verify the identity of an applicant. Shares will not be issued until such time as the Registrar and Transfer Agent have received and are satisfied with all the information and documentation requested to verify the identity of the applicant. Failure to provide such documentation or information may result in a delay of the subscription process or a cancellation of the subscription request. The Company bears no liability whatsoever for delay or other consequences arising from incomplete subscription applications.
- 19.7 In addition to the Subscription Price, taxes and stamp duties may need to be paid by Shareholders in certain countries where the Shares are offered.
- 19.8 The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid to the Paying Agent as specified for each Sub-Fund in the relevant Appendix. However, a subscriber may, with the agreement of the Registrar and Transfer Agent, effect payment to the Paying Agent in any other freely convertible currency. The Registrar and Transfer Agent will arrange, on the Valuation Day concerned, for any necessary currency transaction to convert the subscription monies from the currency of subscription into the Reference Currency of the relevant Class. Any such currency transaction will be effected at the subscriber's cost and risk. Currency exchange transactions may however delay any issue of Shares since the Registrar and Transfer Agent may choose, in its sole discretion, to delay the execution of any foreign exchange transaction until cleared funds have been received by it.
- 19.9 The Board reserves the right to accept subscriptions by way of in specie transfer of assets. In exercising their discretion, the Board will take into account the investment objective, philosophy and approach of the relevant Sub-Fund and whether the proposed in specie assets comply with those criteria including the permitted investments of that Sub-Fund. In order for Shares in the Sub-Fund to be issued further to an in specie subscription, the transfer of the legal ownership of the assets to the Sub-Fund must have been completed and the assets in question must have already been valued. In the specific case of an in specie transfer of shares or units of a UCITS or Other UCI, Shares will only be issued after the name of the Company has been officially entered into in the register of shareholders or unitholders of the relevant UCITS or Other UCI and the shares or units of the UCITS or Other UCI have been valued on the basis of the next net asset value to be calculated after the aforementioned entry.

- 19.10 Any in specie subscription that meets the investment criteria will be valued by the auditor of the Company. Upon receipt of that verification and a properly completed subscription application, the Administrator will allot the requisite number of Shares in the normal manner. The Board reserves the right to decline to register any person on the register of Shareholders until the subscriber has been able to prove title to the assets in question. The subscriber is responsible for all custody and other costs involved in changing the ownership of the relevant assets unless the Board otherwise agrees in writing that it is in the interest of the relevant Sub-Fund to bear some or all of the custody and other costs involved in changing the ownership of the relevant assets.
- 19.11 The relevant confirmations of the registration of the Shares are delivered by the Registrar and Transfer Agent as soon as reasonably practicable and normally within three Business Days following the relevant Valuation Day. Subscribers should always check this confirmation to ensure that the registration has been accurately recorded. This will also include a personal account number which, together with the Shareholder's personal details, is proof of its identity to the Company.
- 19.12 The Company reserves the right to require an indemnity or other verification of title or claim to title countersigned by a bank, stockbroker or other party acceptable to it before accepting such changes.
- 19.13 If any subscription is not accepted in whole or in part, the subscription monies or the balance outstanding will be, subject to applicable laws, returned without delay to the subscriber by post or bank transfer at the subscriber's risk without any interest.
- 19.14 If timely payment for Shares is not made (or if a properly completed Subscription Form is not received for an initial subscription), the application for Shares may be deemed null and void and Shares previously allotted may be cancelled. This may also result in the Management Company and/or any relevant Distributor billing the defaulting subscriber or its financial intermediary for any costs or losses incurred by the Management Company and/or Company and/or a Sub-Fund and/or any relevant Distributor, deducting any such costs or losses against any existing holding of the subscriber in the Company or against any subscription monies already received, or bringing an action against the defaulting subscriber or its financial intermediary. Any money returnable to the subscriber will be held by the Company without payment of interest.
- 19.15 The Company or the Management Company may at any time, in its sole discretion, temporarily suspend, definitely cease or limit the issue of Shares to persons, companies, or entities that reside or are domiciled in certain countries and territories or exclude them from subscribing for Shares, if such measure is considered appropriate to protect the Shareholders or the Company, or to comply with the government regulations.
- 19.16 The minimum subscription and minimum holding amounts for each Sub-Fund (or, if more than one Class has been issued in a Sub-Fund, for each Class) are specified in the relevant Appendix. The Board may set different levels for minimum subscription and minimum holding amounts for investors in certain countries for investment in different Classes of each Sub-Fund, if the Board decides to introduce this facility. The Board may, in its sole discretion, waive minimum subscription and minimum holding amounts for each Class.

- 19.17 For the same reasons, but always in accordance with the Articles, the Board may provide for specific payment arrangements for investors in certain countries. In both cases an adequate description will be made available to investors in the relevant countries together with the Prospectus.

#### **Subsequent Subscriptions**

- 19.18 Upon initial subscription, each Shareholder shall be issued a personal account number, which should be used by the Shareholder for all future dealings with the Registrar and Transfer Agent. Any changes to the Shareholder's personal details or loss of account number must be notified immediately to the Company, the Management Company, the Registrar and Transfer Agent, a Distributor or the relevant sub-distributor, who will, if necessary, inform the Registrar and Transfer Agent in writing. Failure to do so may result in delays when processing applications for the purchase, redemption or switching of Shares. Investors shall be required to fill out an additional application (in the form required by the Company) for Shares upon each subsequent subscription.

#### **Personal Data**

- 19.19 The personal data or information given in a Subscription Form or otherwise collected, provided to or obtained by the Company, acting as data controller (the "**Data Controller**"), in connection with an application to subscribe for, or for the holding of, one or more Shares, or at any other time, as well as details of the investor's holding of Share(s) ("**Personal Data**"), will be stored in digital form or otherwise and collected, used, stored, retained, transferred and/or otherwise processed for the purposes described below (the "**Processing**"), in compliance with the provisions of the Data Protection Legislation.
- 19.20 The Data Controller will collect, use, store, retain, transfer and/or otherwise process the Personal Data
- 19.20.1 (i) where this is required by law;
  - 19.20.2 (ii) where the Processing is necessary for the Company to perform a contract with the investors (such as the Subscription Form), or to take steps at your request prior to entering into a contract;
  - 19.20.3 (iii) where the Processing is in the legitimate interests of the Company, or another person, unless the investors' interests, fundamental rights or freedoms outweigh these interests and provided that the Company is acting in a fair, transparent and accountable manner and has taken appropriate steps to prevent such activity having any unwarranted impact on investors and also noting the investors' right to object to such uses.
- 19.21 The Company shares Personal Data with:
- 19.21.1 (i) the Investment Manager
  - 19.21.2 (ii) where applicable, the Board; and
  - 19.21.3 (iii) the service providers of the Company, including the Administrator, Domiciliation, Registrar and Transfer agent and Depository of the



Company, and companies which such service providers appoint to assist them in administering the Company. These service providers may each further process Personal Data, acting as a data processor, for the provision to the Company of the services agreed under the relevant agreements; and

19.21.4 (iv) regulators, government bodies and tax authorities.

19.22 The Personal Data that will be collected, used, retained, stored, transferred and/or otherwise processed includes without limitation: (i) the name, address, email address, telephone numbers, business contact information, current employment, career history, current investments, historic investments, investment preferences, and credit history of the investor and of related individuals of the investor (including without limitation the investor's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees and/or other relevant person(s)); (ii) any other data required by the Data Controller to perform services in connection with or resulting from the Subscription Form, the investor's Share(s), and/or any contract with any data processor; and (iii) any data required by the Data Controller to comply with any legal and/or regulatory obligations. The Personal Data will be directly collected from the investor or, as the case may be, through public sources, social media, subscription services, other third party data sources or, through the investor's authorised intermediaries, directors, officers, individual representatives (including, without limitation, legal representatives), trustees, settlors, signatories, shareholders, unitholders, investors, nominees or employees.

19.23 Each investor is required to:

19.23.1 have duly and completely informed all natural persons (including, without limitation, the subscriber's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees and representatives of legal persons) and other data subjects whose Personal Data will be processed in the context of the investor holding of Share(s) about the collection, use, storage and/or transfer and/or any other processing of their Personal Data and their rights as described in this section in accordance with the information requirements under the Data Protection Legislation; and

19.23.2 where necessary and appropriate, have obtained any consent that may be required for the Processing of said Personal Data in accordance with the requirements of the Data Protection Legislation.

19.24 The Data Controller shall be entitled to assume that those persons have, where necessary, given any such consent and have been informed of all information relating to the collection, use, storage and/or transfer and/or processing of their Personal Data and of their rights as described in this section.

19.25 The Company may transfer Personal Data to countries outside the European Economic Area (the "EEA") which may not be deemed by the EU to have the same level of protection as EU data protection law. The Company ensures that such transfers are made in accordance with the conditions in the Data Protection Law (such as they are protected by standard contractual clauses, or ensures that the

recipient of the personal data participates in the EU-US Privacy Shield or uses Binding Corporate Rules).

- 19.26 Investors have the right to object at any time to Processing of their Personal Data (including, without limitation, for direct marketing purposes, which includes profiling to the extent that it is relating to such marketing).
- 19.27 Each investor has also the right to request a copy of Personal Data held in relation to it, and to request that they be amended, updated, completed or deleted as appropriate, if incorrect, and to request a limitation to a processing of its Personal Data and the portability of any Personal Data processed by the Data Controller in the manner and subject to the limitations prescribed in the Data Protection Legislation.
- 19.28 Furthermore, each investor is entitled to address any claim relating to the processing of its Personal Data to a data protection supervisory authority; in Luxembourg, the *Commission Nationale pour la Protection des Données*.
- 19.29 The Personal Data will be held until the investor ceases to be a Shareholder of the Company and a period of 10 years thereafter where necessary to comply with applicable laws and regulation or to establish, exercise or defend actual or potential legal claims, subject to the applicable statutes of limitation, unless a longer period is required by applicable laws and regulations.
- 19.30 The Data Controller and the data processors processing the Personal Data on its behalf will accept no liability with respect to an unauthorised third party receiving knowledge of, or having access to, its Personal Data, except in the case of proven negligence or serious misconduct by the Data Controller and/or any data processor that processes the Personal Data on its behalf or by any of their respective employees, officers, affiliates, agents and sub-contractors. In any event, the liability of the Data Controller with respect to the processing of Personal Data remains strictly limited to what is imposed by the Data Protection Legislation.

## **20. SELLING SHARES**

- 20.1 The Shareholders may at any time exit the Company by addressing to the Registrar and Transfer Agent an irrevocable application for redemption (in whole or in part).
- 20.2 Unless otherwise provided for in the relevant Appendix, the Redemption Price of Shares in any Class corresponds to the Net Asset Value of the relevant Class determined on the Valuation Day on which the application for redemption is accepted by the Registrar and Transfer Agent. Unless otherwise provided for in the relevant Appendix, redemption applications must be received in proper form by the Registrar and Transfer Agent on a Valuation Day by the Dealing Deadline. Redemption requests received by the Registrar and Transfer Agent on a day which is not a Valuation Day or on a Valuation Day after the Dealing Deadline will be deemed to have been received on the next Valuation Day. Redemption requests that are received by the Company, other banks, professionals of the financial sector, a Distributor, a sub-distributor or a financial institution authorized to that end will be forwarded by the relevant recipient to the Registrar and Transfer Agent. For the purpose of applying the Dealing Deadline they are however not deemed to be received before they are actually received by the Registrar and Transfer Agent.

- 20.3 If, for any reason, the value of the holdings of a single Shareholder in Shares of a particular Sub-Fund (or, if more than one Class of Shares have been issued in a Sub-Fund, of that Class) falls below the amount specified for each Sub-Fund in the relevant Appendix, then the Shareholder will, at the discretion of the Company taking due consideration of the principle of equal treatment of Shareholders, be deemed to have requested the redemption of all of his Shares of that Sub-Fund (or, if applicable, of that Class).
- 20.4 Unless otherwise provided for in the relevant Appendix of each Sub-Fund, no redemption fee will be charged. However, the amount reimbursed may be reduced by costs, taxes and stamp duties which may be payable at the time.
- 20.5 The Redemption Price of Shares presented for redemption will be paid within the time frame specified in the relevant Appendix. On payment of the Redemption Price, the corresponding Shares will be cancelled immediately in the Company's Share register. Any taxes, commissions and other fees incurred in the respective countries in which the Shares are redeemed will be charged.
- 20.6 The Redemption Price may be higher or lower than the Subscription Price paid at the date of issue of the Shares in accordance with changes in a Sub-Fund's Net Asset Value.
- 20.7 A confirmation statement will be sent to the relevant Shareholder (or third party as requested by the Shareholder), detailing the redemption proceeds due as soon as reasonably practicable after the Redemption Price has been determined. Shareholders should check this statement to ensure that the transaction has been accurately recorded.
- 20.8 Shareholders should note that they might be unable to redeem Shares through a Distributor (if applicable), on days during which such Distributor is not open for business.
- 20.9 Payment for Shares redeemed will be effected in the Reference Currency of the relevant Class on or after the relevant Valuation Day (as specified in the relevant Appendix), unless legal constraints, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the control of the Depositary, make it impossible or impracticable to transfer the redemption amount to the country in which the application for redemption was submitted.
- 20.10 If necessary, the Registrar and Transfer Agent will arrange the currency transaction required for the conversion of the redemption monies from the Reference Currency of the relevant Class into the relevant redemption currency. Such currency transaction will be effected with the Depositary or a Distributor, if any, at the redeeming Shareholder's cost and risk.
- 20.11 If the sale (or switching out) of Shares in a Sub-Fund or in a Class on any Valuation Day exceeds 10% of the Net Asset Value of that Sub-Fund or that Class on that Valuation Day, the Sub-Fund may restrict the number of sales (and switches out) to 10% of the Net Asset Value of that Sub-Fund or that Class on that Valuation Day. To safeguard the interests of the Shareholders, this limitation will apply to all Shareholders who have requested the sale (or switching out) of their Shares in a Sub-Fund or a Class on a Valuation Day pro rata of the Shares in the Sub-Fund or the Class tendered by them for sale (or switching out). Any sales (or switches out)

not carried out on that Valuation Day will be carried forward to the next Valuation Day. They will be dealt with on that Valuation Day under the same limitations, and in priority according to the date of receipt of the application for sale (or switch out). If selling (or switching out) requests are carried forward, the Company will inform the Shareholders affected thereby.

- 20.12 The redemption of the Shares may be suspended by decision of the Board, in the cases mentioned under Section 27 or by decision of the CSSF when required in the interest of the public or of the Shareholders and, in particular, when the legal, regulatory or contractual provisions concerning the activity of the Company have not been complied with.
- 20.13 The Board may, at the request of a Shareholder, elect to satisfy redemption in whole or in part by way of the transfer in specie of assets of the Company. The Board will ensure that the transfer of assets in specie in cases of such redemptions will not be detrimental to the remaining Shareholders of the Sub-Fund by pro-rating the redemption in specie as far as possible across the entire portfolio of securities. Such in specie redemptions will be subject to a special audit report by the auditor of the Company confirming the number, the denomination and the value of the assets which the Board will have determined to be transferred in counterpart of the redeemed Shares. This audit report will also confirm the way of determining the value of the assets which will have to be identical to the procedure for determining the Net Asset Value of the Shares. The specific costs for such redemptions in specie, in particular the cost of the special audit report will be borne by the redeeming Shareholder.
- 20.14 No payments of redemption proceeds will be made to third parties.
- 20.15 If the Company discovers at any time that a person who is precluded from holding Shares in a Sub-Fund, such as a United States Person or a non-Institutional Investor (if applicable), either alone or in conjunction with any other person, whether directly or indirectly, is a beneficial or registered owner of Shares, the Company may, in its sole discretion and without liability, compulsorily redeem the Shares at the Redemption Price as described above after giving notice, and upon redemption, the person who is precluded from holding Shares in the Company will cease to be the owner of those Shares. The Company may require any Shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person who is precluded from holding Shares in the Company.

## **21. SWITCHING OF SHARES**

- 21.1 Except as otherwise provided for in the relevant Appendix of any Sub-Fund, any Shareholder may request the switch of all or, providing the value of the Shares to be switched equals or exceeds the minimum initial or subsequent subscription amount specified for each Sub-Fund in the relevant Appendix (subject to any applicable waiver as described under Section 18) part of his Shares of one Sub-Fund or Class into Shares of another Sub-Fund or Shares of another Class of the same Sub-Fund. Switches into Class I Shares are only permitted for Institutional Investors.
- 21.2 Unless otherwise provided for in the relevant Appendix of the Sub-Fund, such switch may be made free of charge.

- 21.3 Shareholders must fill out and sign an irrevocable application for switching which must be addressed with all the switching instructions to the Registrar and Transfer Agent. The Company accepts switches transmitted via fax or post.
- 21.4 If, for any reason, the value of the holdings of a single Shareholder in Shares of a particular Sub-Fund (or, if more than one Class of Shares has been issued in a Sub-Fund, of that Class) falls below the minimum holding amount specified for that Sub-Fund in the relevant Appendix (subject to any applicable waiver as described under Section 18), then the Shareholder will, at the discretion of the Company taking due consideration of the principle of equal treatment of Shareholders, be deemed to have requested the switching of all of his Shares of that Sub-Fund (or, if applicable, of that Class).
- 21.5 Unless otherwise provided for in the relevant Appendix, switching is performed on the basis of the Net Asset Values of the Classes concerned on the day the switching application is received in proper form by the Registrar and Transfer Agent, provided that such day is a Valuation Day for both of the Classes involved in the switching and the switching application has been received in proper form before the Dealing Deadline for both of the Classes involved in the switching. If such day is not a Valuation Day for both of the Classes involved in the switching, or if the switching application is received after the Dealing Deadline for one or both of the Classes involved in the switching, the switching shall be performed on the basis of the Net Asset Values of the Shares of the Classes concerned on the day next following the receipt of the switching application by the Registrar and Transfer Agent, that is a Valuation Day for both of the Classes involved in the switching. Switching applications that are received by the Company, other banks, professionals of the financial sector, a Distributor, a sub-distributor or a financial institution authorized to that end will be forwarded by the relevant recipient to the Registrar and Transfer Agent. For the purpose of applying the Dealing Deadlines for the Classes involved in the switching they are however not deemed to be received before they are actually received by the Registrar and Transfer Agent. Shares may not be switched if the determination of the Net Asset Value of one of the relevant Sub-Funds is suspended.
- 21.6 A switching order may require the conversion of currency from one Sub-Fund to another. In such event, the number of Shares of the New Sub-Fund obtained on a switching will be affected by the net foreign currency exchange rate, if any, applied to the switching.
- 21.7 The rate at which shares in a given Sub-Fund or Class (the “**Initial Sub-Fund**”) are switched into Shares of another Sub-Fund or Class (the “**New Sub-Fund**”) is determined by means of the following formula:

$$F = [A \times (B - C) \times E] / D$$

A is the number of Shares of the Initial Sub-Fund subject to the switching order;

B is the Net Asset Value per Share of the Initial Sub-Fund;

C is the switching fee per Share, if any;

D is the Net Asset Value per Share of the New Sub-Fund;

E is the currency exchange rate (prevailing in Luxembourg) between the currency of the Initial Sub-Fund and the currency of the New Sub-Fund. If the currency of the Initial Sub-Fund and the currency of the New Sub-Fund are the same, E will be equal to 1;

F is the number of Shares of the New Sub-Fund obtained in the switching.

A confirmation statement will be sent to the relevant Shareholder (or third party as requested by the subscriber), detailing the switching transactions as soon as reasonably practicable after the Redemption and Subscription Prices of the Shares being switched has been determined. Shareholders should check this statement to ensure that the transactions have been accurately recorded.

## **22. FEES AND EXPENSES**

### **Sales Fees – Redemption Chare – Switching Fee**

- 22.1 Shares of all Classes are offered at the applicable Net Asset Value per Share plus an initial charge the amount of which is specified in the relevant Appendix for each Sub-Fund. Initial Sale Fees may vary and therefore may be less than any specified maximum amount depending on the country in which Shares are offered, the bank, a Distributor, sub-distributor or financial institution through whom Shares are purchased, and/or the amount of Shares purchased and/or held. Initial Sale Fees may be imposed and retained by any such bank, a Distributor, sub-distributor or financial institution or may be imposed by the Management Company or a Distributor or a Sub-Fund and paid to the Management Company, a Distributor, any such bank, sub-distributor or financial institution through whom Shares are purchased.
- 22.2 Unless otherwise provided for in the relevant Appendix of each Sub-Fund, the Shares of all Classes will have no exit charge on redemption.
- 22.3 Unless otherwise provided for in the relevant Appendix, no fees apply to switches of Shares from one Sub-Fund to another Sub-Fund or within different Classes of the same Sub-Fund.

### **Charges to Service Providers – Formation Costs – Operational Expenses**

#### *Introduction*

- 22.4 The specific fees payable by a Sub-Fund are described in the relevant Appendix of each Sub-Fund.
- 22.5 The Investment Manager, the Management Company, a Distributor, and their affiliates may pay a portion of their fees or other assets to third party entities (in particular advisers, distributors and service providers) that assist the Investment Manager, the Management Company or a Distributor in the performance of their duties (including in connection with the sale of Shares) or provide services, directly or indirectly, to the Company or the Shareholders. In return for these payments, the Company may receive certain marketing or servicing advantages including, without limitation, providing “shelf space” for the placement of the Sub-Funds as investment options to an intermediary’s clients, and granting access to sales personnel of the financial intermediary.

#### *Management Company Fee*

- 22.6 Under the Management Company Agreement, the Company will pay the Management Company a contractually defined fee for its services rendered to the Company in accordance with Chapter 15 of the Law of 2010 and this Prospectus (the “**Management Company Fee**”).
- 22.7 Except as otherwise stated in the relevant Appendix of this Prospectus, this Management Company Fee accrues daily and is paid monthly in arrears.
- 22.8 The Management Company Fee payable is determined in the Management Company Agreement (including its schedules) and summarized for each Sub-Fund in its Appendix.

#### *Investment Management Fee – Performance Related Remuneration*

- 22.9 Under the Investment Management Agreement, the Investment Manager will receive from the Company under the supervision of the Management Company a contractually defined fee for its services which may encompass performance related remuneration.
- 22.10 The investment management fee (the “**Investment Management Fee**”) together with any performance related remuneration is determined in the Investment Management Agreement (including any of its appendices) and summarized for each Sub-Fund in its Appendix.

#### *Depositary and Paying Agency fee*

- 22.11 Under the Depositary and Paying Agency Agreement (including its schedules), the Depositary receives safekeeping and servicing fees, according to the agreed schedule with the Company in respect of each Sub-Fund (the “**Depositary and Paying Agency Fee**”).
- 22.12 Except as otherwise stated in the relevant Appendix of this Prospectus, the Depositary and Paying Agency Fee is payable at the end of each month by the Company in respect of each Sub-Fund and is accrued on each Valuation Day based on the previous day’s Net Asset Value.

#### *Administrative Fee*

- 22.13 Under the Management Company Agreement (including its appendices), the Administrator receives a remuneration, the rates for which vary, inter alia, according to the frequency of the calculation of the Net Asset Value (the “**Administrative Fee**”).
- 22.14 Except as otherwise stated in the relevant Appendix of this Prospectus, the Administrative Fee is payable at the end of each month by the Company in respect of each Sub-Fund and is accrued on each Valuation Day based on the previous day’s Net Asset Value.
- 22.15 In addition to the **Administrative Fee** stated in the relevant Appendix of this Prospectus, Degroof Petercam Asset Services S.A. will charge a one-off set-up fee of EUR 8,500.- which may be amortized by the Company, in accordance with point 21.19 below.

#### *Hedging Management Fee*

- 22.16 Under the Hedging Management Agreement (including its appendices), the Hedging Manager receives a contractually defined fee for its services (the “**Hedging Management Fee**”).
- 22.17 The Hedging Management fee is determined in the Hedging Management Agreement (including any of its appendices) and summarized in the relevant Sub-Fund’s Appendix.

#### *Formation Costs*

- 22.18 The costs and expenses of the formation of the Company are to be borne by the Company and amortized over a period not exceeding five years.
- 22.19 The formation costs of any new Sub-Fund shall be borne by the relevant Sub-Fund and amortized over a period not exceeding five years.

#### *Operational Expenses*

- 22.20 The Company will pay out of its assets certain other costs and expenses incurred in its operations as more fully described in Section 26.7 and in particular Section 26.7.5.

### **23. SOFT COMMISSION ARRANGEMENTS**

#### *Use of Third Party Research*

- 23.1 The Investment Manager may use full service execution brokers when implementing its investment decisions on behalf of the Company. Such brokers may, in addition to routine order execution, facilitate the provision of research to the Investment Manager either from the broker itself or a third party research provider (“third party research”).
- 23.2 The costs of third party research will be borne by the Investment Manager.

#### *Commissions*

- 23.3 In connection with the management of the Company, the Investment Manager may provide a fee, commission or non-monetary benefit to a third party where: (1) the fee, commission or non-monetary benefit is provided by the Company or a person on behalf of the Company; or (2) the fee, commission or non-monetary benefit is designed to enhance the quality of the service provided to the Company, does not impair compliance with the Investment Manager’s duty to act in the best interests of the Company; and the existence, nature and amount of the fee, commission or benefit (or where the amount cannot be ascertained the method of calculating that amount) is disclosed to the Company prior to the provision of the related service; or (3) the fee, commission or non-monetary benefit enables or is necessary for the provision of investment services, and by its nature cannot give rise to conflicts with the Investment Manager’s duties to act honestly, fairly and professionally in accordance with the best interests of the Company.



23.4 The Investment Manager may enter into soft commission arrangements 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 interests of the Company. The Investment Manager will enter into such agreements on terms and conditions compliant with best market practice.

## **24. INVESTMENT RESTRICTIONS**

### **Eligible investments**

24.1 The Company may invest into:

24.1.1 Transferable Securities and Money Market Instruments admitted to or dealt in on an Eligible Market;

24.1.2 Recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market and such admission is secured within one year of the issue;

24.1.3 Units of UCITS and/or Other UCIs, whether situated in a Member State or not, provided that:

(a) such Other UCIs have been authorized under the laws of any Member State or under the laws of a country whose supervision is considered by the CSSF as equivalent to the laws of the EU and that cooperation between authorities is sufficiently ensured,

(b) the level of protection for unitholders in such Other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive,

(c) the business of such Other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period, and

(d) no more than 10% of the assets of the UCITS or Other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of Other UCITS or Other UCIs;

24.1.4 Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is an OECD member state and a FATF State;

24.1.5 FDI, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or FDI dealt in over-the-counter (“**OTC derivatives**”), provided that:

- (a) the underlying consists of instruments covered by Clause 24.1, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objective;
- (b) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;
- (c) 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; and/or

24.1.6 Money Market Instruments other than those dealt in on an Eligible Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- (a) issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in 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
- (b) issued by an undertaking any securities of which are dealt in on Regulated Markets, or
- (c) issued or guaranteed by a credit institution which has its registered office in a country which is an OECD member state and a FATF State, or
- (d) 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 set forth in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 million 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 or is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.

- 24.2 In addition, the Company may invest a maximum of 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments other than those referred to under Clauses 24.1.1, 24.1.2 and 24.1.6 above.

**Holding of liquid assets**

- 24.3 The Company may hold ancillary liquid assets (i.e. bank deposits at sight) up to 20% of any Sub-Fund's net assets. This limit shall only be temporarily waived, upon decision of the Board of Directors, for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such waiving is justified having regard to the interests of the investors. When making portfolio allocation decisions, the Investment Manager will consider holding liquid assets as an alternative, particularly where there are limited attractive alternative investment opportunities or where such opportunities are overvalued in the opinion of the Investment Manager.

**Risk spreading requirements**

- 24.4 The Company will invest no more than 10% of the net assets of any Sub-Fund in Transferable Securities or Money Market Instruments issued by the same issuing body.
- 24.5 The Company may not invest more than 20% of the net assets of any Sub-Fund in deposits made with the same body. The risk exposure of a Sub-Fund to counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in Clause 24.1.4 above or 5% of its net assets in other cases.
- 24.6 Moreover, where the Company for the account of a Sub-Fund invests in Transferable Securities and Money Market Instruments of issuing bodies which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of such Sub-Fund. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- 24.7 Notwithstanding the individual limits set forth in Clauses 24.4 and 24.5, the Company may not combine, where this would lead to investment of more than 20% of the net assets of a Sub-Fund in a single body, any of the following:
- 24.7.1 Investments in Transferable Securities or Money Market Instruments issued by that body;
  - 24.7.2 Deposits made with that body; and/or
  - 24.7.3 Exposure arising from OTC derivative transactions undertaken with that body.
- 24.8 The limit of 10% set forth in Clause 24.4 above is increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by a Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more Member States are members.

- 24.9 The limit of 10% set forth in Clause 24.4 is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.
- 24.10 If a Sub-Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Sub-Fund.
- 24.11 The Transferable Securities and Money Market Instruments referred to in Clauses 24.8 to 24.9 shall not be included in the calculation of the limit of 40% in Clause 24.7.
- 24.12 The limits set out in Clause 24.4 to Clause 24.9 may not be aggregated and, accordingly, investments in Transferable Securities or Money Market Instruments issued by the same issuing body, in deposits or in derivative instruments affected with the same issuing body, may not, in any event, exceed a total of 35% of any Sub-Fund's net assets.
- 24.13 Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognized international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in Clause 24.4 to Clause 24.12.
- 24.14 The Company may cumulatively invest up to 20% of the net assets of a Sub-Fund in Transferable Securities and Money Market Instruments within the same group.
- 24.15 **Notwithstanding the above provisions, the Company is authorized to invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities or agencies, or by another member State of the OECD or by public international bodies of which one or more Member States are members, provided that such Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Sub-Fund.**
- 24.16 Without prejudice to the limits set forth in Clause 24.18, the limits provided in Clause 24.4 to Clause 24.16 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and is disclosed in the relevant Sub-Fund's investment policy.
- 24.17 The limit set forth in Clause 24.16 is raised to 35% where justified by exceptional market conditions, in particular on 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.

### **Investment restrictions**

- 24.18 The Company may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- 24.19 The Company may acquire no more than:
- 24.19.1 10% of the non-voting shares of the same issuer;
  - 24.19.2 10% of the debt securities of the same issuer; and
  - 24.19.3 10% of the Money Market Instruments of the same issuer.
- 24.20 The limits under Clauses 24.19.2 and 24.19.3 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.
- 24.21 The provisions of Clauses 24.16 to 24.22 shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any other Eligible State, or issued by public international bodies of which one or more Member States are members.
- 24.22 The provisions of Clauses 24.16 to 24.22 are also waived as regards shares held by the Company in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Company can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State complies with the limits set forth in Clauses 24.4 to 24.15, Clauses 24.18 to 24.22 and Clauses 24.23 to 24.27.
- 24.23 Except as otherwise provided in the relevant Appendix, any Sub-Fund may acquire units of UCITS or Other UCIs, provided that no more than 20% of its assets are invested in this UCITS or Other UCI. For the purpose of the application of this investment limit, each sub-fund of another UCITS or Other UCI with multiple sub-funds is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured. Investments made in Other UCIs may not in aggregate exceed 30% of the assets of the Sub-Fund.
- 24.24 The underlying investments held by the UCITS or Other UCIs in which the Company is investing do not have to be considered for the purpose of the investment restrictions set forth under Clauses 24.4 to 24.15 above.
- 24.25 When the Company invests in the units of UCITS and/or Other UCIs that are managed directly or by delegation by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding, the Management Company or other company cannot charge subscription or redemption fees to the Company on account of its investment in the units of such UCITS and/or UCIs.

- 24.26 In respect of a Sub-Fund's investments in UCITS and Other UCIs, the total management fee (excluding any performance fee, if any) charged both to such Sub-Fund and the UCITS and/or Other UCIs concerned shall not exceed 5% of the relevant assets. The Company will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and Other UCIs in which such Sub-Fund has invested during the relevant period.
- 24.27 The Company may acquire no more than 25% of the units of the same UCITS or Other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or Other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS or Other UCI concerned, all compartments combined.
- 24.28 The Company shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the net assets of the relevant Sub-Fund. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This standard shall also apply to the following subparagraphs. If the Company invests in FDIs, the exposure to the underlying assets may not exceed in aggregate the investment limits set forth in Clauses 24.4 to 24.15 above. When the Company invests in index-based FDIs, these investments are not subject to the limits set forth in Clauses 24.4 to 24.15. 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.
- 24.29 The Company may not borrow for the account of any Sub-Fund amounts in excess of 10% of the net assets of that Sub-Fund, any such borrowings to be from banks and to be effected only on a temporary basis, provided that the Company may acquire foreign currencies by means of back to back loans;
- 24.30 The Company may not grant loans to or act as guarantor on behalf of third parties.
- 24.31 This restriction shall not prevent the Company from
- 24.31.1 Acquiring Transferable Securities, Money Market Instruments or other financial instruments which are not fully paid, and
- 24.31.2 Performing permitted securities lending activities, neither of which shall be deemed to constitute the making of a loan.
- 24.32 The Company may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.
- 24.33 The Company may not acquire movable or immovable property.
- 24.34 The Company may not acquire either precious metals or certificates representing them.
- 24.35 The Company needs not comply with the limits set forth in this section when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets. While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from Clauses

24.4 to 24.15 and Clauses 24.16, 24.17, 24.23, 24.24, 24.25 and 24.26 for a period of six months following the date of their creation.

24.36 If the limits referred to in paragraph a) are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.

24.37 To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in such compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in Clauses 24.4 to 24.15, Clauses 24.16 and 24.17 as well as Clauses 24.23 to 24.27.

24.38 The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

## **25. RISK MANAGEMENT PROCESS**

25.1 The Management Company will employ a risk-management process which enables it – in cooperation with the Company and the Investment Manager – to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Management Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instrument.

25.2 **Unless otherwise provided for in the relevant Appendix, the Management Company will apply the commitment approach with respect to the determination of the global exposure of each Sub-Fund.**

25.3 Upon request of an investor, the Management Company will provide supplementary information relating to the quantitative limits that apply in the risk management of each Sub-Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments.

## **26. TECHNIQUES AND INSTRUMENTS**

### **General information**

26.1 If foreseen by the Investment Policy of a specific Sub-Fund as described in Appendices below, the Company may employ techniques and instruments relating to Transferable Securities and Money Market Instruments provided that such techniques and instruments are only used for efficient portfolio management or hedging purposes.

26.2 When these operations concern the use of derivative instruments, these conditions and limits will conform to the provisions laid down under Clauses 24.18 to 24.38.

26.3 Under no circumstances will these operations cause a Sub-Fund to diverge from its investment objectives.

## **Use of FDIs**

- 26.4 A Sub-Fund may use FDIs for investment purposes or to attempt to hedge or reduce the overall risk of its investments. A Sub-Fund's ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. The use of these strategies involves special risks, including:
- 26.4.1 Dependence on the Investment Manager's ability to predict movements in the price of securities being hedged and movements in interest rates;
  - 26.4.2 Imperfect correlation between the movements in securities or currency on which a derivatives contract is based and movements in the securities or currencies in the relevant Sub-Fund;
  - 26.4.3 Absence of a liquid market for any particular instrument at any particular time;
  - 26.4.4 Degree of leverage inherent in futures trading (i.e. the loan margin deposits normally required in futures trading means that futures trading may be highly leveraged). Accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to a Sub-Fund; and
  - 26.4.5 Possible impediments to efficient portfolio management or the ability to meet repurchase requests or other short-term obligations because a percentage of a Sub-Fund's assets will be segregated to cover its obligations.
  - 26.4.6 Each Sub-Fund may use leverage subject to applicable laws and the conditions of the relevant Appendix. The use of leverage can lead to an enhanced increase of the value of the Sub-Fund's assets, if the costs incurred by the use of the derivative instruments are lower than the profits resulting therefrom. However, should the costs of such transactions exceed the profits resulting from the use of the derivative instruments, enhanced losses can be incurred.
- 26.5 Upon request by any Shareholder, information relating to the risk management methods employed for any Sub-Fund, including the quantitative limits that are applied and any recent developments in risk and yield characteristics of the main categories of investments may be provided to such Shareholder by the Company.
- 26.6 Transactions in options, futures, options on futures, swaps, options on swaps, interest rate caps, floors and collars, structured securities, inverse floating-rate securities, and currency transactions including currency forwards or other complex derivative transactions involve risk of loss. Loss can result from a lack of correlation between changes in the value of derivative instruments and the Sub-Fund's assets (if any) being hedged, the potential illiquidity of the markets for derivative instruments, or the risks arising from margin requirements and related leverage factors associated with such transactions. The use of these management techniques also involves the risk of loss if the Investment Manager is incorrect in its expectation of fluctuations in securities prices, interest rates or currency prices.



- 26.7 A Sub-Fund will only enter into total return swap transactions (or other FDIs with the same characteristics) with highly rated financial institutions specialized in this type of transaction. In addition, the use of total return swaps must comply with the investment objectives and policies and risk profile of the relevant Sub-Fund. Unless otherwise specified in an Appendix, counterparties to FDIs do not have any discretion over the composition or management of the relevant Sub-Fund's investment portfolio or over the underlying of the FDI, and no approval of the counterparty is required in relation to any investment portfolio transaction of the relevant Sub-Fund.
- 26.8 A Sub-Fund will only enter into total return swap transactions (or other FDIs with the same characteristics) in accordance with the provisions of Circular 08/356, Circular 14/592 and ESMA 2014/937.
- 26.9 A Sub-Fund may not use total return swaps or other FDIs with similar characteristics unless the underlying asset's performance referred to under the total return swap or other FDI with similar characteristics is in compliance with the investment policy of the relevant Sub-Fund entering into such transaction.
- 26.10 Where a Sub-Fund intends to make use of total return swap transactions (or other FDIs with the same characteristics) further details will be disclosed in the relevant Appendix.

#### **Efficient Portfolio Management**

**Unless otherwise provided in the investment policies of the Sub-Funds, the Company will not use "Securities financing transactions" and/or invest in "Total Return Swap", as these terms are defined by the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse.**

**If any Sub-Fund would intend to use such "Securities financing transactions and/or invest in "Total Return Swap", the Prospectus will be updated.**

- 26.11 The reference to techniques and instruments which relate to transferable securities and which are used for the purpose of efficient portfolio management shall be understood as a reference to securities lending operations, repurchase transactions (*opérations à réméré*) as well as reverse repurchase transactions (*opérations de prise en pension*) and repurchase agreement transactions (*ventes de titres à réméré*) (the "**Efficient Portfolio Management Techniques**" or "**EPMT**"). The Company will apply EPMT in accordance with the provisions of Circular 08/356, Circular 14/592 and ESMA 2014/937.
- 26.12 EPMT must fulfil the following criteria:
- 26.12.1 They are economically appropriate in that they are realized in a cost-effective way;
  - 26.12.2 They are entered into for one or more of the following specific aims:
  - 26.12.3 Reduction of risk;

- 26.12.4 Reduction of cost;
  - 26.12.5 Generation of additional capital or income for the Company with a level of risk which is consistent with the risk profile of the Company and the risk diversification rules;
  - 26.12.6 Their risks are adequately captured by the risk management process of the Company.
- 26.13 If applicable, direct and indirect operational costs and fees arising from EPMTs, up to 10% of the Net Asset Value, will be deducted from the revenue delivered to the Company.
- 26.14 It is not expected that conflicts of interest will arise when using EPMTs.
- 26.15 The Company's annual report will contain details of the following:
- 26.15.1 Exposure obtained through EPMT;
  - 26.15.2 Identity of the counterparty(ies) to these EPMT;
  - 26.15.3 Type and amount of collateral received by the Company to reduce counterparty exposure; and
  - 26.15.4 Revenues arising from EPMT for the entire reporting period together with the direct and indirect operational costs and fees incurred.

#### **Management of Collateral**

- 26.16 When entering into securities lending transactions, contracts concerning FDI's (if applicable) as well as repurchase agreement transactions, the Company will require the relevant counterparty to provide collateral whose value must at all times be at least equivalent to 90% of the value of those assets which are subject to the relevant arrangement. Collateral received must at all times meet the following criteria:
- 26.16.1 Liquidity: collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.
  - 26.16.2 Valuation: collateral must be capable of being valued on at least a daily basis and must be marked to market daily.
  - 26.16.3 Issuer credit quality: Unless otherwise provided for in the relevant Appendix, the Company will ordinarily only accept very high quality collateral (such as US Treasuries, German Bunds, UK Gilts) which is typically not subject to a haircut.
  - 26.16.4 Safe-keeping: collateral must be transferred to the Depositary.
  - 26.16.5 Enforceable: collateral must be immediately available to the Sub-Fund without recourse to the counterparty, in the event of a default by that entity.
- 26.17 The Company must value on a daily basis the collateral received. In case the Company accepts collateral other than as referred to in Clause 25.16.3, the Company

will apply haircuts which depend on issuer, rating, maturity and guarantees to control and manage the collateral. The haircut is part of the counterparty risk process. It will take into account the level of risk related to the holding of the underlying asset(s) of the collateral by the relevant Sub-Fund. Consequently, the agreement concluded between the Company and the counterparty must include provisions to the effect that the counterparty must provide additional collateral at very short term in case the value of the collateral already granted appears to be insufficient in comparison with the amount to be covered following the application of the haircut.

26.18 The Company will apply the following maximum haircuts in respect of the value of the collateral received of:

26.18.1 5% with respect to liquid assets (*i.e.*, cash, short-term certificates and Money Market Instruments), whereas no haircut will be applied with respect to cash. A letter of credit or a collateral at first-demand given by a first class institution not affiliated to the counterparty are considered as equivalent to liquid assets;

26.18.2 5% with respect to bonds issued or guaranteed by an OECD Member State or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;

26.18.3 10% with respect to shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

26.18.4 10% with respect to shares or units issued by UCITS investing mainly in bonds/shares mentioned in 25.18.5 and 25.18.6 below;

26.18.5 20% with respect to bonds issued or guaranteed by first class issuers offering an adequate liquidity;

26.18.6 20% with respect to shares admitted to or dealt in on a Regulated Market of a Member State or on a stock exchange of an OECD member state, on the condition that these shares are included in a main index.

26.19 Furthermore, the aforementioned agreement between the Company and the counterparty must, if appropriate, provide for safety margins that take into consideration exchange risks or market risks inherent to the assets accepted as collateral.

26.20 Non-cash collateral:

26.20.1 Cannot be sold, pledged or re-invested;

26.20.2 Must be held at the risk of the counterparty;

26.20.3 Must be issued by an entity independent of the counterparty; and

26.20.4 Must be diversified to avoid concentration risk in one issue, sector or country.

26.21 Cash collateral can only be:

- 26.21.1 Placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive;
  - 26.21.2 Invested in high-quality government bonds;
  - 26.21.3 Used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis; and
  - 26.21.4 Invested in short-term money market funds as defined in ESMA's Guidelines on a Common Definition of European Money Market Funds.
- 26.22 Re-invested cash collateral exposes the Sub-Fund to certain risks such as the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Investors should consult the risk warnings under Section 15 for information on counterparty risk and credit risk in this regard.

## **27. DETERMINATION OF THE NET ASSET VALUE**

### **Reference Currency**

- 27.1 The Reference Currency of the Company is the EUR.
- 27.2 The Net Asset Value of the Company is expressed in EUR.

### **Valuation Principles**

- 27.3 Unless otherwise provided for in the relevant Appendix of each Sub-Fund, the Administrator will calculate the Net Asset Value to two decimal places on each Business Day.
- 27.4 The Net Asset Value per Share shall be determined by dividing the net assets of the Company, being the value of the assets of the Company less the liabilities of the Company, by the number of outstanding Shares of the Company.
- 27.5 The assets of the Company shall be deemed to include:
  - 27.5.1 All cash on hand or on deposit, including any interest accrued thereon;
  - 27.5.2 All bills and demand notes and accounts receivable (including proceeds of securities sold but not delivered);
  - 27.5.3 All bonds, time notes, shares, stock, debenture stocks, units/shares in undertakings for collective investment, subscription rights, warrants, options and other investments and securities owned or contracted for by a Sub-Fund;
  - 27.5.4 All stock, stock dividends, cash dividends and cash distributions receivable by a Sub-Fund (provided that the Company may make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividends or ex-rights or by similar practices);

- 27.5.5 All interest accrued on any interest-bearing securities owned by a Sub-Fund except to the extent that the same is included or reflected in the principal amount of such security;
  - 27.5.6 Preliminary expenses of the Company insofar as the same have not been written off; and
  - 27.5.7 All other assets of every kind and nature, including prepaid expenses.
- 27.6 The value of such assets shall be determined as follows:
- 27.6.1 The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board may consider appropriate in such case to reflect the true value thereof;
  - 27.6.2 The value of securities and/or FDIs which are quoted or dealt in on any stock exchange shall be based, except as defined in Clause 26.6.3 below, in respect of each security on the latest available dealing prices on the stock exchange which is normally the principal market for such security;
  - 27.6.3 Where investments of a Sub-Fund are both listed on a stock exchange and dealt in by market makers outside the stock exchange on which the investments are listed, then the Board will determine the principal market for the investments in question and they will be valued at the latest available price in that market;
  - 27.6.4 Securities dealt in on another regulated market are valued in a manner as near as possible to that described in Clause 26.6.2:
  - 27.6.5 In the event that any of the securities held in a Sub-Fund's portfolio on the Valuation Day are not quoted or dealt in on a stock exchange or another regulated market, or for which no price quotation is available, or if the price is not in the opinion of the Board representative of the fair market value of the relevant securities, the value of such securities shall be determined prudently and in good faith, based on the reasonably foreseeable sales or any other appropriate valuation principles;
  - 27.6.6 The FDIs which are not listed on any official stock exchange or traded on any other organized market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Board;
  - 27.6.7 Units or shares in underlying open-ended investment funds shall be valued at their last available net asset value reduced by any applicable charges;
  - 27.6.8 Liquid assets and Money Market Instruments are valued at their market price, at their nominal value plus accrued interest or on an amortized cost basis in accordance with ESMA's guidelines on a common definition of

European money market funds. If the Company considers that an amortization method can be used to assess the value of a Money Market Instrument, it will ensure that this will not result in a material discrepancy between the value of the Money Market Instrument and the value calculated according to the amortization method;

27.6.9 In the event that the above mentioned calculation methods are inappropriate or misleading, the Board may adjust the value of any investment or permit some other method of valuation to be used for the assets of the Company if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.

27.7 The liabilities of a Sub-Fund shall be deemed to include:

27.7.1 All loans, bills and accounts payable;

27.7.2 All accrued or payable expenses for the service providers including but not limited to the fees to be paid to the Management Company, the Depositary and the Administrator in accordance with Section 21;

27.7.3 All known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the Company where the Valuation Day falls on the record date for determination of the person entitled thereto or is subsequent thereto;

27.7.4 Appropriate provisions for future taxes based on capital and income to the Valuation Day, as determined from time to time by the Company, and other provisions, if any, authorized and approved by the Board covering, among others, liquidation expenses; and

27.7.5 Other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares in the Company. In determining the amount of such liabilities the Company shall take into account all expenses payable by the Company comprising

- (a) formation expenses (including operational set-up costs charged by the service providers),
- (b) remuneration and expenses of its Directors and officers, including their insurance cover and reasonable out-of-pocket expenses,
- (c) fees and costs in connection with domiciliation and corporate agency services for the Company including costs to convene General Meetings,
- (d) fees and expenses payable to permanent representatives in places of registration, any other agent employed by the Company,

- (e) fees and expenses incurred in connection with reporting to supervisory authorities including the CSSF and to Shareholders and listing of the Shares at any stock exchange or to obtain a quotation on another Regulated Market,
- (f) fees for legal and tax advisers in Luxembourg and abroad including fees and costs for litigation and indemnifications,
- (g) fees for auditing services,
- (h) fees for printing, reporting and publishing expenses, including the cost of preparing, translating, distributing and printing of the prospectuses, KID, notices, reports (including the Reports), rating agencies, explanatory memoranda, registration statements, or interim and annual reports,
- (i) taxes or governmental charges,
- (j) shareholders' servicing fees and distribution fees payable to Distributors of Shares,
- (k) currency conversion costs, and
- (l) all other operating expenses, including the cost of buying and selling assets, interest, bank charges, settlement and transactional costs and brokerage, postage, telephone and telex.

27.8 The Company may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

**28. TEMPORARY SUSPENSION OF THE CALCULATION OF NET ASSET VALUE**

28.1 Under article 21 of the Articles, the Company may temporarily suspend the calculation of the Net Asset Value of one or more Sub-Funds and the issue, redemption and switching of Shares in the following cases:

28.1.1 During any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of the investments of the relevant Sub-Fund for the time being are quoted, is closed, other than for legal holidays or during which dealings are substantially restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of a Sub-Fund attributable to such Sub-Fund;

28.1.2 During the existence of any state of affairs which constitutes an emergency, in the opinion of the Board, as a result of which disposal or valuation of investments of the relevant Sub-Fund by the Company is not possible;

28.1.3 During any breakdown in the means of communication normally employed in determining the price or value of any of the relevant Sub-

Fund's investments or the current price or value on any market or stock exchange;

- 28.1.4 If the Company is being or may be wound up or merged, from the date on which notice is given of a general meeting of Shareholders at which a resolution to wind up or merge the Company is to be proposed or if a Sub-Fund is being liquidated or merged, from the date on which the relevant notice is given;
  - 28.1.5 When for any other reason the prices of any investments owned by the Company attributable to a Sub-Fund cannot promptly or accurately be ascertained (including the suspension of the calculation of the net asset value of an underlying undertaking for collective investment);
  - 28.1.6 During any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of a Sub-Fund or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board, be effected at normal rates of exchange; or
  - 28.1.7 Any other circumstances beyond the control of the Board.
- 28.2 The Board may, in any of the circumstances listed above, suspend the issue and/or redemption and/or switching of Shares without suspending the calculation of the Net Asset Value.
- 28.3 Notice of such suspension will be given to the CSSF.
- 28.4 Notice will be given to any applicant or Shareholder as the case may be applying for purchase, redemption, or switching of Shares in the Sub-Fund(s) concerned. Such Shareholders may give notice that they wish to withdraw their application for subscription, redemption and switching of Shares. If no such notice is received by the Company such application for redemption or switching as well as any application for subscription will be dealt with on the first Valuation Date following the end of the period of suspension.
- 28.5 Notice of the beginning and of the end of any period of suspension will be published in a Luxembourg newspaper and in any other newspaper(s) and/or media selected by the Board, if, in the opinion of the Board, such period of suspension is likely to exceed seven Business Days.
- 28.6 The suspension of the Net Asset Value calculation of a Sub-Fund shall have no effect on the calculation of the Net Asset Value, the issue, sale, redemption and switching of Shares of any other Sub-Fund for which the Net Asset Value calculation is not suspended.

## **29. ALLOCATION OF ASSETS AND LIABILITIES**

- 29.1 The Board reserves the right to add further Sub-Funds and in certain circumstances to discontinue existing Sub-Funds.



- 29.2 The Company is a single legal entity. Pursuant to article 181 of the Law of 2010, the rights of investors and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund.
- 29.3 The assets of a Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund.
- 29.4 For the purpose of the relations as between investors, each Sub-Fund will be deemed to be a separate entity.

## **30. TAXATION**

### **General**

- 30.1 The following statements on taxation below are intended to be a general summary of certain Luxembourg tax consequences that may result to the Company and Shareholders in connection with their investment in the Company and are included herein solely for information purposes. They are based on the law and practice in force in Luxembourg at the date of this Prospectus. There is no assurance that the tax status of the Company or Shareholders will not be changed as a result of amendments to, or changes in the interpretation of, relevant tax legislation and regulations. This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Prospective investors should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.
- 30.2 The Company will provide regular financial information to its Shareholders as described herein, but will not be responsible for providing (or for the costs of providing) any other information which Shareholders may, by virtue of the size of their holdings or otherwise, be required to provide to the taxing or other authorities of any jurisdiction.
- 30.3 As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The information herein should not be regarded as legal or tax advice.

### **Taxation of the Company**

- 30.4 The Company is not liable for any Luxembourg tax on profits or income.
- 30.5 The Company is liable in Luxembourg for an annual subscription tax (*taxe d'abonnement*) which is payable quarterly on the basis of the value of the net assets of the Company at the end of the relevant calendar quarter.
- 30.6 The rate of the subscription tax is 0.05% per annum of the Net Asset Value of each Class which is available to all investors.
- 30.7 The rate of the subscription tax is 0.01% per annum of the Net Asset Value for:

- 30.7.1 Sub-Funds whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions,
  - 30.7.2 Sub-Funds whose sole object is the collective investment in deposits with credit institutions and
  - 30.7.3 Sub-Funds or Classes which are reserved to one or more Institutional Investors.
- 30.8 A Sub-Fund that satisfies the following conditions is exempt from the annual subscription tax:
- 30.8.1 Securities issued by the Sub-Fund are reserved to Institutional Investors, and
  - 30.8.2 Sole object of the Sub-Fund is the collective investment in Money Market Instruments and the placing of deposits with credit institutions, and
  - 30.8.3 Weighted residual portfolio maturity of the Sub-Fund does not exceed 90 days, and
  - 30.8.4 The Sub-Fund has obtained the highest possible rating from a recognized rating agency.
- 30.9 No stamp duty or other tax is due on the issue or transfer of the Shares.
- 30.10 No Luxembourg tax is payable on the realized capital gains or unrealized capital appreciation of the assets of the Company.
- 30.11 Dividends and interest received by the Company on its investments are in many cases subject to irrecoverable withholding taxes at source.

#### **European Tax Considerations**

- 30.12 The OECD has developed a common reporting standard (“**CRS**”) to achieve a comprehensive and multilateral automatic exchange of information (“**AEOI**”) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the “**Administrative Cooperation Directive**”) was adopted in order to implement the CRS among the Member States. For Austria, the Administrative Cooperation Directive applies by 30 September 2018 for the calendar year 2017.
- 30.13 The Administrative Cooperation Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the “**CRS Law**”).
- 30.14 The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the assets holders to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

- 30.15 Accordingly, the Company may require its investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons), in order to ascertain their CRS status and report information regarding a shareholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), if such account is deemed a CRS reportable account under the CRS Law. The Company shall communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will only be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to CRS-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).
- 30.16 Under the CRS Law, the first exchange of information will be applied by 30 September 2017 for information related to the calendar year 2016. Under the Administrative Cooperation Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.
- 30.17 In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.
- 30.18 The Company reserves the right to refuse any application for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.
- 30.19 Shareholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

#### **DIRECTIVE 2018/822/EU - "DAC 6"**

- 30.20 The Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements, also known as "DAC 6", came into force on 25 June 2018.
- 30.21 Luxembourg transposed it into national law on 25 March 2020. In view of the COVID-19 pandemic, the EU Council adopted on 24 June 2020 the possibility to postpone the initial notification dates of the declarations by 6 months. Consequently, in Luxembourg, the initial date of effect of the DAC 6 Directive of 1 July 2020 has been replaced by the date of 1 January 2021.
- 30.22 The primary objective of the DAC 6 Directive is to ensure that Member States obtain information on "potentially aggressive" cross-border tax arrangements, i.e. arrangements which are set up in different jurisdictions which allow taxable profits to be shifted to more favourable tax regimes or which have the effect of reducing the taxpayer's overall tax base.

- 30.23 As a result, from 1 January 2021, any intermediary (i.e. any person who designs, markets or organises a reportable cross-border device, makes it available for implementation or manages its implementation (Article 3(21)) is obliged to notify, by way of a declaration, within 30 days of the first steps in the implementation of the structure, any potentially aggressive cross-border arrangement, according to the identified hallmark (i.e. a characteristic or feature of a cross-border device that indicates a potential risk of tax evasion, [...]) (Article 3(20)).
- 30.24 The Management Company is a potential intermediary within the meaning of DAC 6 and may be required to report cross-border arrangements that have one or more hallmarks.
- 30.25 The DAC 6 Directive applies to any arrangement implemented on or after 25 June 2018, date on which the Directive came into force.
- 30.26 As a transitional measure, where the first step for the implementation of a cross-border arrangement was taken between 25 June 2018 and 30 June 2020 and between 1 July 2020 and 31 December 2020, such arrangement had to be declared by 28 February 2021 and 31 January 2021 respectively at the latest.
- 30.27 Shareholders, as taxpayers, are likely to be secondarily responsible for the reporting of cross-border arrangements falling within the scope of the DAC 6 Directive and should therefore consult their tax advisors for further information.

#### **Taxation of Shareholders**

- 30.28 Under current Luxembourg legislation, Shareholders are not subject to any capital gains, income or withholding tax in Luxembourg, except for those domiciled, resident or having a permanent establishment in Luxembourg.
- 30.29 It is expected that Shareholders in the Company will be resident for tax purposes in many different jurisdictions. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, switching, holding or redeeming or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances. Investors should inform themselves about, and when appropriate consult their professional advisers on, the possible tax consequences of subscription for, buying, holding, switching, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

#### **FATCA**

- 30.30 FATCA was enacted on 18 March 2010 as part of the Hiring Incentive to Restore Employment Act (the "**HIRE**"). It includes provisions under which a Foreign Financial Institution ("**FFI**") may be required to report directly to the Internal Revenue Service ("**IRS**") certain information about shares and Interests held by U.S. tax payers or other foreign entities subject to FATCA and to collect additional identification information for this purpose. FFI that do not enter into an agreement with the IRS and comply with the regulations relating to FATCA could be subject to 30% withholding tax in relation to certain US source income and gains. The

regulations relating to FATCA become effective in phases between 1 July 2014 and 2017.

- 30.31 On 28 March 2014, Luxembourg signed a Model 1 Intergovernmental Agreement (the “**IGA**”) with the US and a memorandum of understanding in respect thereof, which was ratified in Luxembourg by the act of 24 July 2015 (the “**Luxembourg FATCA Act**”). The Company is obliged to comply with the provisions of FATCA under the terms of the Luxembourg FATCA Act. The Company is required to collect information aiming to identify its direct and indirect Investors that are “Specified US Persons” for FATCA purposes (“reportable accounts”). Any such information on reportable accounts provided to the Company will be shared with the Luxembourg tax authorities that will exchange that information on an automatic basis with the IRS.
- 30.32 The Company however generally intends to comply with the provisions of the Luxembourg FATCA Act to be deemed compliant with FATCA and should thus not be subject to the 30% withholding tax (FATCA Withholding) with respect to its share of any such payments attributable to actual and deemed US investments of the Company.
- 30.33 To ensure compliance with the regulations relating to FATCA and the provisions of the Luxembourg FATCA Act, the Company may:
- 30.33.1 require any Investor to furnish all information and documentary evidence to ascertain the Investor’s FATCA status;
  - 30.33.2 report information concerning a Shareholder to the Luxembourg tax authorities if such account is deemed a reportable account (the Investors waive insofar, if applicable, any conflicting rules on banking secrecy data-protection) and report payments to certain entities; and
  - 30.33.3 provide information to third parties to allow these to make an applicable FATCA Withholding;
  - 30.33.4 all in accordance with the regulations relating to FATCA and the Luxembourg FATCA Act.
- 30.34 The aforesaid shall apply in relation to other withholding taxes accordingly. In addition, the Company may also require any Investor to pay amounts to the Company in order to comply with its FATCA Withholding and other withholding tax obligations. Finally, amendments may be made to this Prospectus to address the implementation of tax regulations including regulations relating to FATCA and the Luxembourg FATCA Act, and compliance with such tax regulations may increase the Company’s operating expenses.
- 30.35 Even though the Company generally intends to comply with any obligations imposed on it under the regulations relating to FATCA to avoid the imposition of FATCA Withholding, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to FATCA Withholding as a result of a non-compliance with these regulations, the value of Shares may be materially affected. If an amount in respect of FATCA were to be deducted or withheld from distributions, repayment of capital or other payments on or with respect to the Shares, neither the Company nor any other party would have any

obligation to pay additional amounts or otherwise indemnify Shareholders for any such withholding or deduction by the Company or any other party. As a result, if FATCA Withholding is imposed on these payments, Shareholders may receive lower amounts than expected.

- 30.36 Investors should consult their own tax advisers to obtain a more detailed explanation of the regulations relating to FATCA and to learn how these regulations might affect them in their particular circumstance.

**31. GENERAL MEETINGS OF SHAREHOLDERS, ACCOUNTING, ACCOUNTING YEARS AND REPORTS**

- 31.1 The annual general meeting of Shareholders will be held each year at the registered office of the Company or at any other place in the municipality of the registered office of the Company, which will be specified in the convening notice to the annual general meeting.

- 31.2 The annual general meeting of Shareholders will be held on the last Wednesday of the month of April or, if such day is not a bank business day in Luxembourg, on the next bank business day in Luxembourg, at 9.00 a.m. (Luxembourg time).

- 31.3 Shareholders will meet upon the call of the Board in accordance with the provisions of Luxembourg law.

- 31.4 In accordance with the Articles and Luxembourg law, all decisions taken by the Shareholders pertaining to the Company shall be taken at the general meeting of all Shareholders. Any decisions affecting Shareholders in one or several Sub-Funds may be taken by just those Shareholders in the relevant Sub-Funds to the extent that this is allowed by law. In that particular instance, the requirements on quorum and majority voting rules as set forth in the Articles apply.

- 31.5 The Company draws the Shareholders' attention to the fact that any Shareholder will only be able to fully exercise his/her/its rights directly against the Company, notably the right to participate in general shareholders' meetings, if the Shareholder is registered himself/herself/itself and in his/her/its own name in the Company's register. In cases where a Shareholder invests in the Company through an intermediary investing into a Sub-Fund in his/her/its own name but on behalf of the Shareholder, it may not always be possible for the Shareholder to exercise certain Shareholder rights directly against the Company. Shareholders are advised to obtain advice on their rights.

- 31.6 The Company will issue an audited annual report within four months after the end of the accounting year and an un-audited semi-annual report within two months after the end of the period to which it refers. Audited annual reports and un-audited interim reports for the Company combining the accounts of the Sub-Funds will be drawn up in EUR. For this purpose, if the accounts of a Sub-Fund are not expressed in EUR, such accounts shall be converted into EUR. Both sets of reports will also be made available at the registered office of the Company.

- 31.7 Unless otherwise provided for in the convening notice to the annual general meeting of Shareholders, the audited annual reports will be available at the registered office of the Company (and as may be required by applicable local laws and regulations). The accounting year of the Company ends on 31<sup>st</sup> December in each year.

## **32. DURATION, MERGER AND LIQUIDATION OF THE COMPANY AND OF THE SUB-FUNDS**

### **Term of the Company**

- 32.1 The Company was incorporated for an unlimited duration. However, the Board may at any time move to dissolve the Company at an extraordinary general meeting of Shareholders.

### **Term of the Sub-Funds**

- 32.2 Unless otherwise provided for in the relevant Appendix, each Sub-Fund will be set up for a continuous and unlimited term of years.

### **Liquidation of the Company**

- 32.3 If the Company's share capital falls below two-thirds of the minimum capital required by law, the Board must refer the matter of the dissolution to a general meeting of Shareholders, deliberating without any quorum and deciding by a simple majority of the Shares represented at the meeting.

- 32.4 If the Company's share capital is less than a quarter of the minimum capital required by law, the Board must refer the matter of dissolution of the Company to a general meeting of Shareholders, deliberating without any quorum; the dissolution may be decided by Shareholders holding a quarter of the Shares represented at the meeting.

- 32.5 In the event of a dissolution of the Company, liquidation must be carried out by one or several liquidators (who may be physical persons or legal entities) named by decision of the Shareholders effecting such dissolution and which shall determine their powers and their compensation. The net proceeds of liquidation corresponding to each Class (within each Sub-Fund) will be distributed by the liquidators to the holders of Shares of each Class in proportion to their holding of Shares in such Class.

- 32.6 The completion of the liquidation of the Company must in principle take place within a period of nine months from the date of the decision relating to the liquidation. Where the liquidation of the Company cannot be fully completed within a period of nine months, a written request for exemption shall be submitted to the CSSF detailing the reasons why the liquidation cannot be completed.

- 32.7 As soon as the closure of the liquidation of the Company has been decided, whether this decision is taken before the nine-month period has expired or at a later date, any residual funds not claimed by Shareholders prior to the completion of the liquidation shall be deposited as soon as possible at the Caisse de Consignation in Luxembourg.

### **Liquidation of Sub-Funds and Classes**

- 32.8 A Sub-Fund or a Class may be terminated by resolution of the Board if the Net Asset Value of a Sub-Fund or a Class is below EUR 5,000,000 (or currency equivalent) or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Board should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-Fund or a Class to operate in an economically efficient

manner, and with due regard to the best interests of Shareholders, that a Sub-Fund or a Class should be terminated. In such event, the assets of the Sub-Fund or the Class will be realized, the liabilities discharged and the net proceeds of realization distributed to Shareholders in proportion to their holding of shares in that Sub-Fund or Class and such other evidence of discharge as the Board may reasonably require. This decision will be notified to Shareholders as required. No Shares will be redeemed after the date of the decision to liquidate the Sub-Fund or a Class.

- 32.9 The completion of the liquidation of a Sub-Fund or a Class must in principle take place within a period of nine months from the date of decision of the Board relating to the liquidation. Where the liquidation of Sub-Fund or a Class cannot be fully completed within a period of nine months, a written request for exemption shall be submitted to the CSSF detailing the reasons why the liquidation cannot be completed.
- 32.10 As soon as the closure of the liquidation of Sub-Fund or a Class has been decided, whether this decision is taken before the nine-month period has expired or at a later date, any residual funds not claimed by Shareholders prior to the completion of the liquidation shall be deposited as soon as possible at the Caisse de Consignation in Luxembourg.

#### **Merger of the Company**

- 32.11 The Company may be merged in accordance with the provisions of the Law of 2010. In the event the Company is involved in a merger as receiving UCITS, solely the Board will decide on the merger and the effective date thereof; in the event the Company is involved in a merger as absorbed UCITS and hence ceases to exist, the general meeting of shareholders of the Company has to approve and decide on the effective date of such merger by a resolution adopted with no quorum requirement and at the simple majority of the votes validly cast at such meeting. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

#### **Merger of Sub-Funds**

- 32.12 The Board may resolve to proceed with a merger (within the meaning of the Law of 2010) of any Sub-Fund, either as receiving or absorbed Sub-Fund, with (i) another existing Sub-Fund within the Company or another sub-fund within another Luxembourg or foreign UCITS; or (ii) a new Luxembourg or foreign UCITS, and as appropriate, to redesignate the shares of the Sub-Fund concerned as shares of the new Sub-Fund or of the new UCITS as applicable. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

#### **Merger of Classes**

- 32.13 A Class may merge with one or more other Classes by resolution of the Board if the Net Asset Value of a Class is below EUR 5,000,000 (or currency equivalent) or in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Board should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability



of a Class to operate in an economically efficient manner, and with due regard to the best interests of Shareholders, that a Class should be merged. This decision will be notified to Shareholders as required. Each Shareholder of the relevant Class will be given the option, within a period to be determined by the Board (but not being less than one month, unless otherwise authorized by the regulatory authorities, and specified in said notice), to request free of any redemption charge either the repurchase of its Shares or the exchange of its Shares against Shares of any Class not concerned by the merger. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

- 32.14 A Class may be contributed to another investment fund by resolution of the Board in the event of special circumstances beyond its control, such as political, economic, or military emergencies, or if the Board should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Class to operate in an economically efficient manner, and with due regard to the best interests of Shareholders, that a Class should be contributed to another fund. This decision will be notified to Shareholders as required. Each Shareholder of the relevant Class will be given the option within a period to be determined by the Board (but not being less than one month, unless otherwise authorized by the regulatory authorities, and specified in said notice), to request, free of any redemption charge, the repurchase of its Shares. Where the holding of units in another undertaking for collective investment does not confer voting rights, the contribution will be binding only on Shareholders of the relevant Class who expressly agree to the merger. Any applicable contingent deferred sales charges are not to be considered as redemption charges and shall therefore be due.

### **Division**

- 32.15 If the Board determines that it is in the interests of the Shareholders of the relevant Sub-Fund or Class or that a change in the economic or political situation relating to the Sub-Fund or Class concerned has occurred which would justify it, the reorganization of one Sub-Fund or Class, by means of a division into two or more Sub-Funds or Classes, may take place. This decision will be notified to Shareholders as required. The notification will also contain information about the two or more new Sub-Funds or Classes. The notification will be made at least one month before the date on which the reorganization becomes effective in order to enable the Shareholders to request the sale of their Shares, free of charge, before the operation involving division into two or more Sub-Funds or Classes becomes effective.

## **33. PUBLICATION OF PRICES**

- 33.1 The Net Asset Value per Share, as well as the Subscription Price and Redemption Price, may be obtained from the registered office of the Company. Depending on the nature of the arrangement with a particular bank, a professional of the financial sector, a Distributor, sub-distributor or financial institution authorized to offer and sell Shares, any Net Asset Value per Share or Subscription Price obtained from the registered office of the Company may not correspond to the amount an investor would pay if purchasing through such bank, a professional of the financial sector, a Distributor, sub-distributor or financial institution. If required under local requirements, Share prices will be made available or published in newspapers and via any other media as may be decided by the Board from time to time.

#### **34. HISTORICAL PERFORMANCE**

If available, past performance information will be included in the KIDs which are available from the registered office of the Company.

#### **35. COMPLAINTS**

35.1 Complaints regarding the operation of the Company may be submitted to the registered office of the Company.

35.2 In accordance with the regulation applicable in Luxembourg, the Management Company has implemented and maintains effective and transparent procedures for the reasonable and prompt handling of complaints received from Shareholders. The information regarding those procedures is available to Shareholders free of charge, upon request.

#### **36. BENCHMARK REGULATION**

36.1 As at the date of this prospectus, MSCI Limited is the only benchmark administrator whose indices are used by the Company and which is inscribed in the register of administrators and benchmarks maintained by ESMA (the “**Register**”) pursuant to Regulation (EU) 2016/1011 (the “**Benchmark Regulation**”). Other benchmark administrators whose indices are used by the Company benefit from the transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear yet on the Register. They should apply for authorisation or registration as an administrator under the Benchmark Regulation before 1 January 2024. The Prospectus will be updated in due time to inform Shareholders when these administrators of the benchmarks used by the Sub-Funds are included in the Register. The Management Company maintains a written plan setting out the actions that will be taken in the event of the benchmark materially changing or ceasing to be provided, which is available free of charge at the registered office of the Management Company.

#### **37. MATERIAL CONTRACTS**

37.1 The following contracts, not being contracts entered into in the ordinary course of business, have been entered or will be entered into and are or may be material:

37.1.1 Management Company Agreement;

37.1.2 Investment Management Agreement;

37.1.3 Depositary and Paying Agency Agreement; and

#### **38. DOCUMENTS AVAILABLE FOR INSPECTION**

38.1 Copies of the Articles, the most recent Prospectus, the most recent KIDs and the latest available reports, if any, of the Company and of each Sub-Fund and the material contracts referred to above are available for inspection at the registered office of the Company.

38.2 A copy of the Articles, the most recent Prospectus, the most recent KIDs, the latest reports, if any, and the details of the Policy may be obtained free of charge.

38.3 The details of the Policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, are made available to investors under website [www.dpas.lu](http://www.dpas.lu) (« Investor Information » section)..

## **APPENDIX I: PROBUS INVESTMENT FUND UCITS – HIGH CONVICTION EQUITY**

This Appendix I is valid only if accompanied by the Prospectus and refers only to Probus Investment Fund UCITS – High Conviction Equity (the “**Sub-Fund**”).

### **1. INVESTMENT OBJECTIVE AND POLICY**

- 1.1 The Investment Manager will seek capital appreciation for the Sub-Fund by investing primarily in a concentrated, actively managed portfolio of equity securities issued by companies worldwide, including emerging and/or frontier countries.
- 1.2 The Investment Manager can also invest up to 30% of the assets of the Sub-Fund in UCITS (including money market funds) and Other UCI in accordance with Section 24.1.3 and Sections 24.23 to 24.26 notably to take exposure to emerging markets.
- 1.3 In addition, the Investment Manager contemplates to open positions in the following FDI for the purpose of hedging investments and/or taking exposures:
  - 1.3.1 Options on financial instruments and eligible indices;
  - 1.3.2 Futures on financial instruments and eligible indices; and
  - 1.3.3 Options, Forward agreements and swaps on currency.
- 1.4 The Sub-Fund may also invest in American, European and International/ Global Depositary Receipts, respectively ADRs, EDRs or IDRs/ GDRs, where underlying securities are issued by companies domiciled in any emerging or frontier countries and then traded on a Regulated Market outside the respective emerging or frontier countries, mainly in the USA or Europe. By investing in ADRs, EDRs and IDRs/ GDRs the Sub-Fund expects to be able to mitigate some of the settlement risks associated with its investment policy, although other risks, e.g. the currency risk exposure, shall remain. The use of ADRs, EDRs, IDRs/ GDRs refers to American, European and International/ Global Depositary Receipts, mirror substitutes for shares which cannot be bought locally for legal reasons. ADRs, EDRs or IDRs/ GDRs are not listed locally but on such markets as New York and London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the Sub-Fund's investment policy. If such ADRs/GDRs would entitle an embedded derivative, the latter will respect the article 41 of the Law of 2010.
- 1.5 The Sub-Fund may borrow cash and cash equivalent of up to 10% of its NAV on a temporary basis to cover or to anticipate the possible coverage of a shortage of liquidity.
- 1.6 Ancillary liquid assets (i.e. bank deposits at sight) will be limited to 20% of the Sub-Fund's net assets. This limit shall only be temporarily waived, upon decision of the Board of Directors, for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such waiving is justified having regard to the interests of the investors. Up to 100% of the Sub-Fund's net assets may be invested in negotiable debt securities and money market instruments, under very specific market conditions such as the 2008 Lehman Brothers bankruptcy. When making portfolio allocation decisions, the

Investment Manager will consider holding liquid assets as an alternative, particularly where there are limited attractive alternative investment opportunities or where such opportunities are overvalued in the opinion of the Investment Manager.

1.7 The Investment Manager can also invest up to 20% of the net assets of the Sub-Fund in money market instruments, short-term bonds, term deposits and/ or for cash management purposes.

1.8 The investments underlying the Sub-Fund **do not take into account** the EU criteria for environmentally sustainable economic activities.

## **2. REFERENCE CURRENCY**

2.1 The Reference Currency of the Sub-Fund and all its Share Classes is the EUR.

## **3. CLASSES**

3.1 Currently, Shares of the Sub-Fund may be issued in the following four Classes:

3.1.1 Class A which is open to any type of investors; and

3.1.2 Class I1 which is reserved for specific Institutional Investors subject to the decision of the Board.

3.1.3 Class I2 which is mainly reserved for High Net Worth Individuals invested directly or indirectly through nominee services.

3.1.4 Class Z which is reserved for persons and entities employed or belonging to the Probus Group subject to the decision of the Board.

3.2 All Shares capitalise their income and do not entitle the Shareholders to the regular payment of dividends.

## **4. SUBSCRIPTION OF SHARES**

4.1 Subject to the discretion of the Board to determine otherwise, Subscription Forms should be received in proper form by the Registrar and Transfer Agent no later than the Dealing Deadline.

4.2 Subject to the discretion of the Board to determine otherwise, subscription requests received and approved by the Registrar and Transfer Agent after the Dealing Deadline will be deemed to have been received on the next Valuation Day and Shares will then be issued at the price applicable to that next Valuation Day.

4.3 The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid by the investor and received by the Paying Agent within **two (2) Business Days** after the relevant Valuation Day.

### **Minimum subscription amount and minimum holding amount**

4.4 Class A:

4.4.1 Minimum initial subscription: EUR 5,000

- 4.4.2 Minimum subsequent investment: EUR 5,000
- 4.4.3 Minimum holding requirement: None
- 4.5 Class I1:
  - 4.5.1 Initial launch price: EUR 100
  - 4.5.2 Minimum initial subscription: EUR 1,000,000
  - 4.5.3 Minimum subsequent investment: EUR 100,000
  - 4.5.4 Minimum holding requirement: None
- 4.6 Class I2:
  - 4.6.1 Minimum initial subscription: EUR 1,000,000
  - 4.6.2 Minimum subsequent investment: EUR 100,000
  - 4.6.3 Minimum holding requirement: None
- 4.7 Class Z:
  - 4.7.1 Initial launch price: EUR 100
  - 4.7.2 Minimum initial subscription: None
  - 4.7.3 Minimum subsequent investment: None
  - 4.7.4 Minimum holding requirement: None
- 4.8 The Board may, in its sole discretion, waive or modify the foregoing requirements in particular cases.

## **5. REDEMPTION OF SHARES**

- 5.1 Subject to the discretion of the Board to determine otherwise, redemption applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 5.2 Redemption requests received after the Dealing Deadline will be held over until the next Valuation Day and Shares will then be redeemed at the price applicable to that next Valuation Day.
- 5.3 Redemption payments will be made in the Reference Currency of the relevant Class and settled as soon as reasonably practicable, normally within two (2) Business Days of the Valuation Day, at a Redemption Price per Share determined by reference to the Net Asset Value of the relevant Class of the Sub-Fund as of the relevant Valuation Day.

## 6. SWITCHES OF SHARES

- 6.1 Switch between Class A and Class I is in principle not admitted. The Board may grant derogation by allowing the switch of Shares between Class A and Class I, provided the conditions to access to a specific Class are fulfilled.
- 6.2 Switching applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 6.3 Switching requests received later than the Dealing Deadline will be held over until the next Valuation Day and Shares will then be switched at the price applicable to that next Valuation Day.

## 7. SUMMARY OF FEES

	Class A	Class I1	Class I2	Class Z
<b>Sales Fee</b>	up to 5% of the initial offering price respectively the Net Asset Value – the Sale Fee will be determined in the Subscription Form			Nil
<b>Redemption charges</b>	Nil			
<b>Switching charges</b>	Nil			
<b>Management Company Fee</b>	The Management Company is entitled to receive out of the assets of the Fund a variable fee of up to 0.10% per annum, subject to a minimum annual fee of €15,000 per Sub-Fund. This fee is payable quarterly in arrears and calculated on the average net assets of the Sub-Fund for the relevant quarter.			
<b>Investment Management Fee</b>	1.2% of the Net Asset Value	0.9% of the Net Asset Value	0.9% of the Net Asset Value	Nil
<b>Performance related remuneration</b>	Nil			
<b>Depositary and Paying Agency Fee</b>	Up to 0.08% of the Net Asset Value with a minimum annual fee of EUR 10,000			
<b>Administrative Fee</b>	Central Administration services: EUR 24,000 p.a. • Domiciliation services : EUR 10,000 p.a. (charged at Company level)			

**8. VALUATION DAY**

8.1 The Net Asset Value will be calculated daily as of each Business Day (the “**Valuation Day**”) subject to the right of the Board or the Management Company to instruct the calculation of one or more additional Net Asset Values on such other date as it deems fit.

**9. DEALING DEADLINE**

9.1 The Dealing Deadline is 12.00 p.m. (Luxembourg time) on the applicable Valuation Day.

**10. PROFILE OF THE TYPICAL INVESTOR AND TARGET MARKET**

10.1 The Sub-Fund is suitable for investors seeking capital appreciation over the longer term, while accepting the losses that might be triggered the risk factors related to equity investments.

10.2 The Sub-Fund may not be appropriate for investors who do not accept the risk of loss inherent in equity investments.

10.3 The Sub-Fund is available for investment by retail and institutional investors meeting the typical investor profile described above. The Sub-Fund may not be suitable for investors outside the target market. It is recommended that a potential investor in the Sub-Fund seek independent financial advice before making an investment decision.



## APPENDIX II: PROBUS INVESTMENT FUND UCITS – SAISEI JAPAN EQUITY

This Appendix II is valid only if accompanied by the Prospectus and refers only to Probus Investment Fund UCITS – Saisei Japan Equity (the “**Sub-Fund**”).

### 1. INVESTMENT OBJECTIVE AND POLICY

- 1.1 The objective of the Sub-Fund is to provide its investors with long-term capital growth.
- 1.2 The Sub-Fund will invest a minimum of 90% of its assets in stock-listed equities on Tokyo Stock Exchange of companies domiciled in Japan as well as companies that have a significant portion of assets, investments, production activities, trading or other business interests, or revenues from Japan.
- 1.3 The Sub-Fund reserves the right to invest, directly or indirectly, up to 10% of its net assets in:
  - 1.3.1 shares / units of UCITS (including money market funds), UCITS Exchange-Traded Fund (“UCITS ETF”) and Other UCI in accordance with Section 24.1.3 and Sections 24.23 to 24.26 notably to take exposure on Japan equity market;
  - 1.3.2 Money Market Instruments;
  - 1.3.3 Term deposits and
  - 1.3.4 Bank deposits at sight.
- 1.4 In addition, the Investment Manager contemplates to open positions notably in the following FDI (as defined in section 24. Investment Restrictions, Eligible investments, paragraph 24.1.5) for the sole purpose of hedging investments:
  - 1.4.1 Options on financial instruments and eligible indices;
  - 1.4.2 Futures on financial instruments and eligible indices; and
  - 1.4.3 Forward agreements and swaps on currency.
- 1.5 The Sub-Fund may borrow cash and cash equivalent of up to 10% of its NAV on a temporary basis to cover or to anticipate the possible coverage of a shortage of liquidity.
- 1.6 This limit set under 1.3.4 above shall only be temporarily waived, upon decision of the Board of Directors, for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such waiving is justified having regard to the interests of the investors. When making portfolio allocation decisions, the Investment Manager will consider holding liquid assets as an alternative, particularly where there are limited attractive alternative investment opportunities or where such opportunities are overvalued in the opinion of the Investment Manager.
- 1.7 The investments underlying the Sub-Fund **do not take into account** the EU criteria for environmentally sustainable economic activities.

## **2. REFERENCE CURRENCIES**

2.1 The Reference Currency of the Sub-Fund is the JPY.

2.2 The Reference Currency of the Sub-Fund Share Classes are as follows:

2.2.1 A – JPY: JPY

2.2.2 I1 – JPY: JPY

2.2.3 I2 - JPY: JPY

2.2.4 AH – EUR: EUR

2.2.5 I1H - EUR: EUR

2.2.6 I2H - EUR: EUR

2.2.7 AH – USD: USD

2.2.8 I1H – USD: USD

2.2.9 I2H – USD: USD

2.2.10 AH – GBP: GBP

2.2.11 I1H – GBP: GBP

2.2.12 I2H – GBP: GBP

2.2.13 AH – CHF: CHF

2.2.14 I1H – CHF: CHF

2.2.15 I2H – CHF: CHF

2.2.16 Z - CHF: CHF

2.2.17 Z - USD: USD

## **3. CLASSES**

3.1 Currently, Shares of the Sub-Fund may be issued in the following three Classes:

3.1.1 Class A – JPY which is reserved for specific Institutional Investors and for High Net Worth Individuals;

3.1.2 Class I1 – JPY which is reserved for specific Institutional Investors subject to the decision of the Board.

3.1.3 Class I2 – JPY, which is mainly reserved for specific Institutional Investors and for High Net Worth Individuals invested directly or indirectly through nominee services;

- 3.1.4 AH – EUR, hedged against JPY, which is reserved for specific Institutional Investors and for High Net Worth Individuals; and
- 3.1.5 Class I1H – EUR, hedged against JPY, which is mainly reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.6 Class I2H – EUR, hedged against JPY, which is mainly reserved for specific Institutional Investors and for High Net Worth Individuals invested directly or indirectly through nominee services;
- 3.1.7 AH – USD, hedged against JPY, which is reserved for specific Institutional Investors and for High Net Worth Individuals;
- 3.1.8 Class I1H – USD, hedged against JPY, which is mainly reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.9 Class I2H – USD, hedged against JPY, which is mainly reserved for specific Institutional Investors and for High Net Worth Individuals invested directly or indirectly through nominee services;
- 3.1.10 AH – GBP, hedged against JPY, which is reserved for specific Institutional Investors and for High Net Worth Individuals;
- 3.1.11 Class I1H – GBP, hedged against JPY, which is mainly reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.12 Class I2H – GBP, hedged against JPY, which is mainly reserved for specific Institutional Investors and for High Net Worth Individuals invested directly or indirectly through nominee services;
- 3.1.13 AH – CHF, hedged against JPY, which is reserved for specific Institutional Investors and for High Net Worth Individuals;
- 3.1.14 Class I1H – CHF, hedged against JPY, which is mainly reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.15 Class I2H – CHF, hedged against JPY, which is mainly reserved for specific Institutional Investors and for High Net Worth Individuals invested directly or indirectly through nominee services;
- 3.1.16 Class Z - CHF, hedged against JPY, which is reserved for persons and entities employed or belonging to the Probus Group subject to the decision of the Board.
- 3.1.17 Class Z - USD, hedged against JPY, which is reserved for persons and entities employed or belonging to the Probus Group subject to the decision of the Board.
- 3.1.18 All Classes not denominated in JPY will be managed in such a way as to hedge it against the foreign exchange rate risk of currencies linked to the JPY. In this respect the hedging technique will be performed by the Hedging Manager and be based on a periodic roll-over of forward agreements:

- (a) EUR - JPY (for the Classes denominate in EUR), and
- (b) USD - JPY (for the Classes denominate in USD), and
- (c) GBP - JPY (for the Classes denominate in GBP), and
- (d) CHF - JPY (for the Classes denominate in CHF), and

3.2 All Shares capitalise their income and do not entitle the Shareholders to the regular payment of dividends.

#### 4. SUBSCRIPTION OF SHARES

4.1 Subject to the discretion of the Board to determine otherwise, Subscription Forms should be received in proper form by the Registrar and Transfer Agent no later than the Dealing Deadline.

4.2 Subject to the discretion of the Board to determine otherwise, subscription requests received and approved by the Registrar and Transfer Agent after the Dealing Deadline will be deemed to have been received on the next Valuation Day and Shares will then be issued at the price applicable to that next Valuation Day.

4.3 The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid by the investor and received by the Paying Agent within two (2) Business Days after the relevant Valuation Day.

4.4 Initial launch price, minimum initial and subsequent subscription amounts:

Share Class name	Minimum initial subscription	Minimum subsequent investment	Initial launch price per share
A – JPY	JPY 10,000,000.-	JPY 1,000,000.-	N/A
I1 – JPY	JPY 200,000,000.-	JPY 1,000,000.-	JPY 10,000.-
I2 - JPY	JPY 200,000,000.-	JPY 1,000,000.-	JPY 10,000.-
AH – EUR	EUR 100,000.-	EUR 10,000.-	N/A
I1H - EUR	EUR 2,000,000.-	EUR 10,000.-	EUR 100.-
I2H - EUR	EUR 2,000,000.-	EUR 10,000.-	N/A
AH – USD	USD 100,000.-	USD 10,000.-	N/A
I1H – USD	USD 2,000,000	USD 10,000.-	USD 100.-
I2H – USD	USD 2,000,000	USD 10,000.-	N/A
AH – GBP	GBP 100,000.-	GBP 10,000.-	GBP 100.-
I1H – GBP	GBP 2,000,000.-	GBP 10,000.-	GBP 100.-
I2H – GBP	GBP 2,000,000.-	GBP 10,000.-	GBP 100.-
AH – CHF	CHF 100,000.-	CHF 10,000.-	CHF 100.-
I1H – CHF	CHF 2,000,000.-	CHF 10,000.-	CHF 100.-
I2H – CHF	CHF 2,000,000.-	CHF 10,000.-	CHF 100.-
Z - CHF	N/A	N/A	CHF 100.-
Z - USD	N/A	N/A	USD 100.-

4.5 The Board, or its appointed delegate, may, in its sole discretion, waive or modify the foregoing requirements in particular cases.

## 5. REDEMPTION OF SHARES

- 5.1 Subject to the discretion of the Board to determine otherwise, redemption applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 5.2 Redemption requests received after the Dealing Deadline will be held over until the next Valuation Day and Shares will then be redeemed at the price applicable to that next Valuation Day.
- 5.3 Redemption payments will be made in the Reference Currency of the relevant Class and settled as soon as reasonably practicable, normally within three (3) Business Days of the Valuation Day, at a Redemption Price per Share determined by reference to the Net Asset Value of the relevant Class of the Sub-Fund as of the relevant Valuation Day.

## 6. SWITCHES OF SHARES

- 6.1 Switch between Classes of the Sub-Fund are in principle not admitted. The Board may grant derogation by allowing the switch between the shares Classes, provided the conditions to access to a specific Class are fulfilled.
- 6.2 Switching applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 6.3 Switching requests received later than the Dealing Deadline will be held over until the next Valuation Day and Shares will then be switched at the price applicable to that next Valuation Day.

## 7. SUMMARY OF FEES

Share Class name	Sales Fee (max)	Management Company Fee	Depositary and Paying Agency Fee	Administrative Fee
A – JPY	up to 3% of the Subscription Price respectively the Net Asset Value – the Sale Fee will be determined in the Subscription Form	The Management Company is entitled to receive out of the assets of the Fund a variable fee of up to 0.10% per annum, subject to a minimum annual fee of €15,000 per Sub-Fund. This fee is payable quarterly in arrears and calculated on the average net assets of the Sub-Fund for the relevant quarter.	Up to 0.08% of the Net Asset Value with a minimum annual fee of EUR 10,000	Central Administration services: EUR 24,000 p.a.  Domiciliation services : EUR 10,000 p.a. (charged at Company level)  Registrar and Transfer Agent services: EUR 2,500 p.a. afterwards
I1 – JPY				
I2 - JPY				
AH – EUR				
I1H - EUR				
I2H - EUR				
AH – USD				
I1H – USD				
I2H – USD				

AH – GBP	up to 3% of the Subscription Price respectively the Net Asset Value – the Sale Fee will be determined in the Subscription Form	The Management Company is entitled to receive out of the assets of the Fund a variable fee of up to 0.10% per annum, subject to a minimum annual fee of €15,000 per Sub-Fund. This fee is payable quarterly in arrears and calculated on the average net assets of the Sub-Fund for the relevant quarter.	Up to 0.08% of the Net Asset Value with a minimum annual fee of EUR 10,000	Central Administration services: EUR 24,000 p.a.  Domiciliation services : EUR 10,000 p.a. (charged at Company level)  Registrar and Transfer Agent services: EUR 2,500 p.a. afterwards
I1H – GBP				
I2H – GBP				
AH – CHF				
I1H – CHF				
I2H – CHF				
Z - CHF	N/A			
Z - USD				

No redemption or switching charges shall apply.

#### 7. SUMMARY OF FEES (Continued)

Share Class name	Investment Management Fee	Performance related remuneration	Hedging Manager Fee
A – JPY	1.75% of the Net Asset Value	Yes – 10% (see details below)	N/A
I1 – JPY	1.10% of the Net Asset Value		
I2 – JPY			
AH – EUR	1.75% of the Net Asset Value		0.10% per annum of the average net assets of the relevant Class(es) during the relevant month - payable monthly in arrears.
I1H - EUR	1.10% of the Net Asset Value		
I2H - EUR			
AH – USD	1.75% of the Net Asset Value		
I1H – USD	1.10% of the Net Asset Value		
I2H – USD			
AH – GBP	1.75% of the Net Asset Value		
I1H – GBP	1.10% of the Net Asset Value		
I2H – GBP			
AH – CHF	1.75% of the Net Asset Value		
I1H – CHF	1.10% of the Net Asset Value		
I2H – CHF			

Z - CHF	N/A	N/A	
Z - USD			

**Performance Fee (Detailed):**

In addition, the Investment Manager is entitled to receive from the net assets of the relevant Share Class of the relevant Sub-fund a performance-based incentive fee (the “**Performance Fee**”) by comparing the performance of the Net Asset Value per Share (the “**NAV**”) to that of the Benchmark (as defined below) over the same period of time .

The Performance Fee is calculated and accrued, separately per Share Class within a Sub-fund on each Valuation Day, using the methodology described below.

The applicable Performance fee rate is set to 10% for all classes (but the Z ones) and the benchmark used to calculate the Performance Fee is the TOPIX Net Total Return Index (Ticker: TPXNTR Index, the “**Benchmark**”).

In the light of the Sub-Fund’ s invetsment policy and universe, the Investment Manager is of the view that the Benchmark is the more appropriate to compare the performance for the purpose of calculating the Performance Fee..

Performance fee is measured over a calculation period (hereinafter the « **Calculation Period** ») which correspond to a Fund’s financial year.

Each time a Calculation Period starts, the NAV and Benchmark to be taken into account for the computation of the Performance relating to such Calculation Period shall be based on NAV and Benchmark as of last Business Day of the previous Fund’s financial year.

The first year of the Calculation Period will start on (i)

- last Business Day of the Fund’s financial year, **or**
- Launch date of each Share Class launched after the last Business Day of the Fund’s financial year.

Within each Calculation Period for the Performance Fees calculation purpose, each year begins on the last Business Day of each Fund’s financial year and ends on the last Business Day of the following Fund’s financial year. For Share Classes launched in the course of a Calculation Period, the first Calculation Period shall last at least 12 months and will end on the last Business Day of the following Fund’s financial year.

The performance reference period (“**Performance Reference Period**” or “**PRP**”) which is the time horizon over which the performance is measured lasts for maximum 5 years, applied **on a rolling basis**. At the end of this period, the mechanism for the compensation for past underperformance (or negative performance) can be reset.

Only at the end of five years of overall underperformance over the PRP, losses can be partially reset on a yearly rolling basis, by writing off the first year of performance of the current Performance Reference Period of the Class. Within the relevant PRP, losses of the first year can be offset by gains made within the following years of the PRP.

When a Performance Fee crystallization occurs at the end of a Calculation Period, a new PRP starts.

The Performance Fee is calculated on the basis of the over-performance of the NAV over the Benchmark. It is calculated after deducting all expenses and fees (to the exclusion of any accrued unpaid Performance Fee) and including subscriptions (subject to the below), redemptions and dividend distributions during the relevant Calculation Period.

The Performance Fee is calculated and accrued on each Valuation Day. Unless otherwise stated above and subject to the provision of the below paragraph, the accrued Performance Fee is payable yearly in arrears as at the end of the Calculation Period.

The over-performance of the NAV against the Benchmark is determined by the difference between the performance of the relevant NAV and the performance of the Benchmark over the same period of time. The performance of the NAV is the variation of the NAV between the relevant Valuation Day and the NAV at the end of the previous Calculation Period (which will be decreased by the dividends paid to Shareholders). The performance of the Benchmark is the variation of the Benchmark over the same period than the period of the NAV performance calculation.

The Investment Manager will receive the Performance Fee at the end of the Calculation Period provided that the performance of the NAV of the relevant Share Class is greater than the performance of the Benchmark. The crystallisation frequency is yearly and occurs on the last Business Day of each Fund's financial year.

**For the avoidance of doubt, the Investment Manager shall also receive a Performance Fee even in case of negative performance of a particular Share Class during the Calculation Period as long as the performance of such Share Class is greater than the performance of the Benchmark during the Calculation Period.**

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 against the Benchmark on the Valuation Day applicable to the subscription date is not taken into account in the Performance Fee calculation.

This adjustment amount is based on the product of the number of subscribed Shares by the difference between:

- the NAV as of the last Business Day the preceding Calculation Period adjusted to performance of the Benchmark over the same period of time, and
- the NAV as of Valuation Day applicable to 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.

The Performance Fee Benchmark shall be calculated in the share class currency for all Share Classes (irrespective of the currency in which the relevant Share Class is denominated and irrespective of whether the relevant Share Class is a hedged Share Class or not).

In the event that a Shareholder redeems Shares prior to the end of a Calculation Period, any accrued but unpaid Performance Fee relating to those redeemed Shares **shall be definitely accrued and paid after the end of the Calculation Period** to the Investment Manager

**In case of change of the Performance Fee Benchmark at any time during a Calculation Period**, such change will be reflected and taken into account in the calculation of the



Performance Fee by ensuring a continuation in the calculation by linking the previous performance between Benchmark and the performance of the new one.

**If a Share Class is closed before the end of any Calculation Period** (e.g. in case of full redemption, merger, liquidation, transfer), **the Performance Fee** in respect of such Calculation Period **will be calculated and, where applicable, paid on such date of closure** as if this was the end of the relevant Calculation Period.

**If the Investment Management Agreement** with the Investment Manager entitled to a Performance Fee **is terminated before the end of any Calculation Period, the Performance Fee** in respect of such Performance Fee Period **will be calculated and, where applicable, paid on such date of termination** as if this was the end of the relevant Calculation Period.

### **Material changes to and cessation of a Benchmark**

If the Performance Fee Benchmark is materially changed or ceases to be provided, the Management Company, with the assistance of the Investment Manager, shall take appropriate steps in accordance with its procedure established in accordance with the REGULATION (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds. Any new Benchmark chosen to substitute the existing Benchmark being no longer provided or materially changed should be a suitable alternative.

### **Example (based on a performance fee rate of 10%), with NAV at 100 at beginning of Y1:**

Year	NAV	NAV performance	Yearly Benchmark performance	Net Performance (NAV vs Benchmark)	Underperformance to be compensated on Y+1	PF	Payment of PF at the Year	Offset of underperformance
1	116,0	16,0%	-4,0%	20,0	0,0	2,0	YES	NO
2*	104,4	-10,0%	10,0%	-20,0	-20,0	0,0	NO	NO
3	115,5	10,6%	1,0%	9,6	-10,4	0,0	NO	NO
4	120,0	3,9%	-5,0%	8,9	-1,5	0,0	NO	NO
5	108,0	-10%	-9,0%	-1	-2,5	0,0	NO	NO
6	108	0,0%	9,0%	-9,0	-11,5	0,0	NO	NO
7	116	7,4%	15%	-7,6	-17,6	0,0	NO	YES - from Y7 onwards, the losses of Y2, adjusted for subsequent gains in Y3 and Y4, no

								longer need to be offset (-1.5).
8	130	12,1%	5,0%	7,1	-10,5	0,0	NO	NO
9	125	3,8%	-10,0%	13,8	0	0,3 8	YES	NO**

\* A new PRP starts in year 2 following the payment of a PF at the end of year 1.

\*\* A new PRP will start in year 10 following the payment of a PF at the end of year 9.

## **8. VALUATION DAY**

8.1 The Net Asset Value will be calculated daily as of each Business Day in Luxembourg, being also a business day during which the Tokyo Stock Exchange is open (the “**Valuation Day**”) and subject to the right of the Board or the Management Company to instruct the calculation of one or more additional Net Asset Values on such other date as it deems fit.

## **9. DEALING DEADLINE**

9.1 The Dealing Deadline is 12.00 p.m. (Luxembourg time) one (1) Business Day before the applicable Valuation Day.

## **10. PROFILE OF THE TYPICAL INVESTOR AND TARGET MARKET**

10.1 The Sub-Fund is suitable for investors seeking capital appreciation over the longer term, while accepting the losses that might be triggered the risk factors related to equity investments.

10.2 The Sub-Fund may not be appropriate for investors who do not accept the risk of loss inherent in equity investments.

10.3 The Sub-Fund is available for investment by retail and institutional investors meeting the typical investor profile described above. The Sub-Fund may not be suitable for investors outside the target market. It is recommended that a potential investor in the Sub-Fund seek independent financial advice before making an investment decision.

## **11. HEDGING MANAGER**

11.1 Degroof Petercam Asset Services, 12, rue Eugène Ruppert, L-2453 Luxembourg

### **APPENDIX III: PROBUS INVESTMENT FUND UCITS – ASEAN EQUITY**

This Appendix III is valid only if accompanied by the Prospectus and refers only to Probus Investment Fund UCITS – ASEAN Equity (the “**Sub-Fund**”).

#### **1. INVESTMENT OBJECTIVE AND POLICY**

- 1.1 The investment objective of the Sub-Fund is to achieve long-term capital growth primarily through investment in ASEAN Equity Securities.
- 1.2 ASEAN Equity Securities means equity and equity-linked securities (including but not limited to listed equity, recently issued equities (as defined in 24.1.2), convertible bonds, warrants and similar financial instruments whose underlying assets are equity securities such as participatory notes) issued by or in relation to (i) companies located in ASEAN Countries; (ii) companies and other entities not located in ASEAN Countries with majority of operations or assets located in ASEAN Countries; and (iii) companies whose primary business is to invest in companies or other investment vehicles located in ASEAN Countries or whose business is predominantly in ASEAN Countries.
- 1.3 ASEAN Countries means the countries that are members of the Association of Southeast Asian Nations.
- 1.4 The Sub-Fund may invest in ASEAN Equity Securities even if the latter are not listed or traded on any Eligible Market of ASEAN Countries.
- 1.5 In order to achieve the investment objective, the Sub-Fund will primarily invest in ASEAN Equity Securities in accordance with Sections 24.4 to 24.38 that, in the opinion of the Investment Manager, have the following attributes:
  - 1.5.1 good quality, understandable, and predictable businesses or assets
  - 1.5.2 significant reinvestment and/or asset conversion opportunities
  - 1.5.3 available for purchase at material discounts to estimated fundamental value
- 1.6 Subject to the limits and constraints set out under sections 1.1 to 1.11 hereto, the Investments will not be made with reference to any country, sector, market capitalisation or index weighting. In addition ASEAN Equity Securities, the Sub-Fund may also invest in deposits with credit institutions and money market instruments for investment and/ or cash management purposes within the limits laid down in prospectus and in accordance with applicable regulations.
- 1.7 The Sub-Fund may also invest in American, European and International/ Global Depositary Receipts, respectively ADRs, EDRs or IDRs/ GDRs, where underlying securities are issued by companies domiciled in any ASEAN Countries and then traded on a Regulated Market outside the respective ASEAN countries, mainly in the USA or Europe. By investing in ADRs, EDRs and IDRs/ GDRs the Sub-Fund expects to be able to mitigate some of the settlement risks associated with its investment policy, although other risks, e.g. the currency risk exposure, shall remain. The use of ADRs, EDRs, IDRs/ GDRs refers to American, European and International/ Global Depositary Receipts, mirror substitutes for shares which

cannot be bought locally for legal reasons. ADRs, EDRs or IDRs/ GDRs are not listed locally but on such markets as New York and London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the Sub-Fund's investment policy. If such ADRs/GDRs would entitle an embedded derivative, the latter will respect the article 41 of the Law of 2010.

- 1.8 The Investment Manager may also invest up to 10% of the assets of the Sub-Fund in UCITS and Other UCI (including money market funds) in accordance with Section 24.1.3 and Sections 24.23 to 24.26 where the underlying assets of such UCITS and Other UCI's are primarily ASEAN Equity Securities.
- 1.9 The Sub-Fund will not invest in ABS or in MBS and will not invest in securities listed or traded in Russia, India and Mainland China.
- 1.10 The Sub-Fund may borrow cash and cash equivalent of up to 10% of its NAV on a temporary basis to cover or to anticipate the possible coverage of a shortage of liquidity.
- 1.11 Ancillary liquid assets (i.e. bank deposits at sight) will be limited to 20% of the Sub-Fund's net assets. This limit shall only be temporarily waived, upon decision of the Board of Directors, for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such waiving is justified having regard to the interests of the investors. When making portfolio allocation decisions, the Investment Manager will consider holding liquid assets as an alternative, particularly where there are limited attractive alternative investment opportunities or where such opportunities are overvalued in the opinion of the Investment Manager.
- 1.12 The investments underlying the Sub-Fund **do not take into account** the EU criteria for environmentally sustainable economic activities.

## 2. REFERENCE CURRENCY

- 2.1 The Reference Currency of the Sub-Fund is the USD.
- 2.2 The Reference Currency of the Sub-Fund Share Classes are as follows:
  - 2.2.1 A – USD: USD
  - 2.2.2 I1 – USD: USD
  - 2.2.3 I2 – USD: USD
  - 2.2.4 A – EUR: EUR
  - 2.2.5 I1 - EUR: EUR
  - 2.2.6 I2 - EUR: EUR
  - 2.2.7 A – GBP: GBP
  - 2.2.8 I1 – GBP: GBP

- 2.2.9 I2 – GBP: GBP
- 2.2.10 A – CHF: CHF
- 2.2.11 I1 – CHF: CHF
- 2.2.12 I2 – CHF: CHF
- 2.2.13 Z - USD: USD

### **3. CLASSES**

3.1 Currently, Shares of the Sub-Fund may be issued in the following four Classes:

- 3.1.1 Class A - USD which is open to any type of investors; and
- 3.1.2 Class I1 - USD which is reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.3 Class I2 - USD which is mainly reserved for High Net Worth Individuals invested directly or indirectly through nominee services.
- 3.1.4 Class A - EUR which is open to any type of investors; and
- 3.1.5 Class I1 - EUR which is reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.6 Class I2 - EUR which is mainly reserved for High Net Worth Individuals invested directly or indirectly through nominee services.
- 3.1.7 Class A - GBP which is open to any type of investors; and
- 3.1.8 Class I1 - GBP which is reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.9 Class I2 - GBP which is mainly reserved for High Net Worth Individuals invested directly or indirectly through nominee services.
- 3.1.10 Class A - CHF which is open to any type of investors; and
- 3.1.11 Class I1 - CHF which is reserved for specific Institutional Investors subject to the decision of the Board;
- 3.1.12 Class I2 - CHF which is mainly reserved for High Net Worth Individuals invested directly or indirectly through nominee services.
- 3.1.13 Class Z - USD which is reserved for persons and entities employed or belonging to the Probus Group subject to the decision of the Board.

3.2 All Shares capitalise their income and do not entitle the Shareholders to the regular payment of dividends.

#### 4. SUBSCRIPTION OF SHARES

- 4.1 Subject to the discretion of the Board to determine otherwise, Subscription Forms should be received in proper form by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 4.2 Subject to the discretion of the Board to determine otherwise, subscription requests received and approved by the Registrar and Transfer Agent after the Dealing Deadline will be deemed to have been received on the next Valuation Day and Shares will then be issued at the price applicable to that next Valuation Day.
- 4.3 The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid by the investor and received by the Paying Agent within three Business Days after the relevant Valuation Day.
- 4.4 Initial launch price, minimum initial and subsequent subscription amounts:

Share Class name	Minimum initial subscription	Minimum subsequent investment	Initial launch price per share
A – USD	USD 10,000.-	N/A	USD 100.-
I1 – USD	USD 1,000,000	N/A	USD 100.-
I2 – USD	USD 1,000,000	USD 100,000.-	USD 100.-
A – EUR	EUR 10,000.-	N/A	EUR 100.-
I1 - EUR	EUR 1,000,000	N/A	EUR 100.-
I2 - EUR	EUR 1,000,000	EUR 100,000.-	EUR 100.-
A – GBP	GBP 10,000.-	N/A	GBP 100.-
I1 – GBP	GBP 1,000,000	N/A	GBP 100.-
I2 – GBP	GBP 1,000,000	GBP 100,000.-	GBP 100.-
A – CHF	CHF 10,000.-	N/A	CHF 100.-
I1 – CHF	CHF 1,000,000	N/A	CHF 100.-
I2 – CHF	CHF 1,000,000	CHF 100,000.-	CHF 100.-
Z – USD	N/A	N/A	USD 100.-

- 4.5 The Board may, in its sole discretion, waive or modify the foregoing requirements in particular cases.

#### 5. REDEMPTION OF SHARES

- 5.1 Subject to the discretion of the Board to determine otherwise, redemption applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 5.2 Redemption requests received after the Dealing Deadline will be held over until the next Valuation Day and Shares will then be redeemed at the price applicable to that next Valuation Day.
- 5.3 Redemption payments will be made in the Reference Currency of the relevant Class and settled as soon as reasonably practicable, normally within three Business Days of the Valuation Day, at a Redemption Price per Share determined by reference to the Net Asset Value of the relevant Class of the Sub-Fund as of the relevant Valuation Day.

## 6. SWITCHES OF SHARES

- 6.1 Switch between Class A and Class I is in principle not admitted. The Board may grant derogation by allowing the switch of Shares between Class A and Class I, provided the conditions to access to a specific Class are fulfilled.
- 6.2 Switching applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.
- 6.3 Switching requests received later than the Dealing Deadline will be held over until the next Valuation Day and Shares will then be switched at the price applicable to that next Valuation Day.

## 7. SUMMARY OF FEES

Share Class name	Sales Fee (max)	Management Company Fee	Depositary and Paying Agency Fee	Administrative Fee
A - USD	<p>up to 5% of the initial offering price respectively the Net Asset Value – the Sale Fee will be determined in the Subscription Form</p>	<p>The Management Company is entitled to receive out of the assets of the Fund a variable fee of up to 0.10% per annum, subject to a minimum annual fee of €15,000 per Sub-Fund. This fee is payable quarterly in arrears and calculated on the average net assets of the Sub-Fund for the relevant quarter.</p>	<p>Up to 0.08% of the Net Asset Value with a minimum annual fee of EUR 10,000</p>	<p>Central Administration services: EUR 24,000 p.a.</p> <p>Domiciliation services : EUR 10,000 p.a. (charged at Company level)</p> <p>Registrar and Transfer Agent services: EUR 2,500 p.a. afterwards</p>
I1 - USD				
I2 - USD				
A – EUR				
I1 – EUR				
I2 – EUR				
A – GBP				
I1 – GBP				
I2 – GBP				
A – CHF				
I1 – CHF				
I2 – CHF				
Z - USD				

No redemption or switching charges shall apply.

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SUMMARY OF FEES (Continued)

Share Class name	Investment Management Fee	Performance related remuneration
A – USD	1.6% of the Net Asset Value	Yes – 15% (see below for details)
I1 – USD	1.1% of the Net Asset Value	
I2 – USD		
A – EUR	1.6% of the Net Asset Value	
I1 - EUR	1.1% of the Net Asset Value	
I2 - EUR		
A – GBP	1.6% of the Net Asset Value	
I1 – GBP	1.1% of the Net Asset Value	
I2 – GBP		
A – CHF	1.6% of the Net Asset Value	
I1 – CHF	1.1% of the Net Asset Value	
I2 – CHF		
Z – USD	N/A	

**Performance Fee (Detailed):**

In addition, the Investment Manager is entitled to receive from the net assets of the relevant Share Class of the relevant Sub-fund a performance-based incentive fee (the “**Performance Fee**”) by comparing the performance of the Net Asset Value per Share (the “**NAV**”) to that of the Benchmark (as defined below) over the same period of time .

The Performance Fee is calculated and accrued, separately per Share Class within a Sub-fund on each Valuation Day, using the methodology described below.

The applicable Performance fee rate is set to 15% for all classes (but the Z) and the benchmark used to calculate the Performance Fee is the MSCI AC ASEAN Total Return (ticker: MISO Index, the “**Benchmark**”).

In the light of the Sub-Fund’ s invetsment policy and universe, the Investment Manager is of the view that the Benchmark is the more appropriate to compare the performance for the purpose of calculating the Performance Fee..

Performance fee is measured over a calculation period (hereinafter the « **Calculation Period** ») which correspond to a Fund’s financial year.

Each time a Calculation Period starts, the NAV and Benchmark to be taken into account for the computation of the Performance relating to such Calculation Period shall be based on NAV and Benchmark as of last Business Day of the previous Fund’s financial year.

The first year of the Calculation Period will start on (i)

- last Business Day of the Fund’s financial year, **or**
- Launch date of each Share Class launched after the last Business Day of the Fund’s financial year.

Within each Calculation Period for the Performance Fees calculation purpose, each year begins on the last Business Day of each Fund’s financial year and ends on the last Business Day of the following Fund’s financial year. For Share Classes launched in the course of a Calculation



Period, the first Calculation Period shall last at least 12 months and will end on the last Business Day of the following Fund's financial year.

The performance reference period ("**Performance Reference Period**" or "**PRP**") which is the time horizon over which the performance is measured lasts for maximum 5 years, applied **on a rolling basis**. At the end of this period, the mechanism for the compensation for past underperformance (or negative performance) can be reset.

In case of underperformance, the Calculation Period lasts for a maximum of 5 financial year applied **on a rolling basis** .

Only at the end of five years of overall underperformance over the PRP, losses can be partially reset on a yearly rolling basis, by writing off the first year of performance of the current Performance Reference Period of the Class. Within the relevant PRP, losses of the first year can be offset by gains made within the following years of the PRP.

When a Performance Fee crystallization occurs at the end of a Calculation Period, a new PRP starts.

The Performance Fee is calculated on the basis of the over-performance of the NAV over the Benchmark. It is calculated after deducting all expenses and fees (to the exclusion of any accrued unpaid Performance Fee) and including subscriptions (subject to the below), redemptions and dividend distributions during the relevant Calculation Period.

The Performance Fee is calculated and accrued on each Valuation Day. Unless otherwise stated above and subject to the provision of the below paragraph, the accrued Performance Fee is payable yearly in arrears as at the end of the Calculation Period.

The over-performance of the NAV against the Benchmark is determined by the difference between the performance of the relevant NAV and the performance of the Benchmark over the same period of time. The performance of the NAV is the variation of the NAV between the relevant Valuation Day and the NAV at the end of the previous Calculation Period (which will be decreased by the dividends paid to Shareholders). The performance of the Benchmark is the variation of the Benchmark over the same period than the period of the NAV performance calculation.

The Investment Manager will receive the Performance Fee at the end of the Calculation Period provided that the performance of the NAV of the relevant Share Class is greater than the performance of the Benchmark. The crystallisation frequency is yearly and occurs on the last Business Day of each Fund's financial year.

**For the avoidance of doubt, the Investment Manager shall also receive a Performance Fee even in case of negative performance of a particular Share Class during the Calculation Period as long as the performance of such Share Class is greater than the performance of the Benchmark during the Calculation Period.**

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 against the Benchmark on the Valuation Day applicable to the subscription date is not taken into account in the Performance Fee calculation.

This adjustment amount is based on the product of the number of subscribed Shares by the difference between:

- the NAV as of the last Business Day the preceding Calculation Period adjusted to performance of the Benchmark over the same period of time, and
- the NAV as of Valuation Day applicable to 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.

The Performance Fee Benchmark shall be calculated in the share class currency for all Share Classes (irrespective of the currency in which the relevant Share Class is denominated and irrespective of whether the relevant Share Class is a hedged Share Class or not).

In the event that a Shareholder redeems Shares prior to the end of a Calculation Period, any accrued but unpaid Performance Fee relating to those redeemed Shares **shall be definitely accrued and paid after the end of the Calculation Period** to the Investment Manager

**In case of change of the Performance Fee Benchmark at any time during a Calculation Period**, such change will be reflected and taken into account in the calculation of the Performance Fee by ensuring a continuation in the calculation by linking the previous performance between Benchmark and the performance of the new one.

**If a Share Class is closed before the end of any Calculation Period** (e.g. in case of full redemption, merger, liquidation, transfer), **the Performance Fee** in respect of such Calculation Period **will be calculated and, where applicable, paid on such date of closure** as if this was the end of the relevant Calculation Period.

**If the Investment Management Agreement** with the Investment Manager entitled to a Performance Fee **is terminated before the end of any Calculation Period**, **the Performance Fee** in respect of such Performance Fee Period **will be calculated and, where applicable, paid on such date of termination** as if this was the end of the relevant Calculation Period.

**Material changes to and cessation of a Benchmark**

If the Performance Fee Benchmark is materially changed or ceases to be provided, the Management Company, with the assistance of the Investment Manager, shall take appropriate steps in accordance with its procedure established in accordance with the REGULATION (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds. Any new Benchmark chosen to substitute the existing Benchmark being no longer provided or materially changed should be a suitable alternative.

**Example (based on a performance fee rate of 15%), with NAV at 100 at beginning of Y1:**

Year	NAV	NAV performance	Yearly Benchmark performance	Net Performance (NAV vs Benchmark)	Underperformance to be compensated on Y+1	PF	Payment of PF at the Year	Offset of underperformance
1	116,0	16,0%	-4,0%	20,0	0,0	3,0	YES	NO

2*	104,4	-10,0%	10,0%	-20,0	-20,0	0,0	NO	NO
3	115,5	10,6%	1,0%	9,6	-10,4	0,0	NO	NO
4	120,0	3,9%	-5,0%	8,9	-1,5	0,0	NO	NO
5	108,0	-10%	-9,0%	-1	-2,5	0,0	NO	NO
6	108	0,0%	9,0%	-9,0	-11,5	0,0	NO	NO
7	116	7,4%	15%	-7,6	-17,6	0,0	NO	YES - from Y7 onwards, the losses of Y2, adjusted for subsequent gains in Y3 and Y4, no longer need to be offset (-1.5).
8	130	12,1%	5,0%	7,1	-10,5	0,0	NO	NO
9	125	3,8%	-10,0%	13,8	0	0,5 7	YES	NO**

\* A new PRP starts in year 2 following the payment of a PC at the end of year 1.

\*\* A new PRP will start in year 10 following the payment of a PC at the end of year 9.

## 8. VALUATION DAY

8.1 The Net Asset Value will be calculated daily as of each Business Day (the “**Valuation Day**”) subject to the right of the Board or the Management Company to instruct the calculation of one or more additional Net Asset Values on such other date as it deems fit.

## 9. DEALING DEADLINE

9.1 The Dealing Deadline is 4.00 p.m. (Luxembourg time) two (2) Business Days before the applicable Valuation Day.

## 10. PROFILE OF THE TYPICAL INVESTOR AND TARGET MARKET

10.1 The Sub-Fund is suitable for investors seeking capital appreciation over the longer term, while accepting the losses that might be triggered the risk factors related to equity investments.

10.2 The Sub-Fund may not be appropriate for investors who do not accept the risk of loss inherent in equity investments and emerging markets investments.

10.3 The Sub-Fund is available for investment by retail and institutional investors meeting the typical investor profile described above. The Sub-Fund may not be suitable for investors outside the target market. It is recommended that a potential investor in the Sub-Fund seek independent financial advice before making an investment decision.

## **APPENDIX IV: PROBUS INVESTMENT FUND UCITS – INDIA EQUITY FUND**

This Appendix IV is valid only if accompanied by the Prospectus and refers only to Probus Investment Fund UCITS – India Equity Fund (the “**Sub-Fund**”).

### **1. INVESTMENT OBJECTIVE AND POLICY**

- 1.1 The objective of the Sub-Fund is to achieve long-term gains in the Sub-Fund’s NAV.
- 1.2 There can be no assurance that the Sub-Fund will achieve its investment objective or that a Shareholder will not lose some or all of the assets invested in the Sub-Fund.
- 1.3 The Sub-Fund’s investment objective is long-term growth of capital. In pursuing this objective, the Sub-Fund primarily and directly invest in securities of issuers listed in India (Bombay Stock Exchange Limited, National Stock Exchange of India) and can also invest in securities which have their registered office in, are listed in, as well as companies that have a significant portion of assets, investments, production activities, trading or other business interests, or revenues from India.
- 1.4 There are no restrictions as to the sector or market capitalisation.
- 1.5 The Indian stock market offers a wide and well varied selection of stocks. The Sub-Fund’s strives to invest in leading and high-quality companies. The following measures are generally used by the Investment Manager to filter potential candidates: reliable and experienced management, a history of stable earnings and cash flow growth, high return on equity, wide profit margins, healthy leverage ratios, attractive dividend yields, and a sufficient daily liquidity.
- 1.6 Companies that pass the selection process are diligently monitored with entry and exit prices set based on valuations. Each company’s entry price, exit price and desired allocation weight are reviewed during weekly committee meetings of the Investment Manager.
- 1.7 Ancillary liquid assets (i.e. bank deposits at sight) will be limited to 20% of the Sub-Fund’s net assets. This limit shall only be temporarily waived, upon decision of the Board of Directors, for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such waiving is justified having regard to the interests of the investors. When making portfolio allocation decisions, the Investment Manager will consider holding liquid assets as an alternative, particularly where there are limited attractive alternative investment opportunities or where such opportunities are overvalued in the opinion of the Investment Manager.
- 1.8 Investments made by the Compartment are subject to the restrictions set forth under Section 24 of the General Section.
- 1.9 The Sub-Fund may also invest in American, European and International/ Global Depositary Receipts, respectively ADRs, EDRs or IDRs/ GDRs, where underlying securities are issued by companies domiciled in any India and then traded on a Regulated Market outside India, mainly in the USA or Europe. By investing in ADRs, EDRs and IDRs/ GDRs the Sub-Fund expects to be able to mitigate some of the settlement risks associated with its investment policy, although other risks, e.g.

the currency risk exposure, shall remain. The use of ADRs, EDRs, IDRs/ GDRs refers to American, European and International/ Global Depositary Receipts, mirror substitutes for shares which cannot be bought locally for legal reasons. ADRs, EDRs or IDRs/ GDRs are not listed locally but on such markets as New York and London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the Sub-Fund's investment policy. Whether ADRs/GDRs would entitle an embedded derivative or not, ADRs, EDRs, IDRs/ GDRs (and any embedded derivative as the case may be) will respect the article 41 of the Law of 2010.

- 1.10 The Investment Manager may also invest up to 10% of the assets of the Sub-Fund in UCITS and Other UCI in accordance with Section 24.1.3 and Sections 24.23 to 24.26 where the underlying assets of such UCITS and Other UCI's are primarily Indian equities.
- 1.11 The Sub-Fund may use financial derivative instruments including options and warrants to gain an exposure on specific issuers or markets and to implement the investment objectives and investment strategy set out above.
- 1.12 The Sub-Fund may – without being obliged – use financial derivative instruments to hedge its exposure to various risks including risks related to the changes in interest rates, in currency exchange rates, in financial markets or to a specific issuer.
- 1.13 The Sub-Fund will not:
  - 1.13.1 invest directly in ABS or in MBS
  - 1.13.2 invest directly in securities listed or traded in Russia and Mainland China
  - 1.13.3 invest in Total Return Swaps or enter in Efficient Portfolio Management Techniques
- 1.14 The Investment Manager can also invest up to 20% of the net assets of the Sub-Fund in money market instruments, short-term bonds, term deposits for cash management purposes. It is understood that any investment in money market funds will be aggregated to other investments in UCITS and Other UCI stated at 1.10 above and that the total will not exceed 10% of the Sub-Fund's net assets.
- 1.15 The Sub-Fund may borrow cash and cash equivalent of up to 10% of its NAV on a temporary basis to cover or to anticipate the possible coverage of a shortage of liquidity.
- 1.16 The investments underlying the Sub-Fund **do not take into account** the EU criteria for environmentally sustainable economic activities.

## **2. REFERENCE CURRENCY**

- 2.1 The Reference Currency of the Sub-Fund is the USD.
- 2.2 The Reference Currency of the Sub-Fund Share Classes are as follows:
  - 2.2.1 A : USD
  - 2.2.2 I. USD

2.2.3 Z : USD

### **3. CLASSES**

3.1 Currently, Shares of the Sub-Fund may be issued in the following Classes:

3.1.1 Shares of Class A are open to any type of investors,

3.1.2 Shares of Class I are reserved for specific Institutional Investors subject to the decision of the Board;

3.1.3 Shares of Class Z are reserved for the Investment Manager, any Investment Adviser and any of their members.

3.2 All Shares capitalise their income and do not entitle the Shareholders to the regular payment of dividends.

### **4. SUBSCRIPTION OF SHARES**

4.1 Subject to the discretion of the Board to determine otherwise, Subscription Forms should be received in proper form by the Registrar and Transfer Agent no later than the Dealing Deadline.

4.2 Subject to the discretion of the Board to determine otherwise, subscription requests received and approved by the Registrar and Transfer Agent after the Dealing Deadline will be deemed to have been received on the next Valuation Day and Shares will then be issued at the price applicable to that next Valuation Day.

4.3 The Subscription Price, payable in the Reference Currency of the relevant Class, must be paid by the investor and received by the Paying Agent within three Business Days after the relevant Valuation Day.

4.4 Initial launch price, minimum initial and subsequent subscription amounts:

<b>Share Class name</b>	<b>Minimum initial subscription</b>	<b>Minimum subsequent investment</b>	<b>Initial launch price per share</b>
A	USD 10,000.-	N/A	USD 100.-
I	USD 1,000,000.-	N/A	USD 100.-
Z	N/A	N/A	USD 100.-

4.5 The Board may, in its sole discretion, waive or modify the foregoing requirements in particular cases.

### **5. REDEMPTION OF SHARES**

5.1 Subject to the discretion of the Board to determine otherwise, redemption applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.

5.2 Redemption requests received after the Dealing Deadline will be held over until the next Valuation Day and Shares will then be redeemed at the price applicable to that next Valuation Day.

5.3 Redemption payments will be made in the Reference Currency of the relevant Class and settled as soon as reasonably practicable, normally within three Business Days after the Valuation Day, at a Redemption Price per Share determined by reference to the Net Asset Value of the relevant Class of the Sub-Fund as of the relevant Valuation Day.

## 6. SWITCHES OF SHARES

6.1 Switching of Shares issued by this Sub-Fund into Shares of another Class of this Sub-Fund or of another compartment of the Company is only admitted with the consent of the Board.

6.2 Switching applications must be received by the Registrar and Transfer Agent no later than the Dealing Deadline.

6.3 Switching requests received later than the Dealing Deadline will be held over until the next Valuation Day and Shares will then be switched at the price applicable to that next Valuation Day.

## 7. SUMMARY OF FEES

	<b>A</b>	<b>I</b>	<b>Z</b>
<b>Sales Fee (max)</b>	up to 5% of the initial offering price respectively the Net Asset Value – the Sale Fee will be determined in the Subscription Form		N/A
<b>Redemption Fee</b>	N/A		
<b>Switch Fee</b>	N/A		
<b>Management Company Fee</b>	The Management Company is entitled to receive out of the assets of the Fund a variable fee of up to 0.10% per annum, subject to a minimum annual fee of €15,000 per Sub-Fund. This fee is payable quarterly in arrears and calculated on the average net assets of the Sub-Fund for the relevant quarter		
<b>Management Fee</b>	1.75% of the Net Asset Value	1.25% of the Net Asset Value	N/A
<b>Performance Fee</b>	YES – 10%	YES – 10%	N/A
<b>Depositary and Paying Agency Fee</b>	Up to 0.08% of the Net Asset Value with a minimum annual fee of EUR 10,000		
<b>Administrative Fee</b>	Central Administration services: EUR 24,000 p.a.  Domiciliation services : EUR 10,000 p.a. (charged at Company level)  Registrar and Transfer Agent services: EUR 2,500 p.a. afterwards		

### Performance Fee (Detailed):

In addition, the Investment Manager is entitled to receive from the net assets of the relevant Share Class of the relevant Sub-fund a performance-based incentive fee (the “**Performance Fee**”) by comparing the performance of the Net Asset Value per Share (the “**NAV**”) to that of the Benchmark (as defined below) over the same period of time .

The Performance Fee is calculated and accrued, separately per Share Class within a Sub-fund on each Valuation Day, using the methodology described below.

The applicable Performance fee rate is set to 10% for classes A and I and the benchmark used to calculate the Performance Fee is the MSCI India 10/40 Net Total Return USD, ticker MN40INU Index (the “**Benchmark**”).

In the light of the Sub-Fund’s investment policy and universe, the Investment Manager is of the view that the Benchmark is the more appropriate to compare the performance for the purpose of calculating the Performance Fee..

Performance fee is measured over a calculation period (hereinafter the « **Calculation Period** ») which correspond to a Fund’s financial year.

Each time a Calculation Period starts, the NAV and Benchmark to be taken into account for the computation of the Performance relating to such Calculation Period shall be based on NAV and Benchmark as of last Business Day of the previous Fund’s financial year.

The first year of the Calculation Period will start on the launch date of each Share Class launched after the last Business Day of Fund’s financial year.

Within each Calculation Period for the Performance Fees calculation purpose, each year begins on the last Business Day of each Fund’s financial year and ends on the last Business Day of the following Fund’s financial year. For Share Classes launched in the course of a Calculation Period, the first Calculation Period shall last at least 12 months and will end on the last Business Day of the following Fund’s financial year.

The performance reference period (“**Performance Reference Period**” or “**PRP**”) which is the time horizon over which the performance is measured lasts for maximum 5 years, applied **on a rolling basis**. At the end of this period, the mechanism for the compensation for past underperformance (or negative performance) can be reset.

Only at the end of five years of overall underperformance over the PRP, losses can be partially reset on a yearly rolling basis, by writing off the first year of performance of the current Performance Reference Period of the Class. Within the relevant PRP, losses of the first year can be offset by gains made within the following years of the PRP.

When a Performance Fee crystallization occurs at the end of a Calculation Period, a new PRP starts.

The Performance Fee is calculated on the basis of the over-performance of the NAV over the Benchmark. It is calculated after deducting all expenses and fees (to the exclusion of any accrued unpaid Performance Fee) and including subscriptions (subject to the below), redemptions and dividend distributions during the relevant Calculation Period.

The Performance Fee is calculated and accrued on each Valuation Day. Unless otherwise stated above and subject to the provision of the below paragraph, the accrued Performance Fee is payable yearly in arrears as at the end of the Calculation Period.

The over-performance of the NAV against the Benchmark is determined by the difference between the performance of the relevant NAV and the performance of the Benchmark over the same period of time. The performance of the NAV is the variation of the NAV between the



relevant Valuation Day and the NAV at the end of the previous Calculation Period (which will be decreased by the dividends paid to Shareholders). The performance of the Benchmark is the variation of the Benchmark over the same period than the period of the NAV performance calculation.

The Investment Manager will receive the Performance Fee at the end of the Calculation Period provided that the performance of the NAV of the relevant Share Class is greater than the performance of the Benchmark. The crystallisation frequency is yearly and occurs on the last Business Day of each Fund's financial year.

**For the avoidance of doubt, the Investment Manager shall also receive a Performance Fee even in case of negative performance of a particular Share Class during the Calculation Period as long as the performance of such Share Class is greater than the performance of the Benchmark during the Calculation Period.**

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 against the Benchmark on the Valuation Day applicable to the subscription date is not taken into account in the Performance Fee calculation.

This adjustment amount is based on the product of the number of subscribed Shares by the difference between:

- the NAV as of the last Business Day the preceding Calculation Period adjusted to performance of the Benchmark over the same period of time, and
- the NAV as of Valuation Day applicable to 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.

The Performance Fee Benchmark shall be calculated in the share class currency for all Share Classes (irrespective of the currency in which the relevant Share Class is denominated and irrespective of whether the relevant Share Class is a hedged Share Class or not).

In the event that a Shareholder redeems Shares prior to the end of a Performance Fee period, any accrued but unpaid Performance Fee relating to those redeemed Shares **shall be definitely accrued and paid after the end of the Performance Fee Period** to the Investment Manager

**In case of change of the Performance Fee Benchmark at any time during a Calculation Period**, such change will be reflected and taken into account in the calculation of the Performance Fee by ensuring a continuation in the calculation by linking the previous performance between Benchmark and the performance of the new one.

**If a Share Class is closed before the end of any Calculation Period** (e.g. in case of full redemption, merger, liquidation, transfer), **the Performance Fee** in respect of such Calculation Period **will be calculated and, where applicable, paid on such date of closure** as if this was the end of the relevant Calculation Period.

**If the Investment Management Agreement** with the Investment Manager entitled to a Performance Fee **is terminated before the end of any Calculation Period**, **the Performance Fee** in respect of such Performance Fee Period **will be calculated and, where applicable, paid on such date of termination** as if this was the end of the relevant Calculation Period.

## Material changes to and cessation of a Benchmark

If the Performance Fee Benchmark is materially changed or ceases to be provided, the Management Company, with the assistance of the Investment Manager, shall take appropriate steps in accordance with its procedure established in accordance with the REGULATION (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds. Any new Benchmark chosen to substitute the existing Benchmark being no longer provided or materially changed should be a suitable alternative.

### Example (based on a performance fee rate of 10%), with NAV at 100 at beginning of Y1:

Year	NAV	NAV performance	Yearly Benchmark performance	Net Performance (NAV vs Benchmark)	Underperformance to be compensated on Y+1	PF	Payment of PF at the Year	Offset of underperformance
1	116,0	16,0%	-4,0%	20,0	0,0	2,0	YES	NO
2*	104,4	-10,0%	10,0%	-20,0	-20,0	0,0	NO	NO
3	115,5	10,6%	1,0%	9,6	-10,4	0,0	NO	NO
4	120,0	3,9%	-5,0%	8,9	-1,5	0,0	NO	NO
5	108,0	-10%	-9,0%	-1	-2,5	0,0	NO	NO
6	108	0,0%	9,0%	-9,0	-11,5	0,0	NO	NO
7	116	7,4%	15%	-7,6	-17,6	0,0	NO	YES - from Y7 onwards, the losses of Y2, adjusted for subsequent gains in Y3 and Y4, no longer need to be offset (-1.5).
8	130	12,1%	5,0%	7,1	-10,5	0,0	NO	NO
9	125	3,8%	-10,0%	13,8	0	0,38	YES	NO**

\* A new PRP starts in year 2 following the payment of a PF at the end of year 1.

\*\* A new PRP will start in year 10 following the payment of a PF at the end of year 9.

## 8. VALUATION DAY

8.1 The Net Asset Value will be calculated daily as of each Business Day in Luxembourg being also a business day during which the Bombay Stock Exchange Limited and/or National Stock Exchange of India are open (the “Valuation Day”)

subject to the right of the Board or the Management Company to instruct the calculation of one or more additional Net Asset Values on such other date as it deems fit.

- 8.2 An additional NAV will be calculated as of the last calendar day of each month for information and reporting purposes only.

## **9. DEALING DEADLINE**

- 9.1 **With respect to subscriptions and switches:** the Dealing Deadline is 5.00 p.m. (Luxembourg time) two (2) Business Days before the applicable Valuation Day.

- 9.2 **With respect to redemptions:** the Dealing Deadline is 5.00 p.m. (Luxembourg time) two (2) Business Days before the applicable Valuation Day.

## **10. PROFILE OF THE TYPICAL INVESTOR AND TARGET MARKET**

- 10.1 The Sub-Fund is suitable for investors seeking capital appreciation over the longer term, while accepting the losses that might be triggered the risk factors related to equity investments.

- 10.2 The Sub-Fund:

10.2.1 may not be appropriate for investors who do not accept the risk of loss inherent in equity investments and emerging markets investments;

10.2.2 is more suitable for investors with experience on emerging markets

- 10.3 The Sub-Fund is available for investment by retail and institutional investors meeting the typical investor profile described above. The Sub-Fund may not be suitable for investors outside the target market. It is recommended that a potential investor in the Sub-Fund seek independent financial advice before making an investment decision.

## **11. INVESTMENT ADVISOR TO THE INVESTMENT MANAGER**

- 11.1 The Investment Manager has appointed an Investment Advisers in respect of the Compartment, namely:

Oyster Rock Capital, a limited liability partnership registered under the laws of India, having its registered office at B-36 Jayant Apartments, Appasaheb Marathe Road Prabhadevi, Mumbai 400025, India and registered under number LLPIN AAJ-4307 with the Registrar of Companies, Mumbai, India.

- 11.2 The Investment Adviser(s) is authorised by the Securities and Exchange Board of India (SEBI), to manage category III Alternative Investment Fund.

- 11.3 The Investment Adviser will be remunerated by the Investment Manager out of the Management Fee and Performance Fee the latter will receive from the Sub-Fund. Investment Adviser's remuneration can represent up to a third of the fees paid by the Sub-Fund in favor of the Investment Manager, subject to a minimum annual fee.