

**NIELSEN**  
**Mutual fund with multiple sub-funds**  
**governed by the Luxembourg law**

**PROSPECTUS**  
**&**  
**MANAGEMENT REGULATIONS**

**10 JUNE 2019**

*Subscriptions may be made only on the basis of this prospectus ("Prospectus"), including the Management Regulations and the fact sheets of each of the sub-funds, and on the basis of the key investor information document ("KIID"). The Prospectus may only be distributed if accompanied by the most recent annual report and the most recent half-year report, if the half-year report is more recent than the annual report.*

*The fact that the Fund is recorded on the official list compiled by the Commission de Surveillance du Secteur Financier ("CSSF") shall under no circumstance or in any way whatsoever be construed as a positive opinion given by the CSSF on the quality of the units offered for subscription.*

*No one is authorised to disclose any information other than which is contained in the Prospectus and in these Management Regulations, as well as in the documents mentioned in the aforesaid documents.*

**CONTENTS**

1. THE FUND AND THE PARTIES INVOLVED .....	3
2. PRELIMINARY INFORMATION .....	5
3. DESCRIPTION OF THE FUND .....	5
4. OBJECTIVE OF THE FUND .....	6
5. MANAGEMENT COMPANY .....	6
6. RISKS ASSOCIATED WITH INVESTING IN THE FUND .....	7
7. INVESTMENT ADVISORS .....	11
8. DEPOSITARY .....	11
9. DESCRIPTION OF UNITS, RIGHTS OF UNIT-HOLDERS AND DISTRIBUTION POLICY .....	14
10. SUBSCRIPTIONS, REDEMPTIONS, CONVERSIONS AND TRANSFERS .....	15
11. DEFINITION AND CALCULATION OF THE NET ASSET VALUE .....	17
12. OBLIGATIONS AND CONSTRAINTS RESULTING FROM FATCA AND CRS .....	17
13. DATA PRIVACY PROVISIONS .....	19
14. TAXATION OF THE FUND AND UNIT-HOLDERS .....	23
15. FINANCIAL REPORTS .....	24
16. INFORMATION TO UNIT-HOLDERS .....	24
17. REMUNERATION POLICY .....	25
FACT SHEETS OF THE SUB-FUNDS	
NIELSEN – GLOBAL VALUE .....	27
MANAGEMENT REGULATIONS	
1. DESCRIPTION OF THE FUND .....	31
2. MANAGEMENT COMPANY .....	31
3. DEPOSITARY .....	32
4. ELIGIBLE INVESTMENTS .....	32
5. INVESTMENT RESTRICTIONS .....	34
6. SUB-FUNDS AND CLASSES OF UNITS .....	42
7. FORM OF UNITS .....	43
8. ISSUE AND SUBSCRIPTION OF UNITS .....	44
9. REDEMPTION OF UNITS .....	45
10. CONVERSION OF UNITS .....	47
11. TRANSFER OF UNITS .....	48
12. RESTRICTIONS ON THE OWNERSHIP OF UNITS .....	48
13. CALCULATION OF THE NET ASSET VALUE OF UNITS .....	50
14. FREQUENCY AND TEMPORARY SUSPENSION OF THE NET ASSET VALUE CALCULATION, ISSUES, REDEMPTIONS AND CONVERSIONS OF UNITS .....	54
15. ACCOUNTING CURRENCY, FINANCIAL YEAR AND AUDIT OF THE FINANCIAL STATEMENTS .....	55
16. DISTRIBUTION POLICY .....	55
17. EXPENSES BORNE BY THE FUND .....	56
18. DURATION OF THE FUND AND OF ITS SUB-FUNDS .....	56
19. LIQUIDATION OF THE FUND .....	57
20. LIQUIDATION OF SUB-FUNDS OR CLASSES .....	57
21. MERGER OF THE FUND OR THE SUB-FUNDS .....	57
22. FORCED CONVERSION OF A CLASS OF UNITS TO ANOTHER CLASS OF UNITS .....	58
23. DIVISION OF SUB-FUNDS .....	58
24. DIVISION OF CLASSES .....	58
25. AMENDMENT OF THE MANAGEMENT REGULATIONS .....	58
26. INFORMATION TO THE UNIT-HOLDERS .....	59
27. APPLICABLE LAW AND JURISDICTION .....	59
28. ENTER INTO FORCE .....	60

## 1. THE FUND AND THE PARTIES INVOLVED

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<b>Name of the Fund</b>	NIELSEN
<b>Legal form</b>	Open-ended mutual fund ( <i>fonds commun de placement collectif</i> ) with multiple sub-funds governed by the laws of Luxembourg, subject to Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended ("Law of 2010").
<b>Luxembourg Trade Register Number of the Fund</b>	R.C.S. K 186
<b>Management Company</b>	CONVENTUM ASSET MANAGEMENT Société Anonyme 9, boulevard Prince Henri L-1724 Luxembourg
<b>Luxembourg Trade Register Number of the Management Company</b>	R.C.S. B 23 959
<b>Board of directors of the Management Company</b>	Ruth BÜLTMANN Administrateur indépendant 40 rue d'Ernster L-6977 Oberanven Chairman  Michèle BIEL General Manager CONVENTUM ASSET MANAGEMENT Société Anonyme 9, boulevard Prince Henri L-1724 Luxembourg Director  Fernand GRULMS Administrateur indépendant 2 rue Nic. Flener L-8228 Mamer Director
<b>Managers of the Management Company</b>	Michèle BIEL General Manager CONVENTUM ASSET MANAGEMENT Société Anonyme 9, boulevard Prince Henri L-1724 Luxembourg  Georges ENGEL General Manager CONVENTUM ASSET MANAGEMENT Société Anonyme 9, boulevard Prince Henri L-1724 Luxembourg
<b>Investment Manager</b>	Nielsen Capital Management Fondsmæglerselskab A/S Aktieselskab Eriksholmvej 40 DK-4390 Vipperød

<b>Domiciliary Agent</b>	CONVENTUM ASSET MANAGEMENT Société Anonyme 9, boulevard Prince Henri L-1724 Luxembourg
<b>Depositary and Primary Paying Agent</b>	BANQUE DE LUXEMBOURG Société Anonyme 14, boulevard Royal L-2449 Luxembourg
<b>Central Administration</b>	BANQUE DE LUXEMBOURG Société Anonyme 14, boulevard Royal L-2449 Luxembourg
<b>Central Administration's Subcontractor</b>	EUROPEAN FUND ADMINISTRATION Société Anonyme 2, rue d'Alsace B.P. 1725 L-1017 Luxembourg
<b>Global Distributor</b>	Nielsen Capital Management Fondsmæglersekskab A/S Aktieselskab Eriksholmvej 40 DK-4390 Vippered
<b>Authorised Independent Auditor of the Fund</b>	ERNST & YOUNG 7, Rue Gabriel Lippmann Parc d'Activité Syrdall 2 L-5365 Munsbach

## 2. PRELIMINARY INFORMATION

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No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, switching or redemption of units other than those contained in this Prospectus. If issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Management Company of the Fund. Neither the delivery of this Prospectus nor the offer, placement, subscription or issue of any of the units of the Fund shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.

An investment in units of the Fund involves investment risks including those set out herein under the chapter 6 "Risks associated with investing in the Fund".

The distribution of the Prospectus and the offering or purchase of units of the Fund is restricted in certain jurisdictions. The Prospectus does not constitute an offer of or invitation or solicitation to subscribe for or acquire any units in any jurisdiction in which such offer or solicitation is not permitted, authorised or would be unlawful. Persons receiving the Prospectus in any jurisdiction may not treat the Prospectus as constituting an offer, invitation or solicitation to them to subscribe for the units of the Fund notwithstanding that, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to them without compliance with any registration or other legal requirement. It is the responsibility of any persons in possession of the Prospectus and any persons wishing to apply for the units of the Fund to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for units should inform themselves as to the legal requirements of so applying.

## 3. DESCRIPTION OF THE FUND

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NIELSEN is a mutual fund ("Fund" or "FCP") with multiple sub-funds governed by the Luxembourg law, subject to Part I of the Law of 2010.

The Fund has been created for an unlimited duration as of 1<sup>st</sup> October 2008 and the management regulations were last amended by the Management Company and the Depositary on July 10 2013. The last version of the management regulations were published on July 17 2013.

The consolidation currency of the Fund is the euro. The minimum net assets of the Fund are one million two hundred and fifty thousand euros (€1,250,000.00) or the equivalent in another currency. The minimum net assets must be reached within six months of the CSSF's authorisation of the Fund.

The financial year end is 31 December of each year.

The following sub-fund is currently offered for subscription:

Name	Reference currency
NIELSEN – Global Value	EUR

The Management Company of the Fund reserves the right to create new sub-funds. In this case, the Prospectus will be updated accordingly.

The assets of a sub-fund answer exclusively to unit-holder rights relating to that sub-fund and those of creditors where the debt arose from the creation, operation or liquidation of said sub-fund.

## 4. OBJECTIVE OF THE FUND

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The objective of the Management Company is to offer unit-holders the possibility of benefiting from professional portfolio management of transferable securities and/or other financial assets as defined in the investment policy of each sub-fund (see sub-fund fact sheets).

An investment in the Fund must be considered as a medium to long-term investment. No guarantee may be given that the investment objectives of the Fund will be met.

The investments of the Fund are subject to normal market fluctuations and to the risks inherent in any investment and no guarantee may be given that the investments of the Fund will be profitable. The Management Company intends to keep a diversified portfolio of investments in order to mitigate the investment risks.

## 5. MANAGEMENT COMPANY

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The Fund has been created by the management company CONVENTUM ASSET MANAGEMENT ("Management Company").

The Management Company has been incorporated on 7 February 1986 for an unlimited duration in the form of a société anonyme (public limited company) governed by Luxembourg law, subject to the provisions of Section 15 of the Law of 2010 governing Undertakings for Collective Investment. Its registered office is situated at 9, boulevard Prince Henri, L-1724 Luxembourg and performs management services to Luxembourg undertakings for collective investments.

The subscribed capital fully paid up amounts to EUR 2,500,000.

The Management Company has the most extensive powers to perform all acts of management, administration and promotion of undertakings in collective investments in transferable securities ("UCITS") in accordance with Directive 2009/65/EC and other undertakings in collective investments ("UCI").

The Management Company has delegated, under its own responsibility and control, the central administration function to the BANQUE DE LUXEMBOURG which itself subcontracts part of its duties, but under the responsibility of the BANQUE DE LUXEMBOURG, to the services of EUROPEAN FUND ADMINISTRATION ("EFA").

The Management Company may delegate, under its responsibility and control, the management function for one or more sub-funds to several asset managers ("Managers"), whose names are indicated in the fact sheets of the sub-funds.

The Management Company may authorise one or more Managers to delegate, under its responsibility and control, the management function for one or more sub-funds to one or more sub-managers ("Sub-managers"), whose names are indicated in the fact sheets of the sub-funds. The rate of the management commission payable to the Management Company and any performance commission payable to the portfolio Manager are indicated in the fact sheets of the sub-funds.

The Management Company or any Manager or Sub-manager may, under its own responsibility, at its own cost, in accordance with current Luxembourg law and regulations and without leading to an increase in the management fees payable to the Management Company, seek assistance from one or more investment advisers whose activity consists of advising the Management Company, the Manager or the Sub-Manager in his investment policy.

The Management Company may appoint one or more distributors with a view to investing the units of one or several sub-funds of the Fund.

## 6. RISKS ASSOCIATED WITH INVESTING IN THE FUND

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Before investing into units of the Fund, investors should carefully consider all of the information set out in the Prospectus as well as their own financial and fiscal situation. Investors should have particular regard to, among other matters, the considerations set out in this chapter, in the fact sheets and in the KIID. The risk factors referred to hereafter, alone or collectively, may reduce the return on the units of the Fund and could result in the loss of all or a proportion of a unit-holder's investment in the units of the Fund.

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

The price of the units of the Fund can increase or decrease and their value is not guaranteed. Unit-holders may not receive, at redemption or liquidation, the exact amount that they originally invested in the Fund.

An investment in the units of the Fund is exposed to risks which may include risks related to equity markets, bond markets, foreign exchange rates, interest rates, credit risk, counterparty risk, market volatility, political risks and risks of act of god. Each of these risks can arise also in conjunction with any other risks.

The risk factors set out in the Prospectus and in the KIID are not exhaustive. There may be other risks that an investor should consider that are relevant to its own situation and to particular current and future circumstances.

Before making any investment decision, investors should be capable of evaluating the risks of an investment in the units of the Fund and consult their own legal, tax and financial advisor, auditor or any other advisor in order to obtain complete information on (i) the appropriate characteristics of the investment in these units in the light of their own financial and tax situation and of particular circumstances, (ii) on the information included in the Prospectus, the fact sheets and the KIID.

The diversification of portfolios of the sub-funds as well as the conditions and limits indicated in chapter 4. and 5. of the management regulations of the Fund aim to monitor and limit the risks without eliminating them. The Management Company cannot guarantee that an investment strategy used previously successfully will continue successfully. Moreover the Management Company cannot guarantee that the previous return on the investment strategy used will be equal to the future return. Therefore the Management Company cannot guarantee that the investment objective of the sub-funds will be reached and that the investors will recover the entire amount of their initial investment.

### **Market risk**

Market risk is a general risk that applies to all types of investments. Variations in the prices of securities and other instruments are essentially determined by variations in the financial markets as well as variations in the economic situations of issuers that are themselves impacted by the general world economy as well as by the economic and political conditions prevailing in their own country.

### **Risk linked to equities markets**

The risks associated with investments in equities (and related instruments) are important variations in prices, negative information on issuers or the market and the subordinated nature of equity capital with respect to the debt issued by the same company. Price fluctuations may be amplified in the short term. The risk that one or more companies record losses or fail to grow can have a negative impact on the performance of the portfolio.

Certain sub-funds can invest in companies at their Initial Public Offering stage. In this case, there is a risk of a higher volatility of the share price due to several factors such as the absence of a previous public contract, unseasonal transactions, the limited number of tradable shares and the lack of information on the issuer.

Sub-funds that invest in growth companies may be more volatile than the market as a whole and may react differently to economic, political and market developments that are specific to the issuer. The value of growth companies is traditionally more volatile than other companies, especially over very short periods of time. Therefore the share price of growth companies can be more expensive relative to company's earnings as compared to other companies in general. Shares of growth companies can be more reactive to changes in profits.

**Risk linked to bonds, debt instruments, fixed income (including high yield bonds) and convertible bonds**

For sub-funds investing in bonds or other debt instruments, the value of the underlying investments will depend on market interest rates, the credit quality of the issuer and liquidity considerations. The net asset value of a sub-fund investing in debt instruments will change in response to fluctuations in interest rates, perceived credit quality of the issuer, market liquidity and also currency exchange rates (when the currency of the underlying investment is different from the reference currency of the sub-fund). Some sub-funds may invest in high yield debt instruments where the level of income may be relatively higher as compared to investment grade debt instruments (for instance); however the risk of depreciation and capital losses associated to such debt instruments will be significantly higher than other debt instruments with lower yield.

Investments in convertible bonds are sensitive to fluctuations in the prices of the underlying equities ("equity component" of the convertible bond) while offering a certain kind of protection with a more secured portion of capital ("bond floor" of the convertible bond). The higher the equity component, the lower the corresponding capital protection. As a corollary, a convertible bond that has seen major growth in its market value following a rise in the underlying share price will have a risk profile closer to that of a share. On the other hand, a convertible bond, the value of which has declined to the level of its bond floor following a fall in the price of the underlying share will have, depending on the level, a risk profile close to that of a traditional bond.

Convertible bonds, like other types of bonds, are subject to the risk that the issuer may be unable to meet its obligations to pay interest and/or repay the principal at maturity (credit risk). The market's perception of the increasing probability of default or bankruptcy of an issuer leads to a noticeable decrease in the market value of the bond and thus a decrease of the protection offered by the bond. Moreover, market value of bonds may decrease consequently to the increase of the interest rate of reference (interest rate risk).

**Risk linked to investments in emerging markets**

Suspensions and cessations of payment by developing countries are due to a variety of factors such as political instability, poor financial management, a lack of currency reserves, flight of capital, internal conflicts or the absence of the political will to continue servicing previously contracted debt.

The capacity of private sector issuers to meet their obligations may also be affected by these same factors. In addition, these issuers are subject to the decrees, laws and regulations enacted by governmental authorities. These include, for example, changes in foreign exchange controls and in the legal and regulatory framework, expropriations and nationalisations, the introduction of, or increase in taxes, such as withholding tax.

Systems for liquidation of transaction and clearing are often less well-organised than they are in developed markets. This results in a risk that the liquidation or clearing of transactions are delayed or cancelled. Market practices may require payment on transactions to be made prior to receipt of acquired transferable securities or other instruments or the delivery of traded transferable securities or other instruments to be made prior to receipt of payment. In these circumstances, the default of the counterparty through which the transaction is executed or liquidated may bring about losses for the sub-fund investing in these markets.

The uncertainty linked to a murky legal environment or the inability to establish well defined property and legal rights are other determining factors. Added to that is the lack of reliability of the sources of information in these countries, the non-conformity of accounting methods with respect to international standards and the absence of financial or commercial controls.

At present, investments in Russia are subject to increased risks concerning property and the ownership of Russian securities. It may be that the ownership and holding of securities is



documented only by registration in the books of the issuers or those keeping the register (who are neither agents of, or are responsible to, the depository). No certificate representing the ownership of securities issued by Russian companies will be held by the depository, or by a local correspondent of the depository, or by a central depository. Due to market practices and the absence of effective regulations and controls, the Fund could lose its status as owner of the securities issued by Russian companies due to fraud, theft, destruction, negligence, loss or disappearance of the securities in question. Moreover, owing to market practices, it may be that the Russian securities must be deposited in Russian institutions that do not have adequate insurance to cover the risks linked to theft, destruction, loss or disappearance of these deposited securities.

### **Risk of concentration**

Some sub-funds may concentrate their investments in one or more countries, geographical regions, economic sectors, asset classes, types of financial instruments or currencies in such a way that these sub-funds may thus be more impacted in the event of economic, social, political or fiscal events affecting the countries, geographical regions, economic sectors, asset classes, types of financial instruments or currencies concerned.

### **Interest rate risk**

The value of an investment may be affected by fluctuations in interest rates. Interest rates may be influenced by a number of elements or events such as monetary policies, discount rates, inflation, etc. Investors must be aware that rising interest rates may result in the decrease in the value of investments in bond instruments and debt securities.

### **Credit risk**

Credit risk is the risk linked to an issuer's capacity to honour its debts. Credit risk can lead to the downgrading of the credit rating of a bond or debt security issuer that may lead to a decrease in the value of investments.

The downgrading of the rating of an issue or issuer can lead to the decline in the value of the debt securities concerned in which the sub-fund is invested. The bonds or debt securities issued by entities having a low rating are in general deemed to have a greater credit risk and be more likely to default than those of issuers with a higher rating. When the issuer of bonds or debt securities experiences financial or economic difficulty, the value of the bonds or debt securities (that can become zero) and the payments made for the bonds or debt securities (that can be zero) may be affected.

### **Foreign exchange risk**

If a sub-fund holds assets denominated in currencies other than its reference currency, it may be affected by any fluctuation in interest rates between its reference currency and the other currencies or by any change with respect to interest rate controls. If the currency in which a security is denominated appreciates with respect to the reference currency of the sub-fund, the equivalent value of the security in that reference currency will also appreciate. Conversely, a depreciation of that same currency will lead to a depreciation of the equivalent value of the security.

When the sub-fund conducts transactions to hedge against foreign exchange risk, the full effectiveness of such transactions cannot be guaranteed.

### **Liquidity risk**

There is a risk that investments made in the sub-funds may become illiquid due to a market that is too narrow (often reflected by a very wide bid-ask spread or other major price movements); or if security issuer's "rating" depreciates, or if the economic situation deteriorates; consequently these investments might not be sold or bought fast enough to prevent or minimise losses in the sub-funds. Finally, there is a risk that the securities traded in a narrow market segment, such as the small caps market, are subject to great volatility in prices.

### **Counterparty risk**

When concluding over-the counter (OTC) contracts, the Fund may be exposed to risks linked to the solvency of its counterparties and to their capacity to respect contractual terms. The Management

Company may conclude futures contracts, options and swap contracts or even use other derivative techniques, each of which involve the risk that the counterparty will not honour its commitments with respect to each contract.

#### **Risk linked to derivative instruments**

As part of the investment policy described in the respective fact sheets of each sub-fund, the Management Company may utilise financial derivative instruments. These products may be used for hedging purposes, as well as be part of an investment strategy for optimisation of performance. The use of financial derivative instruments may be limited by market conditions and applicable regulations and may involve risks and expenses to which the sub-fund using such instruments would not otherwise be exposed were it to refrain from using such instruments. The risks inherent in the use of options, contracts in foreign currencies, swaps, futures contracts and options on such contracts include in particular:

(a) the fact that success depends on the accuracy of the analysis of the portfolio manager(s) or sub-manager(s) with respect to changes in interest rates, prices of transferable securities and/or money market instruments as well as currency markets and any other underlying of the derivative instrument; (b) the existence of an imperfect correlation between the price of the options, futures contracts and options on such futures and the movements of the prices of transferable securities, money market instruments or hedged currencies; (c) the fact that the skills needed to use these financial derivative instruments are different to the skills needed to select securities for the portfolio; (d) the possibility of a non-liquid secondary market for a particular financial derivative instrument at a given time; and (e) the risk that a sub-fund is unable to buy or to sell a security in the portfolio in favourable times or to have to sell an asset in the portfolio in unfavourable conditions.

When a sub-fund conducts a swap transaction, it is exposed to counterparty risk. The use of financial derivative instruments involves, moreover, a risk linked to leverage. Leveraging is obtained by investing a modest amount of capital to purchase financial derivative instruments with respect to the direct cost of acquisition of the underlying assets. The more leverage there is, the more important the variation in the price of the financial derivative instrument will be if the price of the underlying asset changes (with respect to the subscription price determined in the conditions of the financial derivative instrument). The potential benefit and risks linked to these instruments thus increase in parallel to any increase of leverage. Finally, nothing guarantees that the objective pursued will be reached using these financial derivative instruments.

#### **Risk linked to securities lending operations**

The main risk linked to the securities lending operations is that the securities borrower becomes insolvent or is not able to return the securities lent and that simultaneously the value of collateral received does not cover the replacement cost of the securities lent.

In case of reinvestment of the collateral, the value of the collateral can decrease to a level lower than the value of the securities lent by the Fund.

The attention of the investors is also drawn on the fact that the Fund that lends securities abandons the voting right to the general meetings attached to the securities lent during the whole lending period.

#### **Taxation**

Investors should note in particular that (i) the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by local authorities in that market including taxation levied by withholding at source and/or (ii) the sub-fund's investments may be subject to specific taxes or charges imposed by authorities in some markets. Tax law and practice in certain countries into which a sub-fund invests or may invest in the future is not clearly established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that the sub-fund could become subject to additional taxation in such countries that is not anticipated either at the date of this Prospectus or when investments are made, valued or disposed of.

### **Risk linked to investments in UCI units**

Investments made by the Fund in UCI units (including investments by some sub-funds of the Fund in units of other sub-funds of the Fund) expose the Fund to the risks linked to the financial instruments that these UCIs hold in their portfolio and that are described above. Some risks are, however, intrinsic to the holding of UCI units by the Fund. Some UCIs may leverage their portfolio either by using derivative instruments or through borrowing. The use of leverage increases the volatility of the UCI units and thus the risk of loss of capital. Most UCIs also plan for the possibility of temporary suspension of redemptions under exceptional circumstances. Investments made in UCI units are thus exposed to greater liquidity risk than investing directly in a portfolio of transferable securities. On the other hand, investments made in UCI units provide the Management Company with flexible and efficient access to different investment strategies from professional asset manager as well as further diversification. A sub-fund that invests mainly through UCIs ensures that its UCI portfolio has the appropriate level of liquidity that will allow the sub-fund to meet its own redemption duties.

Investment in UCI units may involve the doubling of certain fees to the extent that, in addition to the fees already paid to the sub-fund in which an investor has invested, that investor also has to pay a portion of the fees paid to the UCI in which the sub-fund is invested.

The Management Company offers investors a choice of portfolios that may have different degrees of risk and thus, in principle, long-term returns in relation to the degree of risk accepted.

Investors will find the degree of risk of each class of units offered in the KIID.

The higher the risk level, the more investors should have a long-term investment horizon and be ready to accept the risk of major loss of invested capital.

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## **7. INVESTMENT ADVISORS**

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The Management Company may seek assistance from one or more investment advisers ("Investment Advisors") whose activity is to advise the Management Company in its investment and/or placement policy.

The name and a description of the Investment Advisers as well as their fees are given in the fact sheets of the sub-funds.

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## **8. DEPOSITARY**

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By virtue of a depositary agreement executed between the Management Company and BANQUE DE LUXEMBOURG ("Depositary Agreement"), the latter has been appointed as depositary of the Fund ("Depositary") for (i) the safekeeping of the assets of the Fund, (ii) the cash monitoring, (iii) the oversight functions and (iv) such other services as agreed from time to time and reflected in the Depositary Agreement.

The Depositary is a credit institution established in Luxembourg, whose registered office is situated at 14, boulevard Royal, L-2449 Luxembourg, and which is registered with the Luxembourg register of commerce and companies under number B 5310. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector, as amended, including, inter alia, custody, fund administration and related services.

### **Duties of the Depositary**

The Depositary is entrusted with the safekeeping of the Fund's assets. For the financial instruments which can be held in custody within the meaning of Article 22.5 (a) of Directive 2009/65/EC as amended ("Custodiable Assets"), they may be held either directly by the Depositary or, to the extent permitted by applicable laws and regulations, through other credit institutions or financial intermediaries acting as its correspondents, sub-custodians, nominees, agents or delegates. The Depositary also ensures that the Fund's cash flows are properly monitored.

In addition, the Depositary shall:

- (i) ensure that the sale, issue, repurchase, redemption and cancellation of the units of the Fund are carried out in accordance with the Law of 2010 and the Articles of Incorporation;
- (ii) ensure that the value of the units of the Fund is calculated in accordance with the Law of 2010 and the Articles of Incorporation;
- (iii) carry out the instructions of the Fund, unless they conflict with the Law of 2010 or the Articles of Incorporation;
- (iv) ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
- (v) ensure that the Fund's income is applied in accordance with the Law of 2010 and the Articles of Incorporation.

### **Delegation of functions**

Pursuant to the provisions of the Law of 2010 and of the Depositary Agreement, the Depositary delegates the custody of the Fund's Custodiable Assets to one or more third-party custodians appointed by the Depositary.

The Depositary shall exercise care and diligence in choosing, appointing and monitoring the third-party custodians so as to ensure that each third-party custodian fulfils the requirements of the Law of 2010. The liability of the Depositary shall not be affected by the fact that it has entrusted all or some of the Fund's assets in its safekeeping to such third-party custodians.

In the case of a loss of a Custodiable Asset, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay, except if such loss results from an external event beyond the Depositary's reasonable control and the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

According to the Law of 2010, where the law of a third country requires that certain financial instruments of the Fund be held in custody by a local entity and there is no local entity in that third country subject to effective prudential regulation (including minimum capital requirements) and supervision, delegation of the custody of these financial instruments to such a local entity shall be subject (i) to instruction by the Management Company acting on behalf of Fund to the Depositary to delegate the custody of such financial instrument to such a local entity, and (ii) to the Fund's investors being duly informed, prior to their investment, of the fact that such a delegation is required due to legal constraints in the law of the relevant third country, of the circumstances justifying the delegation and of the risks involved in such a delegation. It shall rest with the Fund and/or Management Company to fulfil the foregoing condition (ii), whereas the Depositary may validly refuse accepting any of the concerned financial instrument in custody until it receives to its satisfaction both the instruction referred to under the foregoing condition (i), and the written confirmation from the Management Company acting on behalf of Fund that the foregoing condition (ii) has been duly and timely fulfilled.

### **Conflicts of interests**

In carrying out its duties and obligations as depositary of the Fund, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Fund and the investors of the Fund.

As a multi-service bank, the Depositary may provide the Management Company acting on behalf of Fund, directly or indirectly, through parties related or unrelated to the Depositary, with a wide range of banking services in addition to the depositary services.

The provision of additional banking services and/or the links between the Depositary and key service providers to the Management Company acting on behalf of Fund, may lead to potential conflicts

of interests with the Depositary's duties and obligations to the Fund. Such potential conflicts of interests may in particular be due to the following situations (the term "CM-CIC Group" designates the banking group to which the Depositary belongs).

- the Depositary and the Management Company are part of the CM-CIC Group and some members of the staff of the CM-CIC Group are members of the Management Company's board of directors;
- the Depositary also acts as central administration agent of the Fund;
- the Depositary has a significant shareholder stake in European Fund Administration in Luxembourg ("EFA") and some members of the staff of the CM-CIC Group are members of EFA's board of directors;
- the Depositary delegates the custody of financial instruments of the Fund to a number of third-party custodians;
- the Depositary may provide additional banking services beyond the depositary services and/or act as counterparty of the Fund for over-the-counter derivative transactions.

The following circumstances should mitigate the risk of occurrence and the impact of conflicts of interests that might result from the above mentioned situations.

The staff members of the CM-CIC Group in the Management Company's board of directors do not interfere in the performance of the Management Company's duties to the Fund which rests with the Management Company's management board and staff. The Management Company, when performing its duties and tasks, operates with its own staff, according to its service agreement(s) with the Fund, its own procedures and rules of conduct and under its own control framework.

The performance of the tasks as central administration agent is delegated by the Depositary, acting in its capacity as central administration agent, to a separate legal entity, EFA, a specialized financial services provider regulated by and under the supervision from the Commission de Surveillance du Secteur Financier in Luxembourg.

The staff members of the CM-CIC Group in EFA's board of directors do not interfere in the day-to-day management of EFA which rests with EFA's management board and staff. EFA, when performing its duties and tasks, operates with its own staff, according to its own procedures and rules of conduct and under its own control framework.

The selection and monitoring process of third-party custodians is handled in accordance with the Law of 2010 and is functionally and hierarchically separated from possible other business relationships that exceed the sub-custody of the Fund's financial instruments and that might bias the performance of the Depositary's selection and monitoring process. The risk of occurrence and the impact of conflicts of interests is further mitigated by the fact that, except with regards to one specific class of financial instruments, none of the third-party custodians used by Banque de Luxembourg for the custody of the Fund's financial instruments is part of the CM-CIC Group. The exception exists for units held by the Fund in French investment funds where, because of operational considerations, the trade processing is handled by and the custody is delegated to Banque Fédérative du Crédit Mutuel in France ("BFCM") as specialized intermediary. BFCM is a member of the CM-CIC Group. BFCM, when performing its duties and tasks, operates with its own staff, according to its own procedures and rules of conduct and under its own control framework.

Additional banking services provided by the Depositary to the Management Company acting on behalf of Fund are provided in compliance with relevant legal and regulatory provisions and rules of conduct (including best execution policies) and the performance of such additional banking services and the performance of the depositary tasks are functionally and hierarchically separated.

Where, despite the aforementioned circumstances, a conflict of interest arises at the level of the Depositary, the Depositary will at all times have regard to its duties and obligations under the depositary agreement with the Fund and act accordingly. If, despite all measures taken, a conflict of interest that bears the risk to significantly and adversely affect the Fund or the investors of the Fund, may not be solved by the Depositary having regard to its duties and obligations under the depositary agreement with the Management Company acting on behalf of Fund, the Depositary will notify the Fund which shall take appropriate action.

As the financial landscape and the organizational scheme of the Fund may evolve over time, the nature and scope of possible conflicts of interests as well as the circumstances under which conflicts of interests may arise at the level of the Depositary may also evolve.

In case the organizational scheme of the Fund or the scope of Depositary's services to the Fund is subject to a material change, such change will be submitted to the Depositary's internal acceptance committee for assessment and approval. The Depositary's internal acceptance committee will assess, among others, the impact of such change on the nature and scope of possible conflicts of interests with the Depositary's duties and obligations to the Fund and assess appropriate mitigation actions.

Investors of the Fund may contact the Depositary at the Depositary's registered office to receive information regarding a possible update of the above listed principles.

### **Miscellaneous**

The Depositary or the Management Company acting on behalf of Fund may terminate the Depositary Agreement at any time upon not less than three (3) months' written notice (or earlier in case of certain breaches of the Depositary Agreement, including the insolvency of any party to the Depositary Agreement). As from the termination date, the Depositary will no longer be acting as the Fund's depositary pursuant to the Law of 2010 and will therefore no longer assume any of the duties and obligations nor be subject to the liability regime imposed by the Law of 2010 with respect to any of the services it would be required to carry out after the termination date.

Up-to-date information regarding the list of third-party delegates will be made available to investors on <http://www.banquedeluxembourg.com/fr/bank/corporate/informations-legales>.

As Depositary, BANQUE DE LUXEMBOURG will carry out the obligations and duties as stipulated by the Law of 2010 and the applicable regulatory provisions.

The Depositary has no decision-making discretion or any advice duty relating to the Fund's organization and investments. The Depositary is a service provider to the Management Company acting on behalf of Fund and is not responsible for the preparation and content of this Prospectus and therefore accepts no responsibility for the accuracy and completeness of any information contained in this Prospectus or the validity of the structure and of the investments of the Fund.

Investors are invited to consult the Depositary Agreement to have a better understanding of the limited duties and liabilities of the Depositary.

## **9. DESCRIPTION OF UNITS, RIGHTS OF UNIT-HOLDERS AND DISTRIBUTION POLICY**

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The net assets of the Fund are equal to the total net assets of the various sub-funds.

### **Form of the units offered for subscription**

Unites may be issued as

1. registered units in the name of the investor in the register of unit-holders or
2. un-certificated bearer unites and/or bearer unites in the form of a global certificate held in custody by a clearing and settlement system.

Unites may be issued in fractions up to the thousandth of an unit.

No bearer unites in a physical form will be issued.

The unit classes available for each sub-fund are indicated in the fact sheet of each sub-fund.

### **Characteristics of the unites offered**

The sub-funds currently offered for subscription will issue the following class of units:

- **A units:** distribution units expressed in the reference currency of the sub-fund, that, in principle, grant the right to receive a dividend to the holder, as described in the management regulations appended to this Prospect
- **B units:** accumulation units expressed in the reference currency of the sub-fund, which in theory do not grant their holder the right to receive a dividend, but for which the holder's entitlement on the amount to be distributed is reinvested in the sub-fund in which the accumulation units are held

The units classes available for each sub-fund are indicated in the fact sheet of each sub-fund.

## **10. SUBSCRIPTIONS, REDEMPTIONS, CONVERSIONS AND TRANSFERS**

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### **Subscriptions / redemptions / conversions / transfers**

Subscriptions, redemptions, conversions and transfers of unites of the Fund are processed in accordance with the provisions of the Management Regulations included in this Prospectus and as indicated in the fact sheets of each sub-fund.

Subscriptions, redemptions and conversions are executed in the currency of the class of units, as indicated in the fact sheets of each sub-fund.

Subscription, conversion and redemption forms may be obtained by addressing your request to:

- Subcontractor of the Central Administration Agent, EFA
- at the registered office of the Management Company.

Orders for subscription, redemption, conversion and transfer on behalf of the Fund should be addressed to the EUROPEAN FUND ADMINISTRATION, 2 Rue d'Alsace, P.O. Box 1725, L-1017 Luxembourg or by facsimile to +352 48 65 61 8002 or to the entities authorised to receive orders for subscription, redemption, conversion and transfer on behalf of the Fund in the countries in which the units of the Fund are publicly marketed , in accordance with the terms and conditions prescribed in the fact sheet of the relevant sub-funds..

Subscribers are informed that the acquisition of certain sub-funds or unit classes may be restricted. The Management Company may restrict the subscription or the acquisition of sub-funds or unit classes to investors who fulfil the conditions defined by the Management Company. These criteria may concern notably the resident country of the investor in order to allow the Management Company to meet the laws, uses, commercial practices, tax impacts and any other means related to the countries concerned or the characteristics of the investor (for example, the quality of institutional investor).

### **Provisions on the prevention of money-laundering and the financing of terrorism**

In accordance with the international regulations and the laws and regulations applicable in Luxembourg on the fight against money laundering and terrorist financing, professionals in the financial sector are subject to obligations intended to prevent the use of undertakings for collective investment for the purposes of money laundering and terrorist financing. As such, the Management Company, the central administration and any duly mandated person is required to identify subscribers in application of Luxembourg laws and regulations. The Management company, the central administration or any duly mandated person, must require all subscribers to provide any documents and all information that it deems necessary for carrying out this identification.

In the event of delay or failure to provide the documents or information required, the application for subscription (or, as appropriate, for redemption, conversion or transfer) may be refused by the Management Company or by the central administration or by any duly mandated person. Neither the Management Company, nor the central administration, or any other mandated person may be held responsible (1) for refusal to accept an order, (2) for delay in the processing of an order or (3) for the decision to suspend payment in respect of an order accepted when the investor has not provided the requested documents or information or has provided incomplete documents or information.

Unit-holders may, moreover, be asked to provide additional or updated documents in compliance with the obligations for on-going control and monitoring in application of the applicable laws and regulations.

### **Restrictions on subscriptions and transfers of units**

The marketing of units of the Fund may be restricted in some jurisdictions. Persons in possession of the Prospectus should obtain information from the Management Company on such restrictions and take steps to adhere thereto.

The Prospectus is not a public offering or a solicitation to sell units of the Fund to persons in jurisdictions in which such a public offering of units of the Fund is not authorised or where one may consider that such an offering is not authorised with respect to that person.

In addition, the Management Company has the right to:

- refuse at its sole discretion an order for subscription for units,
- process a forced redemption of units in accordance with the provisions in the management regulations of the Fund.

### **Restrictions on the subscription and transfer of units applicable to US investors**

No sub-fund has been or will be registered in application of the *United States Securities Act of 1933* (“Law of 1933”) or of any law on transferable securities of any State or political subdivision of the United States of America or of its territories, possessions of other regions subject to the jurisdiction of the United States of America, such as the Commonwealth of Puerto Rico (“United States”), and the units of said sub-funds can only be offered, purchased or sold in compliance with the provisions of the Law of 1933 and of laws governing transferable securities of said States or others.

Certain restrictions also apply to any subsequent transfer from sub-funds in the United States to or on behalf of US persons (US Persons, as defined by *Regulation S of the Law of 1933*, hereinafter “US Persons”), i.e. to any resident of the United States, any legal entity, corporation or partnership or any other entity created or organised under the laws of the United States (including any asset of such a person created in the United States or organised in accordance with the laws of the United States). The Fund is not and will not be registered under the *United States Investment Company Act of 1940*, as amended, in the United States.

Unit-holders must immediately inform the Management Company if they are or become US Persons or if they hold classes of units for or on behalf of US Persons or else if they hold classes of units in violation of any laws or regulations or in circumstances that have or could have unfavourable regulatory or fiscal consequences for the sub-fund or its unit-holders, or against the best interests of the Fund. If the Management Company discovers that a unit-holder (a) is a US Person or holds units on behalf of a US Person, (b) holds classes of units in violation of any laws or regulations or in circumstances that have or could have unfavourable regulatory or fiscal consequences for the Fund or its unit-holders, or going against the best interests of the Fund, the Management Company has the right to execute a forced redemption of the units concerned, in accordance with the provisions in the management regulations of the Fund.

Before making an investment decision with respect to units of the Fund, investors should consult his legal, tax and financial advisor, auditor or any other professional advisor.



## **Market Timing / Late Trading**

In accordance with applicable legal and regulatory provisions, the Management Company does not authorise practices associated with Market Timing and Late Trading. The Management Company reserves the right to reject any subscription and conversion order from an investor that the Management Company suspects to be using such practices and to take, where appropriate, the whatever steps are necessary to protect the other investors of the Fund. Subscriptions, redemptions and conversions are executed at an unknown net asset value.

## **11. DEFINITION AND CALCULATION OF THE NET ASSET VALUE**

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The valuation of the net asset of each sub-fund of the Fund and the determination of the net asset value ("NAV") per share is calculated on the day ("Valuation Day") indicated in the fact sheets of the sub-fund.

The NAV of a unit, regardless of the sub-fund and the class of units in which it is issued, is determined in the currency of the unit class.

## **12. OBLIGATIONS AND CONSTRAINTS RESULTING FROM FATCA AND CRS**

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This chapter provides general information on the impacts on the FCP and on its unit-holders of two main regulations (FATCA and CRS), both ultimately aiming at combatting tax evasion.

**Unit-holders and prospective unit-holders in the FCP are recommended to consult with their own tax advisors regarding the implications that FATCA and/or CRS will or would have on them by investing in the FCP.**

### **General introduction on FATCA**

The Foreign Account Tax Compliance Act ("FATCA") in the United States ("U.S.") requests non-U.S. financial institutions ("Foreign Financial Institutions" or "FFI") to report information relating to certain U.S. persons that have accounts with or investments in FFI or that have a beneficial interest in such accounts or investments (the "U.S. Reportable Accounts").

In accordance with the Luxembourg law of 24 July 2015 transposing the Intergovernmental Agreement concluded on 28 March 2014 between the Grand Duchy of Luxembourg and the United States of America (the "Luxembourg FATCA Regulations"), Luxembourg FFI are required to annually report through the Luxembourg tax authority (i.e. Administration des Contributions Directes, the "ACD"), as set out in the Luxembourg FATCA Regulations, personal and financial information (the "Information" as further defined in the Data Protection section) related, inter alia, to the identification of, holdings by and payments made (i) to Specified U.S. Persons ("Specified U.S. Persons" as such term is defined in the Luxembourg FATCA Regulations), (ii) to certain non-financial foreign entities ("NFFE") with a significant ownership by Specified U.S. Persons (iii) and to FFI that do not comply with FATCA (nonparticipating FFIs or "NPFFIs") (together the "U.S. Reportable Persons").

The FCP qualifies as Luxembourg FFI and is therefore subject to the provisions of the Luxembourg FATCA Regulations.

### **General introduction on CRS**

The Standard for Automatic Exchange of Financial Account Information in Tax matters (the "Common Reporting Standard" or "CRS") as set out in the Multilateral Competent Authority Agreement on the Automatic exchange of Financial Account Information ("MCAA") signed by Luxembourg on 29 October 2014 and in the Luxembourg law of 18 December 2015 on CRS (together the "Luxembourg CRS Regulations") requests Luxembourg financial institutions ("Luxembourg FI") to report information relating to certain persons that have accounts with or investments in FI or that have a beneficial interest in such accounts or investments (the "CRS Reportable Persons").

In accordance with the Luxembourg CRS Regulations, Luxembourg FI are required to annually report to the ACD, as set out in the Luxembourg CRS Regulations, personal and financial information (the "Information" as further defined in the Data Protection section) related, inter alia, to the identification of, holdings by and payments made (i) to CRS Reportable Persons, and (ii) to controlling persons of certain non-financial entities ("NFE") which are themselves CRS Reportable Persons.

The FCP qualifies as Luxembourg FI and is therefore subject to the provisions of the Luxembourg CRS Regulations.

**Status of the FCP under FATCA and under CRS (the "FCP's Status")**

The FCP further qualifies as a Sponsored Investment Entity ("Sponsored Investment Entity" as such term is defined in the Luxembourg FATCA Regulations) for FATCA purposes and as a Reporting FI ("Reporting FI" as such term is defined in the Luxembourg CRS Regulations) for CRS purposes.

**Impact of the FCP's Status on unit-holders and prospective unit-holders**

References to the obligation of unit-holders and prospective unit-holders to provide the Management Company on behalf of the FCP with certain information and documentary evidence shall be understood as meaning an obligation to provide the Management Company on behalf of the FCP or European Fund Administration as delegate of the FCP's registrar and transfer agent, with such information and documentary evidence.

The FCP's ability to satisfy its obligations under the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations will depend on each unit-holder and prospective unit-holders providing the FCP with such Information and supporting documentary evidence in order, among others, to enable the FCP to assess the unitholder's or prospective unit-holders own status under FATCA and CRS.

The FCP's Status implies that the Management Company on behalf of the FCP will not accept a prospective unit-holder that has not provided the FCP with such Information and supporting documentary evidence as required by the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations.

Should the prospective unit-holder fail to provide the Management Company on behalf of the FCP with the required Information and supporting documentary evidence at the time of receipt of the subscription request by the FCP, the subscription request will not be accepted and will be postponed for a limited period of time (the "Grace Period") until the FCP receives the required Information and supporting documentary evidence. The subscription request will only be accepted if and will be considered to have been received by the FCP :

- i. at the time the Management Company on behalf of the FCP has received the required Information and supporting documentary evidence during the Grace Period; and
- ii. the Management Company on behalf of the FCP has reviewed such Information and supporting documentary evidence
- iii. and the Management Company on behalf of the FCP has accepted the prospective unit-holder.

At the date of this prospectus, the Grace Period is set at 90 calendar days but may be adjusted or cancelled at any time at the discretion of the FCP or if required by applicable laws and regulations.

In such case, following the acceptance of the prospective unit-holder, the subscription request will be processed in accordance with the terms of the prospectus of the FCP.

Should the prospective unit-holder have failed to provide the Management Company on behalf of the FCP with the required Information and supporting documentary evidence at the end of the Grace Period, the subscription request will be cancelled definitely without any compensation due to the prospective unit-holder and any subscription money received will be returned to the prospective unit-holder.

Prospective unit-holder should be aware that, in addition to the Information and supporting documentary evidence as required by the Luxembourg FATCA Regulations and/or the Luxembourg

CRS Regulations, they might be requested to provide such additional information and supporting documentary evidence as required by other applicable laws and regulations, including by the laws and regulations regarding money laundering and financing of terrorism.

In addition, the FCP's Status includes the obligation for the FCP to regularly assess the existing unit-holders' own status under FATCA and CRS. To this extent, the Management Company on behalf of the FCP will request to obtain and verify Information and supporting documentary evidence on all of its unit-holders. Upon request of the FCP, each unit-holder agrees and commits to provide certain Information and supporting documentary evidence as required by the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations, including, in case of certain categories of NFFE/NFE, Information and supporting documentary evidence regarding such NFFE/NFE's Controlling Persons<sup>1</sup>.

**Similarly, each unit-holder agrees and commits to actively inform the Management Company on behalf of the FCP within ninety days of any change to the Information and supporting documentary evidence provided (like for instance a new mailing address or a new residency address) that would affect the unit-holder's or, in case of certain categories of NFFE/NFE, the NFFE/NFE's Controlling Persons, own status under FATCA and CRS.**

Any U.S. Reportable Person and/or CRS Reportable Person will be reported to the ACD which will in turn pass on the Information to the relevant foreign tax authorities which, in particular under FATCA, includes the US Department of Treasury.

Should the Management Company on behalf of the FCP fail to obtain the required Information and supporting documentary evidence from a shareholder, the FCP is allowed, in its sole discretion, or may be required to take any action to comply with its obligations under the Luxembourg FATCA Regulations and the Luxembourg CRS Regulations. Such action (i) may include the disclosure to the ACD of the Information of the relevant unit-holder and, if applicable, of the unit-holders Controlling Persons, and (ii) may potentially be charged with any taxes and penalties imposed on the FCP attributable to such unit-holder's failure to provide the Information and supporting documentation required.

Additionally, the Management Company on behalf of the FCP may also, in its sole discretion, forcefully redeem any unit-holder's holdings in the FCP or reject subscriptions requests from any unit-holder it deems may jeopardize the FCP's Status.

#### **Non eligible investors in the FCP**

Unit-holders of the FCP must not be offered to, sold to, transferred to or held by a NPFIs

Should it nonetheless happen, for example because of a change of circumstances, that a unit-holder qualifies as NPFIs, the FCP may take any action including (i) the disclosure to the ACD of the Information of the relevant unit-holder and (ii) the compulsory redemption of the units held by the relevant unit-holder and may preclude the continuation of the relationship between the FCP and the unit-holder.

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## **13. DATA PRIVACY PROVISIONS**

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### **1. Introduction**

These data privacy provisions serve the purpose to provide unit-holders, prospective unit-holders and business partners of the Management Company (including the Management Company's contractual counterparties) as well as persons related to such unit-holders, prospective unit-holders and business partners ("**Related Persons**") with important information on the collection, recording,

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<sup>1</sup> The term "Controlling Persons" means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

storage, use and transfer of personal data relating to such unit-holders, prospective unit-holders, business partners and Related Persons (each a **"Data Subject"**) by the Management Company and/or by the Processors (as such term is defined in section 5) in connection with such unit-holders' and prospective unit-holders' investment or intended investment in the Fund or with such business partner's relationship with the Management Company.

A Related Person means in this context an individual whose personal data was provided to the Management Company and/or to the Processors by or on behalf of a unit-holder, prospective unit-holder or business partner or whose personal data was otherwise obtained by the Management Company and/or by the Processors, in connection with such unit-holder's or prospective unit-holder's investment or intended investment in the Fund or with such business partner's relationship with the Management Company. A Related Person may include, but not limited to, a director, officer, employee, controlling person, beneficial owner, representative or agent of an entity, a trustee, a settlor, a protector of a trust. In this context, it is assumed that for personal data of a Related Person provided to the Management Company and/or to the Processors by or on behalf of a unit-holder, prospective unit-holder or business partner, such unit-holder, prospective unit-holder or business partner has duly notified the Related Person about how the Management Company and/or the Processors process the Related Person's personal data in accordance with these data privacy provisions.

## **2. Categories of personal data processed**

The personal data collected, recorded, stored, used and transferred, by electronic and/or by other means (hereafter referred to as personal data **"processed"**) by the Management Company and/or by the Processors in connection with a unit-holder's or prospective unit-holder's investment or intended investment in the Fund or with a business partner's relationship with the Management Company includes (the **"Personal Data"**):

- personal information concerning the Data Subjects (e.g. last name, first name, gender, date and place of birth, residence address(es), postal addresses, telephone and fax number(s), email address(es) or other identifying addresses for electronic communications, details from passports or other government or state issued forms of personal identification, nationality(ies), country(ies) of tax residence and tax identification number, bank account details);
- professional information concerning the Data Subjects (e.g. employment history, title, representation authorities);
- financial information concerning the Data Subjects (e.g. transaction details regarding subscriptions, redemptions, conversions and transfers of units of the Fund, income paid or other payments made with respect to the units held in the Fund);
- any other information concerning the Data Subjects and required by applicable laws and regulations including laws and regulations regarding anti money laundering and counter financing of terrorism (e.g. source of wealth, information about regulatory and other investigations or litigations to which Data Subjects are or have been subject).

The Management Company and the Processors do not intend to actively process special category personal data, being personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union memberships or genetic, biometric data or health data or data concerning a Data Subject's sex life or sexual orientation about Data Subjects. Whilst the Management Company and the Processors will use reasonable efforts to limit the processing of such special category personal data, Data Subjects should be aware that such special category personal data may be processed incidentally for example where the Data Subject volunteers such special category personal data to the Management Company and/or to the Processors (for example when the Data Subject sends a communication such as an email containing such special category personal data) or where documents and information received or gathered for one or more of the Purposes (as such term is defined hereafter) contain special category personal data.

## **3. The data controller**

The Management Company acts as data controller with regard to the Personal Data of unit-holders, prospective unit-holders or business partners processed in connection with such unit-holder's or

prospective unit-holder's investment or intended investment in the Fund or with such business partner's relationship with the Management Company.

#### **4. Processing of Personal Data**

Personal Data will be processed for the purpose of 1) performing the services required by the unit-holders and prospective unit-holders in connection with their investment or intended investment in the Fund; and/or 2) performing services related to the one referred to under 1) here above in connection with unit-holders' and prospective unit-holders' investment or intended investment in the Fund if such related services are considered as necessary by the Management Company and/or the Processors for the purpose of the legitimate interest pursued by the Management Company and/or the Processors provided such interests are not overridden by the interests or fundamental rights and freedoms of the relevant Data Subjects and/or 3) performing the contractual or other arrangements concluded between the Management Company and its business partners and/or 4) complying with the legal and regulatory obligations applicable to the Management Company and/or to the Processors.

In accordance with the preceding paragraph, Personal Data may be processed for the purpose of (the "**Purposes**"):

- opening and maintaining unit-holders' registered accounts including providing unit-holders with information and documents regarding their investment in the Fund (e.g. contract notes, holding statements);
- processing subscriptions, redemptions, conversions and transfers of units of the Fund, payment of income or other proceeds made with respect to the units held by the unit-holders in the Fund;
- informing unit-holders of corporate actions concerning the Fund;
- relationship management including responding to enquiries from unit-holders, prospective unit-holders and business partners and providing unit-holders and prospective unit-holders with information and documentation in connection with their investment or intended investment in the Fund (e.g. Management Company's management regulations, key information documents, financial reports, fact sheets, investment management reports);
- processing of unit-holders' complaints;
- recording of communications (e.g. telephone conversations, mailings including electronic mailings) for relationship management or monitoring for evidentiary or compliance purposes;
- performing controls on excessive trading and market timing practices;
- performing the contractual or other arrangements concluded between the Management Company and its business partners;
- performing due diligence and controls with regard to applicable laws and regulations fight against money laundering and financing of terrorism;
- reporting to the competent authorities in accordance with Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA and CRS);
- to enforce the Management Company's terms and conditions or to protect the Management Company's or the Processors' (as such term is defined hereafter) rights in the context of legal claims, litigation, arbitration or similar proceedings.

To achieve the Purposes, Personal Data may be collected or received directly from the Data Subjects or indirectly through external sources including any publicly available sources or through subscription services or from third parties.

A unit-holder or prospective unit-holder of the Fund or a business partners of the Management Company or a Related Person related to such a unit-holder, prospective unit-holder or business partner may elect to refuse to provide the Personal Data requested by or on behalf of the Management Company. In such a case, the Management Company may not be able and may consequently 1) decline to provide the services required by such unit-holder or prospective unit-holder in connection with their investment or intended investment in the Fund; and/or 2) decline to provide the services related to the one referred to under 1) here above considered as necessary by the Management Company and/or the Processors for the purpose of the legitimate interest pursued by the Management Company and/or the Processors in connection with unit-holders' and prospective

unit-holders' investment or intended investment in the Fund; and/or 3) decline to perform the contractual or other arrangements concluded between the Management Company and its business partners; and 4) decide to preclude the continuation of the relationship between the Management Company and the unit-holder or between the Management Company and the business partner.

Subject to applicable legal periods of limitation which may vary depending on the Purposes for which Personal Data was obtained, the Personal Data shall not be retained for longer than necessary in light of the Purposes for which it was obtained. Personal Data will be deleted or anonymized (or equivalent) once it is no longer necessary to achieve the Purposes for which it was obtained, subject however (i) to any applicable legal or regulatory requirements to process Personal Data for a longer period, or (ii) to enforce the Management Company's terms and conditions or for the protection of the Management Company's or the Processors' rights in the context of legal claims, litigation, arbitration or similar proceedings.

## **5. Transfer of Personal Data**

For the purpose of achieving the Purposes, the Management Company uses the services of delegates, sub-delegates and service providers (such as the Management Company's management company, central administration agent, delegate of the central administration agent, domiciliary agent and depositary) and may delegate the processing of and consequently transfer Personal Data to such delegates, sub-delegates and service providers (the "**Processors**") in compliance with and within the limits of the applicable laws and regulations.

The Processors may delegate the processing of the Personal Data to one or several of their agents or delegates, which may be located in or outside the European Economic Area ("**EEA**").

Processors may also process Personal Data for their own purposes and outside of the scope of their role as processor for the Management Company, in which case and with regard to such own purposes, Processors shall be considered as distinct data controllers and shall be directly accountable to the relevant Data Subjects with regard to the processing for such own purposes.

For the purpose of achieving the Purposes, the Management Company and the Processors may also transfer Personal Data : 1) to comply with applicable laws and regulations including treaties or agreements with or between Luxembourg or foreign governments (including in relation to tax reporting laws such as FATCA and CRS), which may include Luxembourg and foreign authorities, to respond to requests from public or government authorities including tax authorities, which may include Luxembourg and foreign authorities, to cooperate with law enforcement, governmental, regulatory, securities exchange, financial markets or similar agencies or authorities or for other legal reasons, who may transfer the Personal Data to equivalent agencies or authorities in other countries; 2) to central banks, regulators, trade repositories, approved reporting mechanisms which may be located in Luxembourg or abroad; 3) to their external auditors; 4) to courts, litigation counterparties, external legal counsels and others in the context of legal claims, litigation, arbitration or similar proceedings to enforce the Management Company's terms and conditions or to protect the Management Company's or the Processors' rights against a Data Subject; 5) to legitimate third parties in the event of a merger of the Fund or of a sub-fund of the Fund.

Processors may also transfer Personal Data to the Management Company and to other Processors the Management Company in order to enable the Management Company and such other Processors to fulfill the Purposes.

The transfer of Personal Data may include the transfer to jurisdictions within the EEA and to other jurisdictions provided that 1) such other jurisdictions benefit from an adequacy decision from the European Commission; or 2) where such other jurisdictions do not benefit from an adequacy decision from the European Commission, appropriate safeguards are provided; or 3) the transfer falls under one of the derogations for specific situations as foreseen by the applicable laws and regulations.

## 6. Rights of Data Subjects

Subject to the laws and regulations applicable to the Management Company and/or the Processors, each Data Subject has a right to:

- access his/her/its Personal Data;
- have his/her/its Personal Data rectified where it is inaccurate or incomplete;
- where the Management Company processes his/her/its Personal Data on the basis of his/her/its consent, to withdraw this consent being understood that, to achieve the Purposes, the Management Company and the Processors do not rely on the Data Subjects' consent for the process of the Data Subjects' Personal Data;
- have his/her/its Personal Data erased in certain circumstances;
- obtain restriction of processing or object to processing in certain circumstances;
- lodge a complaint to the relevant data protection authority;
- receive his/her/its Personal Data in a structured, commonly used and machine-readable format and to have that Personal Data transmitted directly to another data controller.

If a Data Subject wishes to exercise, any of the rights referred to above, the Data Subject shall address its request by letter sent to the registered office of the Management Company. Requests will be responded in accordance with applicable laws and regulations.

Even if a Data Subject objects to the processing or requests the erasure of its Personal Data, the Management Company and/or the Processors may nevertheless be allowed to continue the processing if i) the processing is mandatory because of legal or regulatory obligations applicable to the Management Company and/or to the Processors; or ii) is necessary for the achievement of one, more or all of the Purposes; or iii) is necessary for the enforcement of the Management Company's terms and conditions or for the protection of the Management Company's and/or the Processors' rights in the context of legal claims, litigation, arbitration or similar proceedings.

## 14. TAXATION OF THE FUND AND UNIT-HOLDERS

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Pursuant to applicable legislation, the Fund is not subject to any Luxembourg tax.

It is however subject to the 0.05% annual subscription tax payable quarterly on the basis of net assets of the Fund shown at the end of each quarter. The net assets invested in UCIs that have already paid the subscription tax are waived of the subscription tax. The unit classes intended exclusively for institutional investors within the meaning of article 174(2) of the Law of 2010 and as defined in the chapter "Description of units, rights of unit-holders and distribution policy" of the Prospectus, are subject to a reduced subscription tax of 0.01%.

The Fund shall be subject to withholding taxes applicable in the various countries on income, dividends and interest from its investments in these countries, without them being necessarily recoverable.

Finally, it may also be subject to indirect taxes on its operations and on services charged to it under applicable legislation.

Taxation laws and the level of tax relating to the Fund may change from time to time.

### **Taxation of the shareholders**

The tax consequences for prospective investors wishing to purchase, subscribe, acquire, hold, convert, sell, redeem or dispose shares of the Fund will depend on the relevant laws of any jurisdiction to which the investor is subject. Shareholders and prospective investors should seek independent professional advice regarding relevant tax laws, as well as any other relevant laws and regulations. Taxation laws and the level of tax relating to the shareholders may change from time to time.

**The above mentioned information is not and should not be interpreted as being a legal or tax advice. The Management Company on behalf of the Fund recommends that potential**

**investors seek information, and if necessary, advice about the laws and regulations which are applicable to them in relation with the subscription, purchase, holding, redemption, sale, conversion and transfer of shares.**

## **15. FINANCIAL REPORTS**

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For each financial year, the Fund publishes, on 31 December an annual financial report that is audited by the Independent Authorised Auditor and an unaudited half-year financial report on 30 June.

These financial reports include, inter alia, separate financial statements drawn up for each sub-fund. The consolidation currency is the euro.

## **16. INFORMATION TO UNIT-HOLDERS**

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The net asset value, the issue price, the redemption and conversion price of each class of units are available on each Luxembourg bank business day at the registered office of the Management Company.

Amendments to the Fund's management regulations will be deposited at the Luxembourg Trade Register. A notice of the deposit with the Luxembourg Trade Register of any amendments to the Fund's management regulations will be published in the Luxembourg Recueil Electronique des Sociétés et Associations (RESA). The said amendments to the management regulations enter into force at the day of their signature, except otherwise provided in the amendment deed in question.

To the extent required by applicable legislation, the unit-holders' notices will be published in a nationally circulated Luxembourg media and in one or more medias circulated in other countries where the Fund's units are publicly offered for subscription.

The following documents are made available to the public at the registered office of the Management Company:

- the Prospectus of the Fund, including the management regulations and the fact sheets,
- the key investor information document of the Fund, (also published on [www.conventum.lu](http://www.conventum.lu))
- the financial reports of the Fund.

A copy of the agreements contracted with the Management Company, Depositary, Investment Managers and Investment Advisors are available free of charge at the Management Company's registered office.

Unit-holders that wish to file a complaint in relation with the Fund are invited to file their complaint in writing to:

If by regular mail:

Conventum Asset Management  
Att. Complaints Handling Officer  
9, boulevard Prince Henri  
L-1724 Luxembourg

If by email:

Conventum Asset Management  
Att. Complaints Handling Officer  
Email: [domiciliation@conventum.lu](mailto:domiciliation@conventum.lu)

If by fax:

Conventum Asset Management  
Att. Complaints Handling Officer  
Fax : +352 49 924 2501



A template complaint form is available on request at the registered office of the Management Company or at [domiciliation@conventum.lu](mailto:domiciliation@conventum.lu).

Complaints received by the Management Company will be handled in accordance with the complaints handling policy of the Management Company, available upon request at the registered office of the Management Company

## 17. REMUNERATION POLICY

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Pursuant to the Law of 2010, the Management Company has established a remuneration policy for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company or the Fund, that complies with the following principles:

- (a) the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Fund;
- (b) the remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of the investors of the Fund, and includes measures to avoid conflicts of interest;
- (c) the assessment of performance is 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 longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- (d) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The up-to-date remuneration policy of the Management Company, 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 including the composition of the remuneration committee is available at [www.conventum.lu](http://www.conventum.lu). A paper copy is available free of charge upon request at the Management Company's registered office.

**NIELSEN**  
**Fact sheets of the sub-funds**

## **NIELSEN – GLOBAL VALUE**

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### **INVESTMENT POLICY**

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**Sub-fund objective** > The Sub-Fund's principal objective is to achieve long-term capital gain, primarily through equity investments.

**Investment policy** > The Sub-Fund will be invested at least 51% of its net assets in equity securities that are admitted to official listing on a stock exchange that is a real member of the World Federation of Exchanges according to their official list, or a member of the Federation European Securities Exchanges.

Subject to market conditions and investment opportunities in companies, the Sub-Fund may furthermore invest in the following asset classes:

- up to 49% of its net assets in short-term government bonds issued by EU Member States with a residual life, at the date of acquisition, of maximum 5 years;
- directly, or through UCITS and/or other UCIs, in money market instruments and cash deposits.

The investments are not subject to any monetary or sectorial limitations.

From time to time under exceptional circumstances due to market conditions, the Sub-Fund may hold liquid assets for up to 100% of its net assets for a short time period. In the aim of investing its liquid assets, the Sub-Fund may invest in:

- cash deposits,
- money-market instruments,
- UCITS and other UCI themselves invested in cash deposits and/or money-market instruments.

The Sub-Fund will only use derivatives for hedging purposes.

The Sub-Fund may not invest more than 10% of its net assets in units of other UCITS or other UCIs.

**Reference currency** > EUR

**Investment horizon** > At least 3 years.

**Risk management method** > Commitment-approach.

**Risk factors** > Investors are invited to read chapter 6 "Risks associated with investing in the Fund" in this Prospectus for information on the potential risks linked to an investment in this sub-fund.

### **MANAGER AND/OR INVESTMENT ADVISOR**

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**Investment Manager** > Nielsen Capital Management Fondsmæglerselskab A/S, Frederikssund subject to supervision of the Denmark Financial Supervision Authority (Finanstilsyne).

Nielsen Capital Management Fondsmæglersekskab A/S was founded in March 2002 by Ole Nielsen.

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### COMMISSIONS AND FEES PAID BY THE UNIT-HOLDERS

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- Subscription fee** > Up to 5% of the subscription amount in favour of entities and agents active in sales and investment of units.
- Redemption fee** > Up to 0,5% of the redeemed amount in favour of the disinvested sub-fund.
- Conversion fee** > None.

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### EXPENSES BORNE BY THE SUB-FUND

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- Management fee** > A units: Up to 1,75% annually, based on the average net assets of the sub-fund.  
B units: Up to 1,75% annually, based on the average net assets of the sub-fund.

**Depository fee**

The depository will be entitled to following fees :

Custody services                      max. 0,04% p.a. on the average net assets of the sub-fund

Depository services                      max. 0,03% p.a. on the average net assets of each sub-fund with a minimum of EUR 1.250 per month for the sub-fund

Cash Flow Monitoring                      max. EUR 800 per month for the sub-fund

Sub-custody and transaction settlement fees are charged separately. Value added tax will be added where applicable.

- Other Management Company and Central Administration fees** > indicative rate of 0,25% per annum, based on the average net assets of the sub-fund. This is an estimated rate. The effective fees depend on several factors - as for example the average net assets of the sub-fund or the number of transactions executed - which cannot be determined in advance.

- Other fees and expenses** > In addition, the sub-fund will charge other operating fees as referred to in article 17 of the management regulations of the Fund.

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### MARKETING OF UNITS

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**Classes of units offered for subscription** >

Class of units	ISIN Code	Currency
A	LU0948414536	EUR
B	LU0394131592	EUR

- Form of units** > Units may be issued as
1. registered unites in the name of the investor in the register of unit-holders or
  2. un-certificated bearer unites and/or global certificate held in custody by a clearing and settlement system.
- Units may be issued in fractions up to the thousandth of a unit.
- Subscriptions, redemptions and conversions** > Orders for subscription, redemption and conversion received before 4:00 pm by EUROPEAN FUND ADMINISTRATION on a Valuation Day are accepted based on the NAV of that Valuation Day to which shall be added the fees indicated above in “Commissions and fees paid by the unit-holders” and “Expenses borne by the sub-fund”.
- Subscriptions and redemptions must be fully paid up within 3 full business days in Luxembourg following the applicable Valuation Day.
- Valuation Day** > Each full bank business day in Luxembourg.
- Publication of NAV** > Registered office of the Management Company.
- Listing on Luxembourg Stock Exchange** > No

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**POINTS OF CONTACT**

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- Subscriptions, redemptions, conversions and transfers** > EUROPEAN FUND ADMINISTRATION  
Fax: +352 48 65 61 8002
- Documentation requests** > CONVENTUM ASSET MANAGEMENT  
Société Anonyme  
9, boulevard Prince Henri, L-1724 Luxembourg  
Fax: +352 26 20 41 3895  
Email: [domiciliation@conventum.lu](mailto:domiciliation@conventum.lu)

**NIELSEN**

**Management Regulations**

## 1. DESCRIPTION OF THE FUND

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NIELSEN is a mutual fund ("Fund") with multiple sub-funds created under Luxembourg law, subject to Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment ("Law of 2010"). The Fund has been created for an unlimited duration.

The rights and obligations of the unit-holders, of the Management Company and of the Depositary are contractually defined by the provisions set forth below which constitute the management regulations of the Fund ("Management Regulations").

By acquiring units of the Fund, unit-holders fully commit themselves to the terms of the Management Regulations.

The Management Regulations and any amendments thereof will be deposited with the Luxembourg Trade Register and a notice of this deposit will be published at the Luxembourg Recueil Electronique des Sociétés et Associations (RESA). The Management Regulations do not grant the unit-holders the right to meet in general meeting of unit-holders.

The assets of the Fund are deposited with a depositary ("Depositary"). The assets of the Fund are distinct from those of the Management Company and answer exclusively to unit-holder rights relating to that sub-fund and those of creditors where the debt arose from the creation, operation or liquidation of said sub-fund.

The Management Company of the Fund reserves the right to create new sub-funds.

## 2. MANAGEMENT COMPANY

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The Fund has been created by the management company CONVENTUM ASSET MANAGEMENT ("Management Company").

The Management Company has been incorporated on 7 February 1986 for an unlimited duration in the form of a *société anonyme* (public limited company) governed by Luxembourg law, subject to the provisions of Section 15 of the Law of 2010. Its registered office is situated at 9, boulevard Prince Henri, L-1724 Luxembourg.

The articles of incorporation of the Management Company were published in the Mémorial on 15 March 1986. The articles of association were last amended by the extraordinary shareholders' meeting held on 15 December 2005. The mention of the coordinated articles of association was published on 3 July 2006. The Management Company's registration number is B 23 959.

The object of the Management Company is the management of undertakings in collective investments in transferable securities ("UCITS") incorporated under Luxembourg or foreign law and established under the form of a contractual type fund or a corporate type fund as well as other undertakings in collective investments ("UCI").

The subscribed and fully paid-up capital of the Management Company is EUR 500,000 (five hundred thousand euros). It is represented by 20,000 registered shares with no par-value.

The Management Company has the most extensive powers to perform, in the name and on behalf of the unit-holders, all acts of management, administration and promotion of the Fund to the extent of the Law of 2010.

The Management Company will determine the investment policy of the Fund to the extent of the investment objectives described in chapter 4 of the Prospectus and within the limits of the investment restrictions specified in article 5 of the Management Regulations.

The Management Company may provide services of management, administration and promotion to UCITS and other UCI it manages.

The Management Company has delegated, under its own responsibility and control, the central administration function to the BANQUE DE LUXEMBOURG which itself subcontracts part of its duties, but under the responsibility of the BANQUE DE LUXEMBOURG, to the services of EUROPEAN FUND ADMINISTRATION (“EFA”). The central administration fee rate will be indicated in the fact sheets of the sub-funds.

The Management Company may delegate, under its responsibility and control, the management function for one or more sub-funds to several asset managers (“Managers”), whose names are indicated in the fact sheets of the sub-funds.

The Management Company may authorise one or more Managers to delegate, under its responsibility and control, the management function for one or more sub-funds to one or more sub-managers (“Sub-managers”), whose names are indicated in the fact sheets of the sub-funds. The rate of the management commission payable to the Management Company and any performance commission payable to the portfolio Manager are indicated in the fact sheets of the sub-funds.

The Management Company or any Manager or Sub-manager may, under its own responsibility, at its own cost, in accordance with current Luxembourg law and regulations and without leading to an increase in the management fees payable to the Management Company, seek assistance from one or more investment advisers whose activity consists of advising the Management Company, the Manager or the Sub-Manager in his investment policy.

The Management Company may appoint one or more distributors with a view to investing the units of one or several sub-funds of the Fund.

### 3. DEPOSITARY

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The Management Company has appointed BANQUE DE LUXEMBOURG as depositary of the Fund (“Depositary”).

As Depositary, BANQUE DE LUXEMBOURG will carry-out the obligations and duties as stipulated by the Law of 2010 and the applicable regulatory provisions.

In accordance with the Management Company, the Depositary may deposit transferable securities and other assets of the Fund with clearing houses, other banks or financial institutions.

The Depositary has been appointed by the Management Company by means of the Management Regulations and an agreement.

### 4. ELIGIBLE INVESTMENTS

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1. The investments of the Fund include one or more of the following:
  - a. transferable securities and money market instruments quoted or traded on a regulated market within the meaning of Directive 2004/39/EC of the European Parliament and the Council of 21 April 2004 on financial instrument markets;
  - b. transferable securities and money market instruments traded on another regulated market of an EU Member State which operates regularly, and is recognised and open to the public;
  - c. transferable securities and money market instruments admitted to official listing on a stock exchange of a non-European Union country or traded on another regulated



- market of a non-European Union country that operates regularly and is recognised and open to the public;
- d. newly issued transferable securities and money market instruments, provided that:
- the conditions of issue include the commitment that the application for admission to official listing on a stock exchange or another regulated market that operates regularly and is recognised and open to the public, has been filed; and
  - the admission must be obtained no later than one year from the issue;
- e. units of undertakings in collective investments in transferable securities (“UCITS”) in accordance with Directive 2009/65/EC and/or other undertakings in collective investments (“UCI”) as defined by article 1, paragraph 2, paragraphs a) and b) of Directive 2009/65/EC, whether or not the fund is located in a Member State of the European Union, provided that:
- these other UCIs are approved in accordance with legal dispositions stipulating that these undertakings are subject to supervision which the CSSF considers as equivalent to that set by EU laws and that cooperation between authorities is adequately guaranteed;
  - the level of protection guaranteed for holders of units in these other UCIs are either equivalent to that intended for holders of UCITS units and in particular, that the rules relating to splitting assets, borrowings, loans and short-selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
  - the activities of these other UCIs are reported in half-year and annual reports enabling an assessment of the assets and liabilities, revenues and transactions in the period under consideration;
  - the proportion of the net assets of UCITS or these other UCIs under consideration for acquisition, which, pursuant to their management regulations or their incorporation documents, may be invested globally in the units of other UCITS or other UCIs, does not exceed 10%;
- f. deposits with a credit institution refundable on request or that may be withdrawn and have a maturity of twelve months or less, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is located in a third country, is subject to prudential rules considered by the CSSF as equivalent to those prescribed by EU laws;
- g. financial derivative instruments, including similar instruments giving rise to payment in cash, which are traded on a regulated market of the type described in paragraphs a), b) and c) above; or financial derivative instruments traded over-the-counter (“OTC derivatives”) provided that:
- the underlying consists of instruments that fall under paragraph 1, financial indices, or interest rates, foreign exchange rates or currencies, in which the Fund can invest in accordance with its investment objectives, as outlined in this Prospectus and in its Management Regulations;
  - the counterparties to transactions on OTC derivatives are entities subject to prudential supervision and belong to categories approved by the CSSF; and

- the OTC derivatives are valued in a reliable and verifiable manner on a daily basis and may be sold, liquidated or closed through a symmetrical transaction at any time at their fair value at the Fund's initiative;
- h. money market instruments other than those traded on a regulated market and referred to in article 1 of the Law of 2010, provided that the issue or issuer of these instruments is itself regulated for the purpose of protecting investors and savings and that these instruments are:
  - issued or guaranteed by a central, regional or local authority, by a central bank of a Member State, by the European Central Bank, by the European Union or by the European Investment Bank, by a non-Member state, or in the case of a Federal State, by one of the members comprising the federation, or by a public international entity to which one or more Member State belongs, or
  - issued by a company of which the shares are traded on the regulated markets described in paragraphs a), b) or c) above, or issued or guaranteed by an institution subject to prudential monitoring according to the criteria defined by EU law, or
  - issued or guaranteed by an institution that is subject to and complies with prudential rules considered by the CSSF as at least as strict as those prescribed by EU laws, or
  - issued by other entities belonging to categories approved by the CSSF provided that the investments in these instruments are subject to investor protection rules equivalent to those stated under the first, second, or third indents and that the issuer is a company, the capital and reserves of which amount to at least 10 million euros (€10,000,000) and which reports and publishes its annual financial statements in accordance with the fourth Directive 78/660/EEC, or an entity which, within a group of companies including one or several listed companies is dedicated to the group's financing, or an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.
- 2. However, the Fund may not:
  - a. invest more than 10% of its net assets in transferable securities and money market instruments other than those referred to in paragraph 1 of this chapter.
  - b. acquire precious metals or certificates representative thereof.
- 3. The Fund may:
  - a. acquire movable and immoveable property that is essential to the direct pursuit of its business;
  - b. hold ancillary liquid assets.

## 5. INVESTMENT RESTRICTIONS

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The criteria and restrictions described below must be complied with by each sub-fund of the Fund.

### **Restrictions on transferable securities and money market instruments**

1. a. The Fund may not invest more than 10% of its net assets in transferable securities or money market instruments issued by the same entity. The Fund may not invest more than 20% of its net assets in deposits invested with the same entity. The counterparty risk of the Fund in a transaction on OTC derivatives may not exceed

10% of its net assets where the counterparty is one of the credit institutions described in chapter 5, paragraph 1.f) above, or 5% of its net assets in other cases.

- b. The total value of the transferable securities and money market instruments held by the Fund with issuers, in each of which it invests more than 5% of its net assets, may not exceed 40% of the value of its net assets. This limit does not apply to deposits with financial institutions that are subject to prudential supervision or to transactions on OTC derivatives with these institutions.
- c. Notwithstanding the individual limits laid down in paragraph 1.a., the Fund may not combine any of the following, if this would involve investing more than 20% of its net assets in a single entity:
- investments in transferable securities or money market instruments issued by that entity,
  - deposits made with that entity, or
  - exposures arising from OTC derivatives issued with that entity.
- d. The limit laid down in the first sentence in paragraph 1.a is raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State of the European Union, by its public local authorities, by a non-Member state or by public international institutions to which one or more Member States belong.
- e. The limit laid down in the first sentence of paragraph 1.a. is raised to a maximum of 25% for certain bonds, when they are issued by a credit institution which has its registered office in a Member State of the European Union and which is legally subject to special public supervision designed to protect bondholders. In particular, the sums deriving from the issue of those bonds must be invested, in accordance with the law, in assets which, during the entire validity period of the bonds, are capable of covering claims attaching to the bonds and which, in the case of issuer's bankruptcy, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest on the bonds.

If the Fund invests more than 5% of its net assets in the bonds referred to in the first paragraph where they are issued by a single issuer, the total value of such investments may not exceed 80% of the value of the net assets of the Fund.

- f. The transferable securities and money market instruments referred to in paragraphs 1.d. and 1.e. shall not be taken into account for the purpose of applying the 40% limit referred to in paragraph 1.b.

The limits set out in paragraphs 1.a., 1.b., 1.c., 1.d. and 1.e. shall not be combined; therefore, investments in transferable securities or money market instruments issued by the same entity, and in deposits or derivative instruments concluded with that entity carried out in accordance with paragraphs 1.a., 1.b., 1.c., 1.d. and 1.e. shall not in total exceed 35% of the net assets of the Fund.

Companies which are included in the same group for the purposes of account consolidation, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are considered as a single entity for the purpose of calculating the limits contained in this paragraph.

The Fund may cumulatively invest up to 20% of its net assets in transferable securities or money market instruments within the same group.

2. a. Without prejudice to the limits laid down in paragraph 5, the limits laid down in paragraph 1 are raised to a maximum of 20% for investments in shares and/or debt security issued by the same entity, where, in accordance with the Management Regulations, the investment policy of the Fund is designed to replicate the composition of a specific share or debt securities index that is recognised by the CSSF, on the following basis:
  - the index composition is sufficiently diversified;
  - the index represents an adequate benchmark for the market to which it refers;
  - it is published in an appropriate manner.
- b. The limit laid out in paragraph 2.a. is 35% where that proves to be justified by exceptional market conditions, particularly on regulated markets where certain transferable securities or money market instruments are highly dominant. Investment up to this limit is only authorised for a single issuer.
3. **In accordance with the principle of risk spreading, the Fund may also invest up to 100% of the net assets in different transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, by its local authorities, by any Member state of the OECD or by public international institutions to which one or more Member States of the European Union belong or by a non-Member State of the European Union approved by the CSSF, including Singapore, Brazil, Russia and Indonesia, provided that it holds securities belonging to at least six different issues and that the securities belonging to a single issue do not exceed 30% of the total amount of the assets.**

#### **Restrictions on UCITS and other UCIs**

4. a. Unless specified in its fact sheets that a given sub-fund cannot invest more than 10% of its net assets in units of UCITS and/or UCIs, the Fund may acquire units of UCITS and/or other UCIs as described in chapter 4, paragraph 1.e., (“Other UCIs”) provided that no more than 20% of its net assets are invested in the units of the same UCITS or other UCI.

For the application of this investment limit, each sub-fund of a Fund with multiple sub-funds is considered as a separate issuer, provided that the principle of segregation of obligations of the different sub-funds vis-à-vis third parties is ensured.
- b. Investments in units of other UCIs may not in aggregate exceed 30% of the net assets of the Fund.

When the Fund has acquired units of UCITS or other UCIs, the assets of these UCITS or other UCIs shall not be combined for the purpose of the limits stated in paragraph 1.
- c. When the Fund invests in units of other UCITS and/or other UCIs which are managed, directly or by delegation, by the same management company or by any other company to which the Management Company is linked through a common management or control mechanism or through a significant direct or indirect holding (each, a “Linked UCI”), that management company or other company cannot charge subscription or redemption fees for the Fund’s investment in the units of the other Linked UCIs.
- d. If the Fund invests a substantial portion of its assets in other Linked UCIs, the maximum level of management fees that may be charged both to the sub-funds

concerned and to other Linked UCIs in which the sub-funds intend to invest will not exceed 4% of the assets under management. The Fund shall disclose in its annual report the maximum proportion of management fees charged both to sub-funds concerned as well as to UCITS and/or other UCIs in which the sub-funds concerned invest.

- e. A sub-fund of the Fund (“Investing Sub-fund”) may subscribe, acquire and/or hold shares to be issued or issued by one or more sub-funds of the Fund (each, a “Target Sub-fund”) and the Fund is not subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, provided however that:
- the Target Sub-fund does not, in turn, invest in the Investing Sub-fund that is invested in this Target Sub-fund; and
  - the proportion of net assets that the Target Sub-funds the acquisition of which is envisaged may invest overall in accordance with their factsheets, in units of other Target Sub-funds of the Fund does not exceed 10%; and
  - in any event for as long as these securities of the Target Sub-fund are held by the Investing Sub-fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purpose of verifying the minimum threshold of the net assets imposed by the Law of 2010; and
  - there is no duplication of management fees, subscription or redemption fees between those at the level of the Investing Sub-fund and the Target Sub-fund.
- f. By way of derogation from the principle of risk spreading, in chapter 4 and in chapter 5, paragraphs 1. and 5.b. 3<sup>rd</sup> indent and in the above restrictions but in compliance with applicable laws and regulations, each sub-fund of the Fund (hereinafter “feeder sub-fund”) may invest at least 85% of its net assets in units of another UCITS or of an investment sub-fund thereof (hereinafter “master UCITS”). A feeder UCITS may hold up to 15% its assets in one of more of the following:
- ancillary liquid assets in accordance with chapter 4., paragraph 3.;
  - financial derivative instruments, which may be used only for hedging purposes, in accordance with chapter 4., paragraph 1.g. and chapter 5., paragraphs 10. and 11.;
  - movable and immovable property that is essential to the direct pursuit of its business.
  - For the purposes of compliance with chapter 5, paragraph 10., the feeder sub-fund shall calculate its overall exposure related to financial derivative instruments by combining its own direct exposure under paragraph f., first paragraph, 2<sup>nd</sup> indent, with:
    - the real exposure of the master UCITS to financial derivative instruments, in proportion to the feeder sub-fund’s investments in the master UCITS; or
    - the master UCITS’s potential maximum overall exposure to financial derivative instruments laid down in the master UCITS management regulations or documents of incorporation in proportion to the feeder sub-fund investment in the master UCITS.
- g. A sub-fund of the Fund may however and to the broadest extent allowed by applicable laws and regulations but in accordance with conditions set out by them, be created or converted into a master UCITS within the meaning of article 77(3) of the Law of 2010.

### **Restrictions on taking control**

5. a. The Fund may not acquire shares carrying voting rights that allow it to exercise significant influence over the management of an issuing body.
- b. Moreover, the Fund may not acquire more than:
- 10% of non-voting shares from the same issuer;
  - 10% of the debt securities of the same issuer;
  - 25% of units from the same UCITS and/or UCI;
  - 10% of money market instruments issued by the same issuer.

The limits laid down under the second, third and fourth indents may be disregarded at the time of acquisition if, at that time, the gross amount of bonds or money market instruments, or the net amount of issued securities cannot be calculated.

- c. Paragraphs a) and b) are waived as regards:
- transferable securities and money market instruments issued or guaranteed by a Member State of the European Union or its local authorities;
  - transferable securities and money market instruments issued or guaranteed by a non-Member State of the European Union;
  - transferable securities and money market instruments issued by public international institutions to which one or more Member States of the European Union are members;
  - shares held by the Fund in the capital of a company incorporated in a non-Member state of the European Union that invests its assets mainly in the securities of issuing bodies of that State where, under the legislation of that State, such an investment is considered for the Fund as the only way in which in which the Fund can invest in the securities of issuing bodies of that State. This waiver, however, shall apply only if the investment policy of the company of the non-Member State to the European Union complies with the limits laid down in paragraphs 1., 4., 5.a. and 5.b. Where the limits set in paragraphs 1. and 4. are exceeded, paragraph 6 shall apply mutatis mutandis;
  - shares held by the Fund in the capital of subsidiary companies which carry on the business of management, advising or marketing in the country where the subsidiary is established, in regard to the repurchase of units at the request of unit-holders exclusively on its or their behalf.

### **Waivers**

6. a. The Fund need not necessarily comply with the limits laid down in this chapter when exercising subscription rights attaching to transferable securities or money-market instruments which form part of their assets. While ensuring observance of the principle of risk spreading, the Fund may derogate from paragraphs 1., 2., 3. and 4.a., b., c. and d for six months following the date of its authorisation.
- b. If the limits referred to in paragraph 6.a. are exceeded for reasons beyond the control of the Management 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 its unit-holders.

### **Restrictions on borrowings, loans and short selling**

7. The Fund is not authorised to borrow, except:
  - a. for the acquisition foreign currencies by means of “back-to-back loans”;
  - b. for borrowings representing up to a maximum of 10% of its net assets, provided that it is on a temporary basis;
  - c. for borrowings up to 10% of its net assets, provided that they are borrowings intended to allow the acquisition of immovable property essential for the direct pursuit of its business. In this case, such borrowings and those stated in paragraph 7.b., may under no circumstances exceed 15% of the net assets of the Fund.
8. Without prejudice to the application of the provisions in chapter 4. above and chapter 5, paragraphs 10. and 11., the Management Company may not grant loans or act as guarantor for third parties. This restriction shall not prevent the Fund from acquiring transferable securities, money market instruments or other financial instruments referred to in chapter 4. paragraphs 1.e., 1.g. and 1.h., which are not fully paid up.
9. The Management Company cannot carry out short sales of transferable securities, money market instruments or other financial instruments that are not fully paid up as referred to in chapter 4. paragraphs 1.e., 1.g. and 1.h.

### **Restrictions on instruments and efficient portfolio management techniques and financial derivative instruments**

10. Financial derivative instruments may be used for purposes of investment, hedging and efficient management of the portfolio. Securities lending, transactions with right to repurchase and repurchase and reverse repurchase transactions may be used for efficient management of the portfolio. Additional restrictions or waivers for certain sub-funds may be described in the fact sheets of the sub-funds concerned.

The global exposure of each sub-fund relating to derivative instruments may not exceed the total net asset value of the sub-fund in question.

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

The Management Company may invest, as part of the investment policy of the Fund and within the limits stated in paragraph 1.f. above, in financial derivative instruments, provided that its exposure to the underlying assets does not exceed the aggregate investment limits laid down in paragraph 1. When the Fund invests in index-based financial derivative instruments, those investments will not be combined for the purposes of the limits laid down in paragraph 1.

When a transferable security or a money market instrument embeds a derivative instrument, this derivative instrument must be taken into account for the purposes of applying the provisions of this paragraph.

The Management Company may, for the purposes of efficient portfolio management and to improve the profitability of the Fund or to reduce expenses or risks, utilise (i) securities lending, (ii) transactions with right to repurchase as well as (iii) reverse repurchase and repurchase transactions, as allowed by and within the limits established by applicable regulations, and in particular by article 11 of the Grand Ducal Regulation of 8 February 2008 on certain definitions in the Law of 2010 and by CSSF circular 08/356 on the rules applicable to undertakings for collective investment when they use certain instruments and instruments relating to

transferable securities and money market instruments (as amended or replaced from time to time).

Where the Fund enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure should comply with the following criteria at all times:

- a) Liquidity: any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Article 56 of the Directive 2009/65/EC.
- b) Valuation: collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- c) Issuer credit quality: collateral received should be of high quality.
- d) Correlation: the collateral received by the Fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- e) Collateral diversification (asset concentration): collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When the Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
- f) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
- g) Where there is a title transfer, the collateral received should be held by the depositary of the Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- h) Collateral received should be capable of being fully enforced by the Management Company on behalf of the Fund at any time without reference to or approval from the counterparty.
- i) Non-cash collateral received should not be sold, re-invested or pledged.
- j) Cash collateral received should only be:
  - placed on deposit with entities prescribed in Article 50(f) of the Directive 2009/65/EC;
  - invested in high-quality government bonds;
  - used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Management Company on behalf of the Fund is able to recall at any time the full amount of cash on accrued basis;
  - invested in short-term money market funds.

### **Securities lending transactions**

Each sub-fund may thus engage in securities lending transactions under the conditions below and within the following limits:

- Each sub-fund may loan the securities it holds, by the intermediary of a standardised loan system organised by a recognised securities clearing organisation or by a financial institution subject to the rules of prudential supervision considered by the CSSF as equivalent to those laid down by EU legislation and specialised in this type of transaction.
- The securities borrower must also be subject to prudential supervision considered by the CSSF as equivalent to that laid down by EU legislation. In the



event that the above-mentioned financial institution acts on its own behalf, it shall be considered as a counterparty to the securities lending agreement.

- As the sub-funds are open to redemptions, each sub-fund concerned must be able at all times to terminate the contract and return the securities loaned. Should this not be the case, each sub-fund must ensure it maintains securities lending transactions at a level that enables it, at all times, to meet its obligation to repurchase the shares.
- Each sub-fund must receive in advance or at the same time as the transfer of securities loaned, a guarantee in compliance with the requirements laid down in the above-mentioned circular 08/356. At the end of the loan agreement, the guarantee will be remitted simultaneously or after the refund of the securities loaned.

When guarantees have been received by a sub-fund in the form of cash for the purpose of guaranteeing the above-referenced transactions in accordance with the provisions of the above-referenced circular 08/356, they may be reinvested in accordance with the sub-fund's investment objective (i) in equities or monetary-type UCI shares calculating a daily net asset value and rated AAA or equivalent, (ii) in short-term bank assets, (iii) in money market instruments as defined in the above-referenced Grand Ducal Regulation of 8 February 2008, (iv) in short-term bonds issued or guaranteed by a Member State of the European Union, Switzerland, Canada, Japan or the United States or by their public local governments or by regional or global community-based supranational institutions and organisations, (v) in bonds issued or guaranteed by first-rate issuers that offer adequate liquidity, and (vi) in reverse repurchase agreements in accordance with procedures laid out in paragraph I (C) a) of the above-referenced circular 08/356. The reinvestment should, if it produces a leverage effect, be factored into the calculation of the overall exposure of the Fund.

All the revenues arising from securities lending, net of operational costs, have to be returned to the sub-fund concerned. The operational costs, deducted from the gross revenues arising from securities lending, are expressed in principal in fixed percentage of the gross revenue and are returned to the counterparty of the Fund.

The annual report of the Fund discloses the identity of the counterparty, whether this counterparty is linked to the Management Company or the Depositary as well as details of the revenues arising from securities lending and the operational costs thereof.

#### **Transactions with option to repurchase**

Transactions with option to repurchase consist in purchases and sales of securities under clauses that retain the seller's right to buy back from the purchaser the securities sold at a price and at a term agreed upon by the two parties when the agreement is concluded.

The Fund may act as either buyer or as seller in transactions with right to repurchase.

#### **Reverse repurchase and repurchase transactions**

Reverse repurchase and repurchase transactions consist in buying/selling transactions on transferable securities or money market instruments that are closed for cash simultaneously by a forward selling/buying agreement on the same transferable securities or money market instruments at a determined time.

For some sub-funds, reverse repurchase agreements are the main technique of acquisition for the portfolio in accordance with the rules for risk spreading as laid down by the Law of 2010. Where a sub-fund uses the technique of reverse repurchase to acquire its portfolio, a detailed description of the transaction, of its method of assessing the risks involved in this transaction, shall be mentioned in the

fact sheets of the sub-fund. A sub-fund will only be allowed to acquire a portfolio using reverse repurchase agreements when it acquires the legal property of the securities acquired and owns a real property right and not only a fictitious right. The reverse repurchase transaction shall be structured in a manner that the Fund can always repurchase its shares. The procedures for reverse repurchase transaction shall be described in greater detail in the fact sheets of the sub-funds involved in such transactions.

In particular, some sub-funds may enter indexed reverse repurchase transactions by which the Fund will be bound in transactions for purchase and sales of transferable securities or money market instruments for cash and closed simultaneously by a forward sale of these same transferable securities or money market instruments determined and at a price that depends on the changes in the securities, instruments or indices underlying to the transaction considered.

**At the date of the present Management Regulations, the Fund and the Sub-Funds do not enter into repurchase transactions, securities lending transactions, buy and sell back transactions, margin lending transactions, total return swaps and any other type of financial derivative instruments covered by the Regulation (EU) 2015/2365. Should the Management Company decide to provide for such possibility, the Management Regulations will be updated prior to the entry into force of such decision in order for the Fund to comply with the disclosure requirements of 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 and amending Regulation (EU) No 648/2012.**

#### **Risk management method**

11. The Management Company uses a risk management method that allows at all times to control and measure the risk associated with positions and the contribution of such positions to the general risk profile of the portfolio and that allows precise and independent evaluation of the value of the OTC derivatives. The risk management method used depends however on the specific investment policy of each sub-fund. Unless otherwise provided in the corresponding fact sheets of the sub-fund, the commitment-approach will be used in order to measure the global risk.

## **6. SUB-FUNDS AND CLASSES OF UNITS**

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Units may, when decided by the Management Company, be from different sub-funds (which may be, on decision of the Management Company, denominated in different currencies) and the proceeds from the issue of units in each sub-fund will be invested, in accordance with the investment policy decided by the Management Company, in accordance with the investment restrictions established by the Law of 2010 and from time to time by the Management Company.

The Management Company may decide, for any sub-fund, to create classes of units, the features of which are described in the prospectus of the Fund ("Prospectus").

The units of one class may be distinguished from the units of one or more classes by characteristics such as, among others, a particular fee structure, a distribution or a policy of hedging specific risks, that is determined by the Management Company. If classes are created, the references to the sub-funds in these Management Regulations shall, to the extent required, be interpreted as references to these classes.

The Management Company may decide to split or to reverse split the units of a sub-fund or of a class of units of the Fund.

## 7. FORM OF UNITS

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The units are issued without par value and are fully paid-up. Any unit of any sub-fund and any class in said sub-fund may be issued:

1. either in registered form in the name of the subscriber, recorded by subscriber's registration in the unit-holders' register. The subscriber's registration in the register may be confirmed in writing. No registered unit certificate will be issued.

The unit-holders' register shall be kept by the Management Company or by one or more individuals or legal entities that the Management Company designates for this purpose. The registration must indicate each registered unit-holder's name, their place of residence or elected domicile, number of registered units held. All transfers of registered units between living persons or as the result of a death will be recorded in the unit-holders' register.

If a named unit-holder fails to provide the Management Company with an address, this may be reported in the unit-holders' register, and the unit-holder's address shall be presumed to be at the Management Company's registered office or at any other address defined by the Management Company, until another address has been provided by the unit-holder. Unit-holders may at any time request that the address recorded for them in the unit-holders' register be changed by sending a written notice to the Management Company at its registered office or any other address indicated by the Management Company.

The named unit-holder must inform the Management Company of any change in personal information contained in the unit-holders' register to allow the Management Company to update said personal information.

2. either as uncertificated or certificated bearer units. The Management Company may decide for any sub-funds or units classes that bearer units will be issued only in the form of global certificate held in custody by a clearing and settlement system. The Management Company may also decide that bearer units may be represented by single or multiple unit certificates in the forms and denominations that the Management Company can decide but that will however only represent whole numbers of units. When necessary, the portion of subscription proceeds exceeding the number of whole bearer units will be automatically reimbursed to the subscriber. The costs involved in the physical delivery of single or multiple bearer unit certificates may be invoiced to the applicant prior to being sent and the delivery of such certificates may depend on prior payment of such delivery fees. If a unit-holder of bearer units requests to change their certificates for certificates of a different denomination, they may be charged the cost of the exchange.

A unit-holder may at any time request to convert their bearer units to registered units, or the inverse. In this case, the Management Company shall be entitled to charge the unit-holder for any costs incurred.

As allowed by Luxembourg laws and regulations, Management Company may decide, at its sole discretion, to require the exchange of bearer units to registered units provided that it publishes a notice in one or several medias determined by the Management Company.

Bearer unit certificates are signed by two directors of the Management Company. Both signatures may be handwritten, printed, or stamped. However, one of the signatures may be affixed by a person delegated by the Management Company for this purpose, in which case it must be handwritten, if and where required by law. The Management Company may issue temporary certificates in forms determined by the Management Company.

Units may be issued in fractions of units, to the extent allowed in the Prospectus. The rights attached to fractions of units are exercised in proportion to the fraction held by the unit-holder.

The Management Company only recognises one unit-holder per unit. If there are several owners of one unit, the Management Company shall be entitled to suspend the exercise of all the rights attached to it until a single person has been designated as being the owner in the eyes of the Management Company.

No general meeting of unit-holders will be held and no voting right will be attached to the units, unless otherwise decided by the Management Company.

## 8. ISSUE AND SUBSCRIPTION OF UNITS

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Within each sub-fund, the Management Company is authorised, at any time and without limitation, to issue additional fully paid-up units, without reserving a pre-emptive subscription right for existing unit-holders.

If the Management Company offers units for subscription, the price per unit offered, irrespective of the sub-funds and class in which the unit is issued, shall be equal to the net asset value of the unit as determined pursuant to these Management Regulations. Subscriptions are accepted on the basis of the price established for the applicable Valuation Day, as specified in the Prospectus of the Fund. This price may be increased by fees and commissions, including a dilution levy, as stipulated in this Prospectus. The price thus determined will be payable within the normal deadlines as specified more precisely in the Prospectus and taking effect on the applicable Valuation Day.

Unless specified differently in the Prospectus, subscription requests may be expressed in the number of units or by amount.

As allowed by the Law of 2010 and by applicable regulations and in respect of the provisions in the Prospectus, a sub-fund may subscribe for, acquire and/or hold units to issue or already issued by one or more other sub-funds of the Fund. In this case and in accordance with the conditions laid down by applicable Luxembourg laws and regulations, any voting rights attached to these units are suspended as long as they are held by the sub-fund in question. Moreover, and as long as these units are held by a sub-fund, their value shall not be taken into consideration in calculating the net assets of the Fund for the purpose of verifying the minimum threshold of net assets imposed by the Law of 2010.

Subscription requests accepted by the Management Company are final and commit the subscriber except when the calculation of the net asset value of the units for subscription is suspended. The Management Company, however, may but is not required to do so, agree to a modification or a cancellation of a subscription order when there is an obvious error on the part of the subscriber on condition that the modification or cancellation is not detrimental to the other unit-holders in the Fund. Moreover, the Management Company may, but is not required to do so, cancel the subscription request if the depositary has not received the subscription price within the common delays, such as determined in the Prospectus and starting as from the applicable Valuation Day. Subscription price already received by the depositary at the time of the cancellation's decision of subscription request will be returned to the subscribers concerned without application of interests.

The Management Company may also decide, at its own discretion, to cancel the initial offering subscription of units for a sub-fund or a unit class. In this case subscribers who have already made subscription requests will be informed in due form and, by way of derogation from the preceding paragraph, subscription requests received will be cancelled. Any subscription price that has been already received by the depositary will be returned to the subscribers concerned without application of interests.

In general, in case of refusal of a subscription request by the Management Company, any subscription price that has been already received by the depositary at the time of the refusal decision will be returned to the subscribers concerned without application of interests, unless legal or regulatory provisions prevent or prohibit the return of the subscription price.

Units are only issued on acceptance of a corresponding subscription order. For the units issued upon acceptance of a corresponding subscription order but for which all or part of the subscription price will not have been received by the Management Company, the subscription price or the portion of the subscription price not yet received by the Management Company shall be considered as a receivable of the Management Company with respect to the subscriber concerned.

Subject to receipt of the full subscription price, the single or multiple bearer unit certificates shall normally be delivered, if applicable, within the normal deadlines.

Subscriptions may also be made by contribution of transferable securities and other authorised assets other than cash, where authorised by the Management Company, which may refuse its authorisation at its sole discretion and without providing justification. Such securities and other authorised assets must satisfy the investment policy and restrictions defined for each sub-fund. They are valued according to the valuation principles specified in the Prospectus and these Management Regulations. To the extent required by the amended Luxembourg Law of 10 August 1915 on commercial companies or by the Management Company, such contributions shall be the subject of a report drafted by the Fund's independent authorised auditor. The expenses related to subscription by in-kind contribution shall not be borne by the Fund unless the Management Company considers that the in-kind subscription is favourable to the Fund, in which case all or part of the costs may be borne by the Fund.

The Management Company can delegate to any director or to any other legal person approved by the Management Company for such purposes, the tasks of accepting the subscriptions and receiving payments for the new units to issue.

All subscriptions for new units must, under pain of being declared null and void, be fully paid up. The issued units carry the same rights as the units existing on the day of issue.

The Management Company may refuse subscription requests, at any time, at its sole discretion and without providing justification.

## 9. REDEMPTION OF UNITS

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All unit-holders are entitled at any time to request the Management Company to redeem some or all of the units they hold.

The redemption price of a unit shall be equal to its net asset value, as determined for each class of units, according to these Management Regulations. Redemptions are based on the prices established for the applicable Valuation Day determined according to this Prospectus. The redemption price may be reduced by the redemption fees, commissions and the dilution levy stipulated in this Prospectus. Payment of the redemption must be made in the currency of the class of units and is payable in the normal deadlines, as set more precisely in the Prospectus and taking effect on the applicable Valuation Day, or on the date on which the share certificates will have been received by the Management Company, if this date is later.

Neither the Management Company nor his board of directors may be held liable for a failure to pay or a delay in payment of the redemption price if such a failure or delay results from the application of foreign exchange restrictions or other circumstances beyond the control of the Management Company and/or his board of directors.

All redemption requests must be submitted by the unit-holder (i) in writing to the Management Company's registered office or to another legal entity designated by the Management Company for the redemption of units or (ii) by requesting by any electronic means approved by the Management Company. The request must specify the name of the investor, the sub-fund, the class, the number of units or the amount to be redeemed, and the payment instructions for the redemption price and/or any other information specified in the Prospectus or the redemption form available at the registered office of the Management Company or from another legal person authorised to process unit redemptions.

The redemption request must be accompanied, as necessary, by the appropriate single or multiple bearer unit certificate(s) issued and the necessary documents to perform their transfer, as well as any additional information requested by the Management Company or by any person authorised by the Management Company, before the redemption price can be paid.

Subscription requests accepted by the Management Company are final and commit the unit-holder except when the calculation of the net asset value of the units for redemption is suspended. However, the Management Company may, but is not required to do so, agree to modify or cancel a redemption request when there is an obvious error on the part of the unit-holder that requested the redemption, on condition that the modification or cancellation is not detrimental to the other unit-holders in the Fund.

Units redeemed by the Management Company shall be cancelled.

When agreed by the unit-holders concerned, the Management Company may, on a case-by-case basis, decide to make in-kind payments, while complying with the principle of equal treatment of unit-holders, by allocating to or for unit-holders that request redemption of their units, transferable securities or assets other than transferable securities and cash from the portfolio of the sub-fund concerned, the value of which is equal to the redemption price of the units. To the extent required by applicable laws and regulations or by the Management Company, all in-kind payments will be valued in a report prepared by the Fund's independent authorised auditor and will be equitably conducted. The expenses related to redemptions by in-kind contribution shall not be borne by the Fund unless the Management Company considers that the in-kind redemption is favourable to the Fund, in which case all or part of the costs may be borne by the Fund.

The Management Company can delegate to (i) any director or to (ii) any other legal person approved by the Management Company for such purposes the tasks of accepting the redemptions and paying the price for units to redeem.

In the event of redemption and/or conversion of a security of a sub-fund bearing on 10% or more of the net assets of the sub-fund or a threshold below 10% deemed critical by the Management Company, this latter may either:

- postpone the payment of the redemption price of such requests to a date at which the Fund will have sold the necessary assets and it will have the proceeds from such sales;
- postpone all or some of such requests to a later Valuation Day determined by the Management Company, when the Fund will have sold the necessary assets, taking into consideration the interests of all unit-holders and when it will have the proceeds from such sales. These requests shall be treated with priority over any other request.

In addition, the Management Company can postpone the payment of all requests for redemption and/or conversion for a sub-fund:

- if any one of the stock exchanges and/or other markets on which the sub-fund concerned were broadly exposed, in the opinion of the Management Company, were closed or;
- if transactions on stock exchanges and/or other markets on which the sub-fund concerned were broadly exposed, in the opinion of the Management Company, were restricted or suspended.

If, following the acceptance and execution of a redemption order, the value of the remaining units held by the unit-holder in the sub-fund or in the class of units falls below a minimum amount as may be determined by the Management Company for the sub-fund or the class of units, the Management Company can rightfully believe that the unit-holder has requested the redemption of all of its units held in that sub-fund or class of units. The Management Company can, in this case at its sole discretion, execute a forced redemption of the remaining units held by the unit-holder in the sub-fund or the class concerned.

## 10. CONVERSION OF UNITS

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Subject to any restrictions set by the Management Company, unit-holders are entitled to switch from one sub-fund or one class of units to another sub-fund or another unit of units and to request conversion of the units they hold in one sub-fund or one unit class to units belonging to another sub-fund or unit class.

Conversion is based on the net asset values of the class of units of the relevant sub-fund as determined in accordance with these Management Regulations on the common Valuation Day set in accordance with the provisions of the Prospectus, taking into consideration any prevailing exchange rate between the currencies of the two sub-funds on the Valuation Day. The Management Company may set the restrictions that it deems necessary for the frequency of conversions. It may impose payment of conversion fees the amount of which it will reasonably determine.

Conversion requests accepted by the Management Company are final and commit the unit-holder except when the calculation of the net asset value of the units for conversion is suspended. The Management Company, however, may but is not required to do so, agree to a modification or a cancellation of a conversion request when there is an obvious error on the part of the unit-holder that requested the conversion on condition that the modification or cancellation is not detrimental to the other unit-holders in the Fund.

All conversion requests must be submitted by the unit-holder (i) in writing to the Management Company's registered office or to another legal entity designated by the Management Company for the conversion of units or (ii) by requesting by any electronic means approved by the Management Company. The request must specify the name of the investor, the sub-fund, the class of units held, the number of units or the amount to convert, as well as the sub-fund and the class of units to obtain in exchange and/or any other information specified in the Prospectus or the conversion form available at the registered office of the Management Company or from another legal person authorised to process unit conversions. If any, it must be accompanied by single or collective bearer unit certificates issued. If single and/or collective bearer unit certificates can be issued for the class to which the conversion transaction is effected, new single and/or collective bearer unit certificates can be reissued to the unit-holder on express request of the unit-holder in question.

The Management Company can set a minimum threshold for conversion of each class of units. Such a threshold may be defined by the number of units or by the amount.

The Management Company may decide to allocate any fractions of units generated by the conversion or pay a cash amount corresponding to these fractions to the unit-holders requesting conversion.

Units which have been converted into other units shall be cancelled.

The Management Company may delegate to any director or to any other legal person approved by the Management Company for such purposes the tasks of accepting the conversions and paying the price for units to convert.

In the event of redemption and/or conversion of a security of a sub-fund bearing on 10% or more of the net assets of the sub-fund or a threshold below 10% deemed critical by the Management Company, the Management Company may either:

- postpone the payment of the redemption price of such requests to a date at which the Fund will have sold the necessary assets and it will have the proceeds from such sales;
- postpone all or some of such requests to a later Valuation Day determined by the Management Company, when the Fund will have sold the necessary assets, taking into consideration the interests of all unit-holders and when it will have the proceeds from such sales. These requests shall be treated with priority over any other request.

In addition, the Management Company may postpone the payment of all requests for redemption and/or conversion for a sub-fund:

- if any one of the stock exchanges and/or other markets on which the sub-fund concerned were broadly exposed, in the opinion of the Management Company, were closed or;
- if transactions on stock exchanges and/or other markets on which the sub-fund concerned were broadly exposed, in the opinion of the Management Company, were restricted or suspended.

The Management Company may reject all conversion request for an amount lower than the minimum conversion amount as set from time to time by the Management Company and indicated in the Prospectus.

If, following the acceptance and execution of a conversion order, the value of the remaining units held by the unit-holder in the sub-fund or in a class of units from which the conversion is requested falls below a minimum amount as may be determined by the Management Company for the sub-fund or the class of units, the Management Company may rightfully believe that the unit-holder has requested the conversion of all of its units held in that sub-fund or class of units. The Management Company may, in this case at its sole discretion, execute a forced conversion of the remaining units held by the unit-holder in the sub-fund of the class concerned in which the conversion is requested.

## 11. TRANSFER OF UNITS

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All transfers, inter vivos or because of decease, of registered units will be recorded in the unit-holders' register.

Transfers of bearer units represented by single or multiple bearer unit certificates will be executed by the delivery of corresponding bearer units represented by single or multiple bearer unit certificates. The transfer of bearer units, represented by global certificates of units held in custody by a clearing and settlement system, will be executed by the registration of the units transfer with the clearing entity in question.

The transfer of registered units will be executed by recording in the register following remittance to the Management Company of the transfer documents required by the Management Company including a written declaration of transfer provided to the unit-holders' register, dated and signed by the transferor and the transferee or by their duly authorised representatives.

The Management Company may, for bearer units, consider the bearer and, for registered units, consider the person in whose name the units are recorded in the unit-holders' register as the owner of the units and the Fund will incur no liability toward third parties resulting from transactions on these units and shall rightfully refuse to acknowledge any rights, interests or pretensions of any other person on these units; these provisions, however, do not deprive those who have the right to request to record registered units in the unit-holders' register or a change in the record in the unit-holders' register.

## 12. RESTRICTIONS ON THE OWNERSHIP OF UNITS

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The Management Company may restrict, prevent or prohibit ownership of units of the Fund by any individual or legal entity, including by persons from the United States of America as defined hereinafter.

The Management Company may moreover issue restrictions that it deems necessary in order to make sure that no unit of the Fund is acquired or held by (a) a person who has violated the laws or requirements of any country or governmental authority, (b) any person whose situation, in the opinion of the Management Company, could lead the Fund or its unit-holders to incur a risk of legal, fiscal or financial consequences, that it would not have incurred or that it would not have otherwise incurred or



(c) a person from the United States (each of these persons referred to in (a), (b) and (c) being defined hereinafter as a "Prohibited Person").

In this regard:

1. The Management Company may refuse to issue units and record units' transfer if it appears that this issue or transfer would or could result in a Prohibited Person being granted unit ownership.
2. The Management Company may request any person included in the unit-holders' register or requesting a units' transfer to be recorded to provide it with all the information and certificates that it deems necessary, accompanied by a sworn statement if appropriate, in order to determine whether these units are or will be effectively owned by a Prohibited Person.
3. The Management Company may carry out a forced redemption if it appears that a Prohibited Person, either acting alone or with others, has ownership of Fund units or it appears that confirmations given by a unit-holder were not exact or have ceased to be exact. In this case, the following procedure shall be applied:

- a) The Management Company shall send a notice (hereinafter the "redemption notice") to the unit-holder owning the units or indicated in the unit-holders' register as being the owner of the units. The redemption notice shall specify the units to be redeemed, the redemption price to be paid and the location where this price is to be paid to the unit-holder. The redemption notice may be sent by registered letter to the unit-holder at the unit-holder's last known address or to the address recorded in the unit-holders' register. The unit-holder in question shall be required to immediately return the single or multiple bearer unit certificates specified in the redemption notice.

As soon as the offices are closed on the day specified in the redemption notice, the unit-holder in question shall cease to be the owner of the units specified in the redemption notice; if they are registered units, the unit-holder's name shall be removed from the unit-holders' register; if they are bearer units, the single or multiple bearer unit certificates representing these units shall be cancelled in the books of the Fund.

- b) The price at which the units specified in the redemption notice shall be repurchased ("redemption price") shall be the redemption price based on net asset value of the units of the Fund (appropriately reduced as specified in these Management Regulations) immediately preceding the redemption notice. From the date of the redemption notice, the unit-holder in question shall lose all unit-holder's rights.
  - c) The payment shall be made in the currency determined by the Management Company. The redemption payment will be deposited by the Management Company for the unit-holder in a bank, in Luxembourg or elsewhere, specified in the redemption notice, that will send it to the unit-holder in question upon remittance of the certificate(s) indicated in the redemption notice. As soon as the redemption price has been paid under these conditions, no party with an interest in the units mentioned in the redemption notice shall have any right over these units or be able to take any action against the Fund or its assets, with the exception of the right of the unit-holder appearing as the owner of the units to receive the redemption price (without interests) deposited at the bank upon delivery of the certificate(s) indicated in the redemption notice.
  - d) The Management Company's use of the powers conferred in this article may not, under any circumstances, be contested or invalidated on the grounds that there is insufficient proof of the ownership of the units by any person or that a unit belonged to another person who the Management Company had not recognised when sending out the redemption notice, provided the Management Company acts in good faith.
4. Any Prohibited Person which holds or should have held, individually or jointly with other persons, one or several units of the Fund in violation of the provisions of the current article, may be held liable for any damage incurred by the Fund, its unit-holders, the Management Company or the

agents of the Management Company by the fact of holding units of the Fund by this Prohibited Person.

The term “person from the United States of America”, as used in these Management Regulations means any expatriate, citizen or resident of the United States of America or of one of the territories or possessions under its jurisdiction, or persons who normally reside there (including the succession of any persons or companies or associations established or organised there). This definition may be amended if necessary by the Management Company and specified in the Prospectus.

If the Management Company is aware or reasonably suspects that a unit-holder owns units and does not meet the required conditions for ownership stipulated for the sub-fund or the class of units in question, the Management Company may:

- either execute a forced redemption of the units in question in accordance with the procedure for redemption described above;
- or execute forced conversion of units to units in another class within the same sub-fund for which the unit-holder in question meets the conditions of ownership (provided that a class exists with similar characteristics concerning, inter alia, the investment objective, the investment policy, the currency, the frequency of calculation of the net asset value, the distribution policy). The Management Company will inform the unit-holder in question on this conversion.

### **13. CALCULATION OF THE NET ASSET VALUE OF UNITS**

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Regardless of the sub-fund and class in which a unit is issued, the net asset value per unit shall be determined in the currency chosen by the Management Company as a figure obtained by dividing the net assets of such sub-fund or such unit on the Valuation Day defined in these Management Regulations by the number of units issued in that sub-fund and in that class.

**The valuation of the net assets of the different sub-funds shall be calculated as follows:**

The net assets of the Fund consist of the Fund’s assets as defined hereinafter minus the Fund’s liabilities as defined hereinafter on the Valuation Day on which the net asset value of the units is determined.

**I. The assets of the Fund consist of:**

- a) all cash on hand or on deposit, including accrued and not paid interests;
- b) all bills and notes due on demand, as well as accounts receivable, including proceeds from the sale of securities, the price of which has not yet been collected;
- c) all securities, units, shares, bonds, option’s or subscription’s rights, and other investments and securities that are owned by the Fund;
- d) all dividends and distributions due to the Fund in cash or securities insofar as the Fund could reasonably have knowledge thereof (the Fund may nevertheless make adjustments to account for fluctuations in the market value of transferable securities caused by practices such as ex-dividend or ex-right trading);
- e) all accrued and outstanding interest generated by the securities owned by the Fund, unless this interest is included in the principal amount of these securities;
- f) the Fund’s incorporation expenses, insofar as these have not been amortised;
- g) any other assets of any kind whatsoever, including prepaid expenses.

The value of these assets shall be determined as follows:

- a) The value of cash on hand or on deposit, bills and notes due on demand, accounts receivable, prepaid expenses, dividends, and interest declared or due but not yet received consists of the

nominal value of these assets, unless it is unlikely that this value will be received, in which event, the value shall be determined by deducting an amount which the Management Company deems adequate to reflect the real value of these assets.

- b) The value of all transferable securities, money-market instruments and financial derivative instruments that are listed on a stock exchange or traded on another regulated market that operates regularly, and is recognised and open to the public, is determined based on the most recent available price.
- c) In the case of Fund investments that are listed on a stock exchange or traded on another regulated market that operates regularly, is recognised and open to the public and traded by market makers outside the stock exchange on which the investments are listed or of the market on which they are traded, the Management Company may determine the main market for the investments in question that will be then evaluated at the last available price on that market.
- d) The financial derivative instruments that are not listed on an official stock exchange or traded on any another regulated operating market that is recognised and open to the public, shall be valued in accordance with market practices as may be described in greater detail in the Prospectus.
- e) Liquid assets and money market instruments may be valued at nominal value plus any interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.
- f) The value of securities representative of an open-ended undertaking for collective investment shall be determined according to the last official net asset value per unit or according to the last estimated net asset value if it is more recent than the official net asset value, and provided that the Management Company is assured that the valuation method used for this estimate is consistent with that used for the calculation of the official net asset value.
- g) To the extent that
  - any transferable securities, money market instruments and/or financial derivative instruments held in the portfolio on the Evaluation Day are not listed or traded on a stock exchange or other regulated market that operates regularly and is recognised and open to the public or,
  - for transferable securities, money market instruments and/or financial derivative instruments listed and traded on a stock exchange or on other market but for which the price determined pursuant to sub-paragraphs b) is not, in the opinion of the Management Company, representative of the real value of these transferable securities, money market instruments and/or financial derivative instruments or,
  - for financial derivative instruments traded over-the-counter and/or securities representing undertakings for collective investment, the price determined in accordance with sub-paragraphs d) or f) is not, in the opinion of the Management Company, representative of the real value of these financial derivative instruments or securities representing undertakings for collective investment,

the Management Company estimates the probable realisation value prudently and in good faith.

- h) Securities expressed in a currency other than that of the respective sub-funds shall be converted at the last known price. If such prices are not available, the currency exchange rate will be determined in good faith.
- i) If the principles for valuation described above do not reflect the valuation method commonly used on specific markets or if these principles of valuation do not seem to precise for determining the value of the Fund's assets, the Management Company may set other principles for valuation in good faith and in accordance with the generally accepted principles and procedures for valuation.
- j) The Management Company is authorised to adopt any other principle for the evaluation of assets of the Fund in the case in which extraordinary circumstances would prevent or render inappropriate the valuation of the assets of the Fund on the basis of the criteria referred to above.
- k) In the best interests of the Fund or of unit-holders (to prevent *market timing* practices for example), the Management Company may take any appropriate measure such as applying a method for setting the fair value in order to adjust the value of the assets of the Fund, as more fully described in the Prospectus.

**II. The liabilities of the Fund consist of:**

- a) all borrowings, bills and other accounts payable;
- b) all expenses, mature or due, including, if any, for the compensation of investment advisors, the portfolio managers, the Management Company, the depositary, the central administration, the domiciliary agent, representatives and agents of the Management Company,
- c) all known liabilities, whether due or not, including all matured contractual liabilities payable either in cash or in assets, including the amount of dividends declared by the Fund but not yet paid if the Valuation Day coincides with the date on which the determination is made of the person who is or shall be entitled to them;
- d) an appropriate provision allocated for the subscription tax and other taxes on capital and incomes, accrued up until the Valuation Day and established by the Management Company, and other provisions authorised or approved by the Management Company;
- e) all of the Fund's other commitments of whatever nature, with the exception of those represented by the units of the Fund. To value the amount of these commitments, the Fund will take into consideration all expenses payable by it, including fees and expenses as described in chapter 17 of the Management Regulations. To value the amount of these liabilities, the Fund may take into account administrative and other regular or recurring expenses by estimating them for the year or any other period, and spreading the amount proportionally over that period.

**III. The net assets** attributable to all the units of a sub-fund are constituted by the assets of the sub-fund minus the liabilities of the sub-fund at the Valuation Day on which the net asset value of the units is determined.

Without prejudice to the applicable legal and regulatory provisions, the net asset value of units will be final and committing for all subscribers, unit-holders that have requested redemption or conversion of units and the other unit-holders of the Fund.

If, after closing of markets on a given Valuation Day, a substantial change affects the prices on the market on which a major portion of the assets of the Fund are listed or traded or a substantial change affects the debts and commitments of the Fund, the Management Company may, but is not required to do so, calculate the net asset value per unit adjusted for this Valuation Day taking into consideration the changes in question. The adjusted net asset per unit will apply for subscribers and unit-holders that have requested redemption or conversion of units and other unit-holders of the Fund.

If there are any subscriptions or redemptions of units in a specific class of a given sub-fund, the net assets of the sub-fund attributable to all the units of this class shall be increased or reduced by the net amounts received or paid by the Fund as a result of these units' subscriptions or redemptions.

**IV. The Management Company shall establish for each sub-fund a pool of assets that shall be attributed, as stipulated below, to the units issued for the sub-fund concerned pursuant to the provisions of this article. In this regard:**

1. The proceeds from the issue of units belonging to a given sub-fund shall be attributed to that sub-fund in the Fund's books, and the assets, liabilities, incomes and expenses related to that sub-fund shall be attributed to that sub-fund.
2. If an asset is derived from another asset, this derivative asset shall be attributed in the Fund's books to the same sub-fund as the asset from which it was derived, and on each revaluation of an asset, the increase or decrease in value shall be attributed to the sub-fund to which the asset belongs.
3. When the Fund has a liability that relates to an asset in a particular sub-fund or to a transaction conducted in regard to an asset of a particular sub-fund, the liability shall be attributed to that sub-fund.

4. If an asset or a liability of the Fund cannot be attributed to a particular sub-fund, the asset or liability shall be attributed to all the sub-funds in proportion to the net values of the units issued for the different sub-funds.
5. Following the payment of dividends to distribution units belonging to a given sub-fund, the net asset value of the sub-fund attributable to these distribution units shall be reduced by the amount of these dividends.
6. If several classes of units have been created within a sub-fund in accordance with the Management Regulations, the rules for allocation described above apply mutatis mutandis to these classes.

**V. For the purposes of this article:**

1. each unit of the Fund which is in the process of being redeemed shall be considered as a unit which is issued and existing until the close of business on the Valuation Day applying to redemption of that unit and its price shall, with effect from this date and until such time as its price is paid, be considered as a liability of the Fund;
2. each unit to be issued by the Fund in accordance with subscription requests received shall be processed as having been issued starting from the close of business on the Valuation Day on which its issue price has been determined and its price shall be treated as an amount due to the Fund until such time as the Fund has received it;
3. all investments, cash balances or other assets of the Fund expressed in a currency other than the respective currency of each sub-fund shall be valued taking into account the latest exchange rates available; and
4. any purchase or sale of securities made by the Fund shall be effective on the Valuation Day insofar as this is possible.

**VI. Asset's pooling:**

1. The Management Company may invest and manage all or part of the common asset pools created for one or more sub-funds (hereinafter referred to as "Participating Funds") when application of this formula is useful in consideration of the sectors of investment concerned. Any extended pool of assets ("Extended Pool of Assets") will first be created by transferring the money or (in application of the limitations referred to below) other assets from each of the Participating Funds. Subsequently, the Management Company may execute other transfers adding to the Extended Pool of Assets on a case-by-case basis. The Management Company may also transfer assets from the Extended Pool of Assets to the Participating Fund concerned. Assets other than liquidities may only be allocated to an Extended Pool of Assets when they belong to the investment sector of the Extended Pool of Assets concerned.
2. The contribution of a Participating Fund in an Extended Pool of Assets will be valued by reference to fictional units ("units") having a value equivalent to that of the Extended Pool of Assets. In the creation of an Extended Pool of Assets, the Management Company will determine, at its sole and complete discretion, the initial value of a unit, and this value being expressed in the currency of the Management Company deems appropriate and will be assigned to each unit of the Participating Fund having a total value equal to the amount of liquidities (or to the value of the other assets) contributed. The fraction of units, calculated as specified in the Prospectus, shall be determined by dividing the net asset value of the Extended Pool of Assets (calculated as specified below) by the number of remaining units.
3. If liquidities or assets are contributed to or withdrawn from an Extended Pool of Assets, the assignment of units of the Participating Fund in question will, as the case may be, increased or decreased by the number of units determined by dividing the amount of the liquidities or the value of the assets contributed or withdrawn by the current value of one unit. Cash contributions may, for calculation purposes, be processed after reducing their value by the amount that the Management Company deems appropriate to reflect the taxes, brokerage and subscription fees that may be incurred by the investment of the concerned liquidities. For cash withdrawals, a corresponding addition may be effected in order to reflect the costs likely to be incurred upon the sale of such the transferable securities and other assets that are part of the Extended Pool of Assets.

4. The value of the assets, withdrawn or contributed at any time in an Extended Pool of Assets and the net asset value of the Extended Pool of Assets shall be determined, mutatis mutandis, in accordance with the provisions of article 13, provided that the value of the assets referenced here above is determined on the day of said contribution or withdrawal.
5. The dividends, interests or other distributions having the character of an income received with respect to the assets belonging to a Extended Pool of Assets shall be immediately allocated to the Participating Fund, in proportion to the respective rights attached to the assets that comprise Extended Pool of Assets at the time they are received.

## 14. FREQUENCY AND TEMPORARY SUSPENSION OF THE NET ASSET VALUE CALCULATION, ISSUES, REDEMPTIONS AND CONVERSIONS OF UNITS

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### **I. Frequency of the net asset value calculation**

To calculate the per unit issue, redemption and conversion price, the Fund will calculate the net asset value of units of each sub-fund on the day (defined as the “Valuation Day”) and in a frequency determined by the Management Company and specified in the Prospectus.

The net asset value of the classes of units of each sub-fund will be expressed in the reference currency of the unit class concerned.

### **II. Temporary suspension of the net asset value calculation**

Without prejudice to any legal causes, the Management Company may suspend the calculation of the net asset value of units and the subscription, redemption and conversion of its units, generally or with respect to one or more specific sub-funds, if any of the following circumstances should occur:

- during all or part of a period of closure, restriction of trading or suspension of trading for the main stock markets or other markets on which a substantial portion of the investments of one or more sub-funds is listed, except during closures for normal holidays,
- when there is an emergency situation as a consequence of which the Fund is unable to value or dispose of the assets of one or more sub-funds,
- in the case of the suspension of the calculation of the net asset value of one or more undertakings for collective investment in which a sub-fund has invested a major portion of its assets,
- when a service breakdown interrupts the means of communication and calculation necessary for determining the price or value of the assets or market prices for one or more sub-funds in the conditions defined in the first indent above,
- during any period in which the Fund is unable to repatriate funds in order to make payments to redeem units of one or more sub-funds or in which the transfers of funds involved in sale or acquiring investments or payments due for the redemption of units cannot, in the opinion of the Management Company, be performed at normal exchange rates,
- to the extent that such a suspension is justified by the need to protect unit-holders, in the case of the publication of (i) the notice informing the unit-holders of the decision of the Management Company to liquidate one or more sub-funds, or (ii) of the notice informing the unit-holders of the decision of the Management Company to merge the Fund or one or more of its sub-funds,
- when for any other reason, the value of the assets or the debts and liabilities attributable to the Fund or to the sub-fund in question, cannot be promptly or accurately determined,

- for all other circumstances in which the lack of suspension could create for the Fund, one of its sub-funds or unit-holders, certain liabilities, financial disadvantages or any other damage that the Fund, the sub-fund or its unit-holders would not otherwise experienced,
- in case of temporary suspension of the calculation of the net asset value, the redemption, the conversion or the subscription of shares of a master UCITS, the Management Company may suspend, on its own initiative or on request of the competent authorities, the redemption, conversion or subscription of units of the feeder sub-fund of the Fund for a duration equal to that of the suspension imposed on the master UCITS..

The Management Company will inform the unit-holders of such a suspension of the calculation of the net asset value, for the sub-funds concerned, in compliance with the applicable laws and regulations and according to the procedures determined by the Management Company. Such a suspension shall have no effect on the calculation of the net asset value, or the subscription, redemption or conversion of units in sub-funds that are not involved.

### **III. Restrictions applicable to coming subscriptions and conversions into certain sub-funds**

A sub-fund may be closed definitively or temporarily to new subscriptions or to conversions applied for (but not for outgoing redemptions or conversions), if the Management Company deems that such a measure is necessary for the protection of the interests of existing unit-holders.

## **15. ACCOUNTING CURRENCY, FINANCIAL YEAR AND AUDIT OF THE FINANCIAL STATEMENTS**

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The financial year of the Fund shall begin on the 1<sup>st</sup> January each year and end on the 31<sup>st</sup> December of the same year.

The Fund's accounts shall be expressed in euro which is the currency of consolidation of the Fund. Should there be multiple sub-funds, as laid down in the Management Regulations, the accounts of those sub-funds shall be converted into the currency of the Fund's unit capital and combined for the purposes of establishing the financial statements of the Fund.

In compliance with the provisions of the Law of 2010, the annual financial statements of the Fund shall be examined by the independent authorised auditor appointed by the Management Company.

## **16. DISTRIBUTION POLICY**

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In all sub-funds of the Fund, the Management Company shall determine the amount of the dividends or interim dividends to distribute to distribution units, within the limits prescribed by the Luxembourg Law of 2010. The proportion of distributions, incomes and capital gains attributable to accumulation units will be capitalised.

Dividends may be paid in the currency chosen by the Management Company at the time and place of its choosing and at the exchange rate in force at the date determined by the Management Company. Any declared dividend that has not been claimed by its beneficiary within five years of its allocation may no longer be claimed and shall revert to the Fund. No interest will be paid on a dividend declared by the Management Company and held by it or by any other representative authorised for this purpose by the Management Company, at the disposal of its beneficiary.

In exceptional circumstances, the Management Company may, at its sole discretion, allow an in-kind distribution on one or more securities held in the portfolio of a sub-fund, provided that such an in-kind distribution applies to all unit-holders of the sub-fund concerned, notwithstanding the class of unit held by the unit-holder concerned. In such circumstances, the unit-holders will receive a portion of the assets of the sub-fund assigned to the class of units in proportion to the number of units held by the unit-holders of that class of units.

## 17. EXPENSES BORNE BY THE FUND

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The Fund shall be responsible for the payment of all of its operating expenses, in particular:

- fees and reimbursement of expenses to the board of directors of the Management Company in relation with the Fund;
- compensation of investment advisors, investment managers, the Management Company, the depositary, its central administration, authorised representatives of the financial department, paying agents, independent authorised auditor, legal advisors of the Fund as well as other advisors or agents which the Management Company may call upon;
- brokerage fees;
- the fees for the production, printing and distribution of the Prospectus, the Key Investor Information document, and the annual and half-year reports;
- the printing of single or multiple bearer unit certificates;
- fees and expenses incurred in the set-up of the Fund;
- taxes and duties, including the subscription tax and governmental rights related to its activity;
- fees and expenses related to the Fund's registration and continued registration with government organisations and Luxembourg and foreign stock exchanges;
- expenses for publication of the net asset value and the prices of subscription and redemption or any other document including the expenses for the preparation and printing in all languages deemed useful in the interest of the unit-holders;
- expenses related to the sales and distribution of the units of the Fund including the marketing and advertising expenses determined in good faith by the Management Company;
- expenses related to the creation, hosting, maintenance and updating of the Management Company and/or the Fund Internet sites;
- legal expenses incurred by the Fund or its depositary when acting in the interests of the Fund's unit-holders;
- legal expenses of directors, partners, managers, official representatives, employees and agents of the Management Company incurred by themselves in relation with any action, lawsuit or process relating to the Fund in which they are involved in consequence of they are or have been directors, partners, managers, official representatives, employees and agents of the Management Company.
- all exceptional expenses, including, but without limitation, legal expenses, interests and the total amount of all taxes, duties, rights or any similar expenses imposed on the Fund or its assets.

The assets of a given sub-fund shall only be liable for the debts, liabilities and obligations concerning that sub-fund. Expenses that cannot be directly attributed to a particular sub-fund shall be spread across all sub-funds in proportion to the net assets of each sub-fund.

The incorporation fees of the Fund may be amortised over a maximum of five years starting from the date of launching of the first sub-fund, in proportion to the number of operational sub-funds, at that time.

If a sub-fund is launched after the launch date of the Fund, the set-up expenses for the launch of the new sub-fund shall be charged solely to that sub-fund and may be amortised over a maximum of five years from the sub-fund's launch date.

## 18. DURATION OF THE FUND AND OF ITS SUB-FUNDS

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The Fund is created for an unlimited period. It may be dissolved by decision of the Management Company in accordance with the Depositary.



## 19. LIQUIDATION OF THE FUND

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The Management Company, acting by mutual agreement with the Depositary and provided the unit-holders' interests are safeguarded, may decide to dissolve the Fund.

If the share capital of the Fund falls below a quarter of the legal minimum for a period exceeding six months, the Funds shall fall into a state of liquidation.

The event giving rise to the state of liquidation must be published without delay in RESA and in two medias with sufficiently large circulation, including at least one Luxembourg media. The issue of units shall be stopped from the moment this event occurs. Nevertheless, the Management Company may, at its own discretion, decide that the redemption of units remains possible, as far as the principle of equal treatment of unit-holders can be ensured.

The Management Company shall liquidate the assets of the Fund in the best interests of the unit-holders and instruct the Depositary to distribute the net proceeds of the liquidation – after deduction of liquidation expenses – to the unit-holders.

Any amounts that are unclaimed by unit-holders upon the closure of the liquidation process shall be deposited at the Caisse de Consignation at the Luxembourg State Treasury. Any amounts not claimed within the prescribed period cannot be withdrawn.

## 20. LIQUIDATION OF SUB-FUNDS OR CLASSES

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The Management Company may decide to liquidate a sub-fund or a class of the Fund, in the case where (1) the net assets of the sub-fund or of the class of the Fund are lower than an amount deemed insufficient by the Management Company or (2) when there is a change in the economic or political situation relating to the sub-fund or to the class concerned or (3) economic rationalisation or (4) the interest of the unit-holders of the sub-fund or of the class justifies the liquidation. The liquidation decision shall be notified to the unit-holders of the sub-fund or of the class and the notice will indicate the reasons. Unless the Management Company decides otherwise in the interest of the unit-holders or to ensure egalitarian treatment of unit-holders, the unit-holders of the sub-fund or of the class concerned may continue to request redemption or conversion of their units, taking into consideration the estimated amount of the liquidation fees.

In the case of a liquidation of a sub-fund and in respect of the principle of equal treatment of unit-holders, all or part of the net liquidation proceeds may be paid in cash or in-kind in transferable securities and other assets held by the sub-fund in question. An in-kind payment will require the prior approval of the unit-holder concerned.

The net proceeds of liquidation may be distributed in one or more payments. The net proceeds of liquidation that cannot be distributed to unit-holders or creditors at the time of closure of the liquidation of the sub-fund or of the class concerned shall be deposited at the Caisse de Consignation on behalf of their beneficiaries.

## 21. MERGER OF THE FUND OR THE SUB-FUNDS

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The Management Company may decide to merge the Fund or the sub-funds by applying the rules for merger of UCITS laid down in the Law of 2010 and its regulatory implementations.

## 22. FORCED CONVERSION OF A CLASS OF UNITS TO ANOTHER CLASS OF UNITS

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In the same circumstances as those described in article 20 above, the Management Company may decide to force the conversion of a class of units to another class of units of the same sub-fund. This decision and the related procedures are notified to the unit-holders concerned by notice or publication in accordance with the provisions of the Prospectus. The publication will contain the information on the new class. The publication will be made at least one month before the forced conversion becomes effective in order to allow the unit-holders to apply for redemption or conversion of their units into other classes of units of the same sub-fund or into classes of another sub-fund, without redemption fees except for such fees if any that are paid to the Fund as specified in the Prospectus, before the transaction becomes effective. At the end of this period, all remaining unit-holders will be bound by the forced conversion.

## 23. DIVISION OF SUB-FUNDS

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In the same circumstances as those described in article 20 above, the Management Company may decide to reorganise a sub-fund by dividing it into several sub-funds of the Fund. Such division may be decided by the Management Company if it is in the interests of the unit-holders of the sub-fund in question to do so. This decision and the related procedures are notified to the unit-holders concerned by notice or publication in accordance with the provisions of the Prospectus. The publication will contain the information on the new sub-funds created. The publication will be made at least one month before the division becomes effective in order to allow the unit-holders to apply for redemption or conversion of their units, without redemption fees, before the transaction becomes effective. At the end of this period, all remaining unit-holders will be bound by the decision.

## 24. DIVISION OF CLASSES

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In the same circumstances as those described in article 20 above, the Management Company may decide to reorganise a class of units by dividing it into several classes of units of the Fund. Such division may be decided by the Management Company if it is in the interests of the unit-holders of the class in question to do so. This decision and the related procedures are notified to the unit-holders concerned by notice or publication in accordance with the provisions of the Prospectus. The publication will contain the information on the new classes of units created. The publication will be made at least one month before the division becomes effective in order to allow the unit-holders to apply for redemption or conversion of their units, without redemption fees, before the transaction becomes effective. At the end of this period, all remaining unit-holders will be bound by the decision.

## 25. AMENDMENT OF THE MANAGEMENT REGULATIONS

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The Management Company, acting by mutual agreement with the Depositary and in accordance with Luxembourg law, may make changes to the Management Regulations as it sees fit in the interests of unit-holders.

All the amendments to the Management Regulations shall be deposited with the Luxembourg Trade Register and a mention thereof shall be published in the RESA.

## 26. INFORMATION TO THE UNIT-HOLDERS

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The net asset value, the issue price, the redemption and conversion price of each class of units are available on each Luxembourg bank business day at the registered office of the Management Company.

Amendments to the Fund's management regulations will be deposited at the Luxembourg Trade Register. A notice of the deposit with the Luxembourg Trade Register of any amendments to the Fund's management regulations will be published in the Luxembourg Recueil Electronique des Sociétés et Associations (RESA). The said amendments to the management regulations enter into force at the day of their signature, except otherwise provided in the amendment deed in question.

To the extent required by applicable legislation, the unit-holders' notices will be published in a nationally circulated Luxembourg media and in one or more medias circulated in other countries where the Fund's units are publicly offered for subscription. If nominative units are only issued, the Management Company could decide, at its own discretion, to send the notices only to the unit-holders recorded in the unit-holders' register.

The following documents are made available to the public at the registered office of the Management Company:

- the Prospectus of the Fund, including the management regulations and the fact sheets,
- the Key Investor Information Document of the Fund, (also published on [www.conventum.lu](http://www.conventum.lu))
- the financial reports of the Fund,
- the articles of association of the Management Company.

A copy of the agreements contracted with the Management Company, Depositary, Investment Managers and Investment Advisors are available free of charge at the Management Company's registered office.

## 27. APPLICABLE LAW AND JURISDICTION

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These Management Regulations are subject to and interpreted in accordance with Luxembourg law.

Any dispute between unit-holders and the Management Company relating to the Management Regulations shall be settled through arbitration.

This shall be entrusted to a single arbitrator where the parties agree on his appointment. If the parties cannot agree on the appointment of a single arbitrator, a board of three arbitrators shall be constituted. Two of them are appointed by each of the parties and the third is appointed by the first two.

If one of the parties has not appointed its arbitrator within three months of being asked to do so by the instigating party or if the two arbitrators cannot agree on the choice of the third within fifteen days of their appointment, the appointment shall be made by the President of the Tribunal d' Arrondissement (District Court) of Luxembourg deliberating in summary proceedings at the request of the instigating party.

The arbitrators decide where the arbitration is to take place. They deliberate in accordance with Luxembourg law. Their verdict is un-appealable.

## 28. ENTER INTO FORCE

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The Management Regulations and any amendment thereof enter into force at the date of their signature, unless it is otherwise provided in the amendment deed in question.

This Management Regulation, enter into force on 31 October 2017.

Luxembourg, on 12 October 2017

**CONVENTUM ASSET MANAGEMENT**  
*Société Anonyme*  
Management Company

**BANQUE DE LUXEMBOURG**  
*Société Anonyme*  
Depositary