

A handwritten signature in black ink, appearing to be 'h3h', is written over the text of the Commission de Surveillance du Secteur Financier.

## **VAM MANAGED FUNDS (LUX)**

**(a Luxembourg domiciled open-ended investment company)**

**PROSPECTUS**

**APRIL 2023**

## **IMPORTANT INFORMATION**

### **Reliance on Prospectus**

This Prospectus should be read in its entirety before making any application for Shares. If you are in any doubt about the contents of this Prospectus you should consult your financial or other professional adviser.

Shares are offered on the basis of the information contained in this Prospectus and the documents referred to herein.

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 Shares other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this Prospectus nor the offer, placement, subscription or issue of any of the Shares 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.

The Directors, whose names appear below, have taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of their knowledge and belief, in accordance with the facts and does not omit anything material to such information. The Directors accept responsibility accordingly.

### **Registration in Luxembourg**

The Company is registered under Part I of the list of undertakings for collective investment provided by the 2010 Law. However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the investments held by the Company. Any representation to the contrary is unauthorised and unlawful.

### **Exercise of Shareholder Rights**

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

### **Data Protection**

Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained by or on behalf of, the Company and the Management Company (the "Controllers") will be processed by the Controllers in accordance with the Privacy Notice referred to in, a current version of which is available and can be accessed or obtained online (<http://www.vam-funds.com/privacy-policy/>). Investors are informed that their personal data may be transferred by the Controllers and/or

their delegates to service providers located outside the EEA, in countries not benefiting from an adequate level of data protection, in which case such transfers will occur on the basis of appropriate safeguards as provided for under the General Data Protection Regulation 2016/679 ("GDPR") such as standard contractual clauses approved by the European Commission. Investors and any person contacting, or otherwise dealing directly or indirectly with, any of the Controllers are invited to and read and carefully consider the Privacy Notice, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any Data directly or indirectly to the Controllers.

### **Restrictions on Distribution**

The distribution of this Prospectus and supplementary documentation and the offering of Shares may be restricted in certain countries. Investors wishing to apply for Shares should inform themselves as to the requirements within their own country for transactions in Shares, any applicable exchange control regulations and the tax consequences of any transaction in Shares. Accordingly, no person receiving a copy of this Prospectus and/or an application form or subscription agreement in any territory may treat the same as constituting an invitation to him/her/it to purchase or subscribe for Shares nor should he/she/it in any event use such an application form or subscription agreement unless in the relevant territory such an invitation could lawfully be made without compliance with any registration or other legal requirement.

This Prospectus does not constitute an offer or solicitation by anyone in any country in which such offer or solicitation is not lawful or authorised, or to any person to whom it is unlawful to make such offer or solicitation.

Investors should note that not all of the protections provided under their relevant regulatory regime may apply and there may be no right to compensation under such regulatory regime, if such scheme exists.

The distribution of this Prospectus in certain countries may require that this Prospectus be translated into the languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English version of this Prospectus, the English version shall always prevail.

Shares may not be held by any person in breach of the law or requirements of any country or governmental authority including, without limitation, exchange control regulations. Each investor must represent and warrant to the Company that, amongst other things, he/she/it is able to acquire Shares without violating applicable laws. Power is reserved in the Articles to compulsorily redeem any Shares held directly or beneficially in contravention of these prohibitions.

### **United States**

The Shares have not been and will not be registered under the Securities Act of 1933 of the United States, as amended (the "1933 Act") or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any US Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. The Shares are being offered outside the United States pursuant to the exemption from registration

under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(2) thereof.

The Company will not be registered under the United States Investment Company Act of 1940 (as amended) (the "1940 Act") since Shares will only be sold to US Persons who are "qualified purchasers", as defined in the 1940 Act.

The Shares have not been filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

There will be no public offering of the Shares in the United States.

**Generally:** the above information is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make an application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to legal requirements also applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

## **Risk Factors**

**Investment in the Company carries substantial risk. There can be no assurance that the Company's investment objective will be achieved and investment results may vary substantially over time. Investment in the Company is not intended to be a complete investment programme for any investor. Prospective investors should carefully consider whether an investment in Shares is suitable to them in light of their circumstances and financial resources (see further under "Risk of Investment").**

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## DEFINITIONS

<b>"2010 Law"</b>	Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time
<b>"Administrator"</b>	RBC Investor Services Bank S.A. acting as administrative and registrar and transfer agent of the Company
<b>"AIF"</b>	an alternative investment fund in accordance with the Directive 2011/61/EU
<b>"Appendix"</b>	an appendix to this Prospectus containing information with respect to the Company specifically and/ or particular Funds
<b>"Articles"</b>	the articles of incorporation of the Company as amended from time to time
<b>"Benchmark Regulation"</b>	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended from time to time
<b>"Business Day"</b>	a day as defined in Appendix II in relation to a Fund
<b>"Board of Directors"</b> or <b>"Directors"</b>	the board of directors of the Company
<b>"Class"</b>	a class of Shares with a specific fee structure, reference currency, dividend policy or other specific feature
<b>"CSSF"</b>	Commission for the Supervision of the Financial Sector in Luxembourg
<b>"Company"</b>	VAM MANAGED FUNDS (LUX)
<b>"Depository"</b>	RBC Investor Services Bank S.A. as depository of the Company
<b>"Distributor"</b>	an entity duly appointed from time to time by the Company to distribute or arrange for the distribution of Shares
<b>"Eligible Market"</b>	a market which is regulated, operates regularly and is recognised and open to the public in an Eligible State or a Regulated Market
<b>"Eligible State"</b>	includes any Member State and any other state which the Board of Directors deems appropriate with regard to the investment

	objectives of each Fund. Eligible states include countries in Africa, America, Asia, Australasia and Europe
<b>"EU"</b>	European Union
<b>"EUR"</b>	the European currency unit
<b>"Fund"</b>	a specific portfolio of assets and liabilities within the Company having its own Net Asset Value and represented by a separate Class or Classes of Shares
<b>"Fund Currency"</b>	the reference currency of a Fund
<b>"GBP"</b>	the pound sterling
<b>"Initial Offer Period"</b>	the period determined by the Board of Directors during which Shares are offered for subscription at a fixed price as determined by the Board of Directors in their sole discretion
<b>"Institutional Investor"</b>	an institutional investor as defined in the 2010 Law
<b>"Investment Manager"</b>	as disclosed in Appendix II in relation to the relevant Fund
<b>"Investor"</b>	a subscriber for Shares
<b>"KID"</b>	the key information document containing information on each Class of each Fund in compliance with the relevant provisions of Regulation (EU) 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for package retail and insurance-based investment products (PRIIPS), and Commission Delegated Regulation (EU) 2017/653 of 8 March 2017 supplementing Regulation (EU) No 1286/2014 of the European Parliament and of the Council on key information documents for packaged retail and insurance-based investment products (PRIIPs) by laying down regulatory technical standards with regard to the presentation, content, review and revision of key information documents and the conditions for fulfilling the requirement to provide such documents. Information on Classes launched shall be available in Appendix 9 – Share Class Data of the Fund's Application Forms on the website <a href="https://www.vam-funds.com/library/reports/">https://www.vam-funds.com/library/reports/</a> . The Company draws the attention of the investors to the fact that before any subscription of Shares, investors should consult the KIDs on Classes available in the section PRIIPS KIDS on the website <a href="https://www.vam-funds.com/library/reports/">https://www.vam-funds.com/library/reports/</a> .
<b>"Management Company"</b>	VAM Global Management Company S.A., acting as management company of the Company

<b>"Member State"</b>	as described in article 1 (13) of the 2010 Law
<b>"Minimum Holding Amount"</b>	the minimum value of a holding of a Shareholder in a Class as defined per Class under section 1.4.1 "Eligibility Requirements"
<b>"Minimum Initial Subscription Amount"</b>	the minimum value of the first subscription of an Investor in a Class as defined per Class under section 1.4.1 "Eligibility Requirements"
<b>"Minimum Subsequent Subscription Amount"</b>	the minimum value of subsequent subscription of a Shareholder in a Class as defined per Class under section 1.4.1 "Eligibility Requirements"
<b>"Net Asset Value"</b>	the value determined in accordance with the relevant provisions described under the heading "Calculation of Net Asset Value"
<b>"Privacy Notice"</b>	the privacy notice issued by the Company in respect of treatment of personal data as may be amended by the Company from time to time
<b>"Prospectus"</b>	this prospectus
<b>"Regulated Market"</b>	a market defined in article 4 paragraph 1 item 21 of Directive 2014/65/EU of 15 May 2014 on markets in financial instruments
<b>"SFDR"</b>	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector
<b>"Share"</b>	a share of no-par value in any one Class in the capital of the Company
<b>"Shareholder"</b>	a holder of Shares
<b>"UCI"</b>	an "other undertaking for collective Investment" as defined in Directive 2009/65/EC, as amended
<b>"UCITS"</b>	an undertaking for collective investment in transferable securities authorised according to Directive 2009/65/EC, as amended
<b>"US Person"</b>	a citizen or resident of the United States, a corporation, partnership or other entity created in or under the laws of the United States or any person falling within the definition of the term "United States Person" under Regulation S promulgated under the 1933 Act



<b>"United States"</b>	the United States of America (including the States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdictions
<b>"USD"</b>	United States Dollars
<b>"Valuation Day"</b>	as defined in Appendix II in relation to the relevant Fund

**All references herein to time are to Central European Time (CET) unless otherwise indicated.**

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

## **MANAGEMENT AND ADMINISTRATION**

### **Registered Office:**

8-10, rue Genistre, L-1623 Luxembourg, Grand Duchy of Luxembourg

### **Board of Directors:**

Chairman:

Mr. Peter John de Putron, Chairman of VAM Funds (Lux) and VAM Managed Funds (Lux), Apartment 7, Carrick House, Havelet Waters South Esplanade, St Peter Port, Guernsey GY11BJ

Directors:

Dr. James Cripps, Director, Elmbrook, Marsh, Buckinghamshire, Aylesbury HP17 8SP, United Kingdom

Mr. Michael Hunt, Director, (Professional address) c/o VAM Managed Funds (Lux), 8-10, rue Genistre, L-1623 Luxembourg, Grand Duchy of Luxembourg

Mr. Robert Gordon, Director, 91, Eastern Point, Bld, 01930 Gloucester, MA, United States of America

Mr. Philippe Burgener, Independent Director, 21, rue de la Chapelle, L-8017 Strassen, Grand-Duchy of Luxembourg

### **Management Company:**

VAM Global Management Company S.A., 8-10, rue Genistre, L-1623 Luxembourg, Grand Duchy of Luxembourg

### **Depositary and Principal Paying Agent:**

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

### **Administrative, Registrar and Transfer Agent:**

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

**Investment Managers:**

Atomos Investments Limited, 24 Monument Street, London, England, EC3R 8AJ, United Kingdom

Rivers Capital Management Ltd., 1027a Garratt Lane, London, SW17 0LN, United Kingdom

**Auditors:**

PricewaterhouseCoopers, *société coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg

**Principal Legal Advisers:**

Elvinger Hoss Prussen, *société anonyme*, 2, place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg

Ogier (Luxembourg) SCS, 14-16, Avenue Pasteur, L-2310 Luxembourg, Grand Duchy of Luxembourg

## THE COMPANY

### 1.1 STRUCTURE

The Company was initially incorporated in the Isle of Man on 7 March 2005. It transferred its registered office to Luxembourg on 2 July 2007.

The Company is an open-ended investment company organised as a "*société anonyme*" under the laws of the Grand Duchy of Luxembourg and qualifies as a *Société d'Investissement à Capital Variable* ("SICAV"). The Company is subject to Part I of the 2010 Law and thus qualifies as a UCITS. The Company operates separate Funds, each of which is represented by one or more Classes of Shares. The Funds are distinguished by their specific investment policy or any other specific features.

The Company constitutes a single legal entity, but the assets of each Fund shall be invested for the exclusive benefit of the Shareholders of the corresponding Fund and the assets of a specific Fund are solely accountable for the liabilities, commitments and obligations of that Fund.

The Shares may be listed on the Luxembourg Stock Exchange. The Directors may decide to make an application to list such Shares on any other recognised stock exchange.

The Directors may at any time resolve to set up new Funds and/or create within each Fund one or more Classes of Shares and this Prospectus will be updated accordingly. The Directors may also at any time resolve to close a Fund, or one or more classes of Shares within a Fund to further subscriptions.

### 1.2 INVESTMENT OBJECTIVES AND POLICIES

The exclusive object of the Company is to place the funds available to it in transferable securities, money market instruments and other assets permitted to a collective investment undertaking under the 2010 Law, including financial derivative instruments and shares or units of other collective investment undertakings, with the purpose of spreading investment risks and affording its Shareholders the results of the management of its portfolio.

The specific investment objective and policy of each Fund is described in Appendix II.

Investors should, prior to any investment being made, take due account of the risks of investment set out in Appendix I.

### 1.3 INVESTMENT RESTRICTIONS

The Directors have adopted the following restrictions relating to the investment of the Company's assets and its activities. These restrictions and policies may be amended from time to time by the Directors if and when they shall deem it to be in the best interests of the Company in which case this Prospectus will be updated.

The investment restrictions imposed by Luxembourg law must be complied with by each Fund. The restrictions in section 1.3.1(D) below are applicable to the Company as a whole.

### 1.3.1 INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS

(A) The Company will invest in:

(i) transferable securities and money market instruments admitted on a Regulated Market in a Member State; and/or

(ii) transferable securities and money market instruments dealt in on another Eligible Market in an Eligible State; and/or

(iii) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market and such admission is secured within one year of the issue; and/or

(iv) units or shares of UCITS and/or other UCI whether situated in Member State or not, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured,
- the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC, as amended,
- the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units or shares of other UCITS or other UCIs; and/or

(v) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law; and/or

(vi) financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Eligible Market referred to in subparagraphs (i), (ii) and (iii) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of securities covered by this section 1.3.1(A), financial indices, interest rates, foreign exchange rates or currencies, in which the Funds may invest according to their investment objective;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;

- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative; and/or

(vii) money market instruments other than those dealt in on an Eligible Market, if the issuer or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

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

- issued by an undertaking any securities of which are dealt in on Eligible Markets, or

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

- issued by other bodies belonging to categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million EUR (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

In addition, the Company may invest a maximum of 10% of the Net Asset Value of any Fund in transferable securities and money market instruments other than those referred to under (i) to (vii) above.

(B) Each Fund may hold ancillary liquid assets (i.e. bank deposits at sight, such as cash held in current accounts) up to 20% of its net assets for liquidity management purposes in normal market conditions. In exceptionally unfavourable market conditions, on a temporary basis and only for the period of time strictly necessary, this limit may be increased to up to 100% of its net assets, if justified by the best interest of the investors.

(C) (i) Each Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same issuing body (and in the case of structured financial instruments embedding derivative instruments, both the issuer of the structured financial instruments and the issuer of the underlying securities). Each Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph 1.3.1(A) (v) above or 5% of its net assets in other cases.

(ii) Furthermore, where any Fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the Net Asset Value of such Fund, the total value of all such investments must not account for more than 40% of the Net Asset Value of such Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph 1.3.1(C) (i), a Fund may not combine:

- investments in transferable securities or money market instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with a single body in excess of 20% of its net assets.

(iii) The limit of 10% laid down in paragraph 1.3.1(C)(i) above shall be 35% in respect of transferable securities or money market instruments which are issued or guaranteed by a Member State, its local authorities or by an Eligible State or by public international bodies of which one or more Member States are members.

(iv) The limit of 10% laid down in paragraph 1.3.1(C)(i) above shall be 25% for covered bond as defined under article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (hereafter "Directive (EU) 2019/2162"), and for certain debt securities which are issued before 8 July 2022 by highly rated credit institutions having their registered office in a Member State and which are subject by law to a special public supervision for the purpose of protecting the holders of such debt securities, provided that the amount resulting from the issue of such debt securities before 8 July 2022 are invested, pursuant to applicable provisions of the Law, in assets which are sufficient to cover the liabilities arising from such debt securities during the whole period of validity thereof and which are assigned to the preferential repayment of capital and accrued interest in the case of a default by such issuer.

If a Fund invests more than 5% of its assets in the debt securities referred to in the sub-paragraph above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of such Fund.

(v) The transferable securities and money market instruments referred to in paragraphs 1.3.1 (C)(iii) and 1.3.1(C)(iv) are not included in the calculation of the limit of 40% referred to in paragraph 1.3.1(C)(ii).

The limits set out in paragraphs 1.3.1(C)(i), 1.3.1(C)(ii), 1.3.1(C)(iii) and 1.3.1(C)(iv) above may not be aggregated and, accordingly, the value of investments in transferable securities or money market instruments issued by the same body, in deposits or financial derivative instruments made with this body, effected in accordance with paragraphs 1.3.1(C)(i), 1.3.1(C)(ii), 1.3.1(C)(iii) and 1.3.1(C)(iv) may not, in any event, exceed a total of 35% of each Fund's Net Asset Value.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph 1.3.1(C).

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

(vi) Without prejudice to the limits laid down in paragraph 1.3.1(D), the limits laid down in this paragraph 1.3.1(C) shall be 20% for investments in shares and/or debt securities issued by the same body when the aim of a Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the CSSF, provided

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

The limit laid down in the sub-paragraph above is raised to 35% where it proves to be justified by exceptional market conditions in particular in Eligible Markets where certain transferable securities or money market instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

(vii) Where any Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by a Member State, by its local authorities, by a state accepted by the Luxembourg supervisory authority (being at the date of this Prospectus OECD member states, G20 member states and Singapore), or by public international bodies of which one or more member states of the EU are members, the Company may invest 100% of the Net Asset Value of any Fund in such securities and money market instruments, provided that the Fund holds securities from at least six different issues and the value of securities from any one issue does not account for more than 30% of the Net Asset Value of the Fund.

Subject to having due regard to the principle of risk spreading, a Fund need not comply with the limits set out in this paragraph 1.3.1(C) for a period of 6 months following the date of its launch.

(D) (i) The Company may not acquire shares carrying voting rights which would enable the Company to exercise significant influence over the management of the issuing body.

(ii) The Company may acquire no more than (a) 10% of the non-voting shares of any single issuing body, (b) 10% of the value of debt securities of any single issuing body and/or (c) 10% of the money market instruments of the same issuing body. However, the limits laid down in (b) and (c) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of securities in issue cannot be calculated.

The limits set out in paragraph 1.3.1(D) (i) and (ii) above shall not apply to:

(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;



(ii) transferable securities and money market instruments issued or guaranteed by any other Eligible State;

(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; or

(iv) shares held in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that state where, under the legislation of that state, such holding represents the only way in which such Fund's assets may invest in the securities of the issuing bodies of that state, provided, however, that such company in its investment policy complies with the limits laid down in articles 43, 46 and 48 (1) and (2) of the 2010 Law.

(E) If a Fund is limited to investing only 10% of its net assets in units or shares of UCITS or other UCIs this will be specifically provided for in Appendix II for a Fund. The following applies generally to investment in units or shares of UCITS or of the UCIs.

a) The Company may acquire units of the UCITS and/or other UCIs referred to in paragraph 1.3.1(A) (iv), provided that no more than 20% of a Fund's net assets be invested in units of a single UCITS or other UCI.

For the purpose of the application of the investment limit, each compartment of a UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

b) Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Fund.

In addition, the following limits shall apply:

(i) When a Fund invests in the units or shares of other UCITS and/or other UCIs linked to the Management Company by common management or control, or by a direct or indirect holding of more than 10% of the capital or the voting rights, or managed by a management company linked to the Investment Manager, no subscription or redemption fees may be charged to the Company on account of its investment in the units or shares of such other UCITS and/or UCIs.

In respect of a Fund's investments in UCITS and other UCIs linked to the Management Company as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to such Fund and each of the UCITS or other UCIs concerned shall not exceed 2% of the relevant net assets under management. The Company will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and other UCIs in which such Fund has invested during the relevant period.

(ii) The Company may acquire no more than 25% of the units or shares of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units or shares in issue cannot be calculated.

(iii) The underlying investments held by the UCITS or other UCIs in which the Funds invest do not have to be considered for the purpose of the investment restrictions set forth under section 1.3.1(C) above.

### 1.3.2 INVESTMENT IN OTHER ASSETS

(A) The Company will neither make investments in precious metals, commodities or certificates representing these. In addition, the Company will not enter into financial derivative instruments on precious metals or commodities. This does not prevent the Company from gaining exposure to precious metals or commodities by investing into financial instruments backed by precious metals or commodities or financial instruments whose performance is linked to precious metals or commodities.

(B) The Company will not purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(C) The Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sections 1.3.1(A) (iv), (vi) and (vii).

(D) The Company may not borrow for the account of any Fund, other than amounts which do not in aggregate exceed 10% of the Net Asset Value of the Fund, and then only as a temporary measure. For the purpose of this restriction back-to-back loans are not considered to be borrowings.

(E) The Company will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Fund, except as may be necessary in connection with the borrowings mentioned in paragraph 1.3.1(D) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the Net Asset Value of each Fund. In connection with swap transactions, option and forward exchange or futures transactions the deposit of securities or other assets in a separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.

(F) The Company will not underwrite or sub-underwrite securities of other issuers.

(G) The Company will on a Fund by Fund basis comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

(H) Under the conditions and within the limits laid down by the 2010 Law, the Company may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with Section 1.3.1 paragraph (B);
- financial derivative instruments, which may be used only for hedging purposes.

For the purposes of compliance with article 42 paragraph (3) of the 2010 Law, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent under b) with either:

- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
- the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.

(l) A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each, a "Target Fund") without the Company being 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, under the conditions however:

- that the Target Fund does not, in turn, invest in the Investing Fund invested in this Target Fund;
- that no more than 10% of the assets that the Target Fund whose acquisition is contemplated, may, according to its investment policy, be invested in units of other UCITS or other UCIs;
- voting rights, if any, attaching to the shares of the Target Fund are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports;
- the value of such securities is not taken into account for the calculation of the net assets of the Investing Fund for the purpose of verifying the minimum threshold of net assets imposed by the 2010 Law; and
- that the Investing Fund may not invest more than 20% of its net assets in units of a single Target Fund.

### 1.3.3 FINANCIAL DERIVATIVE INSTRUMENTS

As specified in section 1.3.1(A) (vi) above, the Company may in respect of each Fund make use of financial derivative instruments.

The Company shall ensure that the global exposure of each Fund relating to financial derivative instruments does not exceed the total net assets of that Fund.

The global exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following sub-paragraphs.

Each Fund may invest, as a part of its investment policy and within the limits laid down in section 1.3.1(A) (vi) and section 1.3.1(C) (v), in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in sections 1.3.1(C) (i) to (vii). When a Fund invests in index-based financial derivative instruments compliant

with the provisions of sections 1.3.1(C) (i) to (vii), these investments do not have to be combined with the limits laid down in section 1.3.1(C). When a transferable security or money market instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of these instrument restrictions. The Funds may use financial derivative instruments for investment purposes and for hedging purposes, within the limits of the 2010 Law. Under no circumstances shall the use of these instruments and techniques cause a Fund to diverge from its investment policy or objective. The risks against which the Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

#### 1.3.4 USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down in the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions (the "Regulations"), employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for efficient portfolio management purposes or to provide protection against exchange risk.

At the date of this Prospectus, securities lending is the only effective portfolio management technique used by the Funds, except for the Fund "VAM Managed Funds (Lux) - VAM Fund" which does not use security lending, as an effective portfolio management technique and revenue optimisation technique. At the date of this Prospectus, the Company may not use total return swap instruments and will not engage in repurchase agreement or reverse repurchase agreement.

To the maximum extent allowed by, and within the limits set forth in, the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 on undertakings for collective investment, as amended and of (ii) CSSF circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments (as these pieces of regulations may be amended or replaced from time to time) (iii) CSSF circular 14/592 relating to conduct guidelines from the European Securities Market Authority on ETFs and other UCITS issues, (iv) 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 (the "SFTR"), each Fund (except for the Fund "VAM Managed Funds (Lux) - VAM Fund") intends for the purpose of generating additional income to engage in securities lending transactions.

As the case may be, cash collateral received by each Fund in security lending transactions may be reinvested in a manner consistent with the investment objectives of such Fund in (a) shares or units issued by money market undertakings for collective investment calculating a daily Net Asset Value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, (c) money market instruments as defined in the above referred Grand-Ducal regulation, (d) short-term bonds issued or guaranteed by a Member State, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, and (e) bonds issued or guaranteed by first class issuers offering an adequate liquidity. Such

reinvestment will be taken into account for the calculation of each concerned Fund's global exposure, in particular if it creates a leverage effect.

Securities that are the subject to securities lending transactions are equities and equivalents and bonds.

At no time will a counterparty in a transaction have discretion over the composition or the management of the Fund's investment portfolio.

The Company will disclose in the annual report the identity of the entity(ies) to which direct and indirect costs and fees are paid, the amounts paid (if any) and indicate if these are related parties to the Management Company or the Depositary.

The Company may lend securities through a lending system organized by a financial institution that specializes in this type of transactions. The Company appoints RBC Investor Services Trust as its Securities Lending Agent (as further detailed below).

The use of securities lending will be continuous and should not result in a change of the declared investment objective of any Fund or substantially increase the stated risk profile of the Fund.

Where the Company enters into securities lending transactions, all collateral used to reduce the counterparty risk exposure shall comply with the following criteria at all times:

- a) liquidity – any collateral received other than cash shall 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 shall also comply with the provisions of Article 48 of the 2010 Law;
- b) valuation – collateral received shall be valued, using the mark-to-market methodology on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place. If collateral is revalued, the Securities Lending Agent will request additional collateral to meet the haircut requirements;
- c) issuer credit quality – collateral received shall be of high quality. If issuer credit quality decreases, the Securities Lending Agent shall request asset substitution;
- d) correlation – the collateral received by the Company shall 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 shall 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 Company receives from a counterparty of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When the Company is exposed to different counterparties, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Company may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. In such a case, the Company should receive securities from at least six different issues, but securities from any single issue should not

account for more than 30% of the respective Fund's Net Asset Value. The list of eligible jurisdictions includes, but is not limited to, Canada, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States of America;

- f) risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process;
- g) where there is a title transfer, the collateral received shall be held by the Depositary of the Company. For other types of collateral arrangement, the collateral can be held by a third-party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral;
- h) collateral received shall be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty;
- i) non-cash collateral received:
  - shall not be sold, re-invested or pledged;
  - must be issued by an entity independent of the counterparty; and
  - must be diversified to avoid concentration risk in one issuer, sector or country.
- j) Etc. – as per ESMA guidelines

Within the framework of securities lending program, the Securities Lending Agent on behalf of the relevant Fund will ensure that its counterparty delivers collateral either in the form of cash, or in the form of highly liquid assets and/or in the form of equity and/or bonds issued or guaranteed by a highly rated Member State of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature compliant with the applicable Luxembourg regulations. The Securities Lending Agent has the duty to monitor and calculate the market value on at least a daily basis to check that the market value of the collateral is still enough to cover the market value plus the haircut of the loaned securities.

The collateral shall be deposited with the Securities Lending Agent and held on trust for the benefit of the Company to whom the Depositary has agreed to delegate the safekeeping of the collateral. The Securities Lending Agent may use intermediaries (which may include another affiliate of the Depositary or the Securities Lending Agent) to hold the collateral, the final responsibility for the safekeeping of the assets available for securities lending and collateral remains with the Depositary.

All collateral lodged against securities loaned is segregated from the Securities Lending Agent's own assets and at all times held in trust for the benefit of the Company. The Securities Lending Agent acts only as the Company's agent and does not acquire any interest in the securities lent or the related collateral.

The haircut applicable for the valuation of collateral for Securities lending may differ via an agent where the Company, in addition to the collateral received, is covered by full indemnity from the agent in case of borrower default and/or collateral shortfalls. In such circumstances the following haircuts will be applicable.

Collateral	Haircut
1. bonds issued or guaranteed by a highly rated Member State of the OECD or by their local authorities or by supranational institutions (minimum rating A-)	Min. 2%
2. corporate debt instruments (minimum rating A-) or equity	Min. 5%

The collateral (including haircut) is valued daily, any fluctuations of the collateral value are covered in the daily margin calls, as per the Securities Lending Agency agreement. The Securities Lending Agent ensures that the minimum haircut requirements are met on a daily basis.

The Management Company reserves the right to review and amend the above haircuts at any time when the market conditions have changed and when and if this is deemed in the best interest of the Company.

The Company is authorised to lend within a range of 0% to 50% of its assets under management, where a maximum of 50% of a Fund's assets under management may be lent.

The Company will ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of the Company's assets in accordance with its investment policy. The Company shall ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

The risks linked to the use of securities lending transactions as well as the risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks, are further described under "Risk of Investment".

The selection of counterparties to such transactions will generally be financial institutions based in an OECD member state and have an investment grade credit rating. Details of the selection criteria and a list of approved counterparties is available from the registered office of the Management Company.

The Company has appointed RBC Investor Services Trust as Securities Lending Agent when engaging in securities lending transactions. The Company pays 40 % of the gross revenues generated from securities lending activities as costs / fees to the lending agent and retain 60% of the gross revenues generated from securities lending activities. Details of such amounts and the security clearing body or financial institution arranging the transactions will be disclosed in the financial report of the Company to the extent required by applicable laws and regulations.

All costs / fees of running the programme are paid from the Securities Lending Agent's portion of the gross income 40%. This includes all direct and indirect costs / fees generated by the securities lending activities. The Company is not a related party to the Securities Lending Agent (RBC Investor Services Trust).

The securities lending activity is not considered to entail an increased risk of conflicts of interest between the Management Company and the relevant Fund, between Funds, between the Funds' Shareholders or between any other party related to the securities lending activity.

#### 1.3.5 RISK MANAGEMENT PROCESS

The Management Company will employ a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Fund in accordance with CSSF circular 11/512, as amended or any other applicable circular of the CSSF. The Management Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Upon request of an Investor, the Management Company will provide supplementary information relating to the quantitative limits that apply in the risk management of each Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments. This supplementary information includes the VaR levels set for the Funds using such risk measure.

The risk management framework is available upon request from the Company's registered office.

Unless otherwise provided in the relevant Appendix for a particular Fund, the global exposure of each Fund is calculated using the commitment approach as detailed in applicable laws and regulations including but not limited to CSSF circular 11/512, as amended.

#### 1.3.6 MISCELLANEOUS

(A) The Company may not make loans to other persons or act as a guarantor on behalf of third parties provided that for the purpose of this restriction the making of bank deposits and the acquisition of such securities referred to in paragraphs 1.3.1(A) (i), (ii) and (iii) or of ancillary liquid assets shall not be deemed to be the making of a loan and that the Company shall not be prevented from acquiring such securities above which are not fully paid.

(B) The Company need not comply with the investment limit percentages when exercising subscription rights attached to securities which form part of its assets.

(C) The Investment Managers, the Distributors, Depositary and any authorised agents or their associates may have dealings in the assets of the Company provided that any such transactions are effected on normal commercial terms negotiated at arm's length and provided that each such transaction complies with any of the following:

- i) a certified valuation of such transaction is provided by a person approved by the Directors as independent and competent;
- ii) the transaction has been executed on best terms, on and under the rules of an organised investment exchange; or

where neither i) or ii) is practical;



iii) where the Directors are satisfied that the transaction has been executed on normal commercial terms negotiated at arm's length.

## **1.4 CLASSES OF SHARES**

The Directors may decide to create within each Fund different Classes of Shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Fund, but where a specific fee structure, currency of denomination or other specific feature may apply to each Class. All Classes of Shares of each Fund will be invested in the same underlying portfolio.

Each Fund may issue shares in the following main classes: Class A, Class D, Class F and Class Z. Classes of shares may be made available in various currencies as the Board of Directors may decide from time to time. These classes may be offered either as accumulation ("acc.") or distribution ("distr.") shares and may or may not be hedged as described in section 1.4.3. Not all Funds will offer all Classes of Shares. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class. Please refer to [www.vam-funds.com](http://www.vam-funds.com) for a complete list of available classes and the applicable management fees.

### **1.4.1 ELIGIBILITY REQUIREMENTS**

#### **Class A Shares**

Class A Shares may be subscribed by Institutional and non-Institutional Investors, subject to the Minimum Initial Subscription and Holding requirements set forth below.

Minimum Initial Subscription Amount:	USD 10,000 (or other currency equivalent)
Minimum Subsequent Subscription Amount:	USD 1,000 (or other currency equivalent)
Minimum Holding Amount:	USD 10,000 (or other currency equivalent)

#### **Class D Shares**

Class D Shares may only be subscribed by Investors qualifying as Institutional Investors.

Minimum Initial Subscription Amount:	USD 100,000 (or other currency equivalent)
Minimum Subsequent Subscription Amount:	USD 10,000 (or other currency equivalent)
Minimum Holding Amount:	USD 100,000 (or other currency equivalent)

#### **Class F Shares**

Class F Shares may be subscribed by Institutional and non-Institutional Investors, subject to the Minimum Initial Subscription and Holding requirements set forth below.

Minimum Initial Subscription Amount:	USD 100,000 (or other currency equivalent)
Minimum Subsequent Subscription Amount:	USD 10,000 (or other currency equivalent)
Minimum Holding Amount:	USD 100,000 (or other currency equivalent)

## **Class Z Shares**

Class Z Shares may be subscribed by Institutional and non-Institutional Investors, subject to the Minimum Initial Subscription and Holding requirements set forth below.

Minimum Initial Subscription Amount:	USD 10,000 (or other currency equivalent)
Minimum Subsequent Subscription Amount:	USD 1,000 (or other currency equivalent)
Minimum Holding Amount:	USD 10,000 (or other currency equivalent)

### 1.4.2 MANAGEMENT FEES

Unless specified otherwise in the relevant Appendix, the Management Company will receive from each Fund management fees of:

Class A Shares	up to 1.75% per annum
Class D Shares	up to 0.85% per annum
Class F Shares	up to 0.45% per annum
Class Z Shares	up to 1.75% per annum

calculated on the Net Asset Value of the relevant Fund on the relevant Valuation Day unless otherwise disclosed in Appendix II.

These fees will be accrued on each Valuation Day and are payable monthly in arrears.

### 1.4.3 HEDGED CLASSES

Unless otherwise specified in the Appendix, each Fund may issue Share Classes not denominated in the Fund Currency ("Alternate Currencies") will systematically and fully (as described below) hedge their currency exposure to the Fund Currency in the forward currency market, whether the Alternate Currencies exposure is declining or increasing in value relative to the Fund Currency. Such Share Classes that do not hedge their currency exposure to the Fund Currency will bear the suffix "U". Whilst holding hedged Shares may substantially protect the investor against losses due to unfavourable movements in the exchange rates of the Alternate Currencies against the Fund Currency, holding such Shares may also substantially limit the benefits of the investor in case of favourable movements. Investors should note that it will not be possible to fully hedge the total Net Asset Value of hedged Alternate Currencies Classes of Shares against currency fluctuations of the Fund Currency, the aim being to implement a currency hedge equivalent to between 95% and 105% of the Net Asset Value of the respective Alternate Currencies Classes of Shares. Changes in the value of the hedged portion of the portfolio, if any, or the volume of subscriptions and redemptions may however lead to the level of currency hedging temporarily surpassing the limits set out above. In such case, the currency hedge will be adjusted without undue delay. The Net Asset Value per Share of the Alternate Currencies Classes of Shares does therefore not necessarily develop in the same way as that of the Shares in the relevant Fund Currency. It is not the intention of the Board of Directors to use the hedging arrangements to generate a further profit for the Alternate Currencies Classes of Shares.

Investors should note that there is no segregation of liabilities between the individual Share Classes within a Fund. Hence, there is a risk that under certain circumstances, hedging transactions in relation to a Share Classes not denominated in the Fund Currency could result in liabilities affecting

the Net Asset Value of the other Shares Classes of the same Fund. In such case assets of other Shares Classes of such Fund may be used to cover the liabilities incurred by the Share Classes not denominated in the Reference Currency of the Fund.

## SHARE DEALING

### 2.1 SUBSCRIPTION FOR SHARES

#### Initial Offer Period

Applications for subscription may be made during the Initial Offer Period determined by the Board of Directors and as may be specified for each Class in Appendix II.

#### Initial Issue Price

During any Initial Offer Period, the issue price per Share of each Class is the price determined by the Board of Directors and may be specified in Appendix II, plus any applicable subscription charge.

#### Minimum Initial Subscription and Holding Amounts

The Directors will set and waive in their discretion a minimum initial subscription amount and a minimum ongoing holding amount per Class in each Fund for each registered Shareholder, to be specified in Appendix II.

#### Subsequent Subscriptions

Applications for subscription may be made on or prior to any day that is a Valuation Day for the Fund or Class concerned (or on such other days as the Directors may from time to time determine), subject to any prior notice requirements specified in Appendix II (the "Subsequent Subscriptions"). The Directors may discontinue the issue of new Shares in any Fund or Class at any time in their discretion.

#### Minimum Subsequent Subscription Amount

The Directors will set and waive in their discretion a Minimum Subsequent Subscription Amount.

#### Subscription Price Per Share

After any Initial Offer Period, the subscription price per Share of each Class is the Net Asset Value per Share of such Class determined as at the Valuation Day on which the application has been accepted, increased by any applicable subscription charge (the "Subscription Price"). This Subscription Price may also be increased to cover any duties, taxes and stamp duties which may have to be paid.

#### Subscription Charge

The Distributors and other financial intermediaries are entitled to the subscription charge, which can be partly or fully waived at the discretion of the Management Company, the relevant Distributor or other financial intermediary.

Unless otherwise specified in Appendix II, a subscription charge of up to 5% of the subscription proceeds (representing up to 5.26% of the Net Asset Value of the Share being subscribed) may be charged for the benefit of distributors and other financial intermediaries in respect of all Classes of Shares of each Fund except for Class Z Shares.

Class Z Shares are subject to a DSC (as described below) at the rate of 5% of the amount being subscribed.

A Deferred Subscription Charge ("DSC") may also be charged on certain classes of shares as specified in Appendix II. Such classes of Shares will not, in addition to the DSC, be subject to a subscription charge.

Such DSC, of up to 5% of the amount subscribed, is paid, out of the assets of the relevant class of Shares, in full to the global distributor. The DSC constitutes a fee for services rendered by the global distributor in connection with the distribution, placing and sale of such classes of shares at the time of such distribution, placing and sale and is not conditioned upon or related to any provision of ongoing services by the global distributor with respect to such classes of shares. The global distributor may pay all or part of the DSC to distributors and other financial intermediaries as remuneration for services rendered by them in connection with the distribution, placing and sale of such classes of shares at the time of such distribution, placing and sale and is not conditioned upon or related to any provision of ongoing services by them with respect to such classes of shares. The DSC may be waived or reduced by the Management Company.

The DSC is deferred and is amortised at the rate of 1% p.a. over a period not exceeding 5 years.

The amortisation is shared by the entire relevant share class whenever there is a subscription.

Shareholders of the relevant share class will see the cost of this charge reflected in a decreased Net Asset Value per Share of the relevant class of shares.

Should an investor redeem before the 5-year period has elapsed, the Company is permitted to deduct the remainder of the DSC from the redemption proceeds for the benefit of the relevant class of shares. The applicable rate of DSC is determined by reference to the total length of time during which the relevant class of shares being repurchased were in issue in accordance with the table below:

<b>Applicable rate of the DSC</b>	<b>Period from Subscription Date</b>
5%	1 year
4%	After 1 year but within 2 years
3%	After 2 years but within 3 years
2%	After 3 years but within 4 years
1%	After 4 years but within 5 years
0%	thereafter

In determining whether a DSC is applicable, the calculation will be effected in a manner that results in the lowest possible rate being applied. An instruction to redeem shares subject to a DSC will be deemed to have been given for the Shares which have been held for the longest period (first in, first out basis and pro-rata dependent upon the number of Shares redeemed).

No DSC is payable at the time of a conversion of shares subject to a DSC in one Fund into shares subject to a DSC of another Fund. In this case, the total length of time the shares of a Fund subject to a DSC to be converted were held, will be carried over into the shares subject to a DSC of another

Fund. The DSC is however payable at the time of a conversion of shares subject to a DSC into shares of another class not subject to a DSC, whether within the same Fund or not.

The amount of DSC is calculated by multiplying the relevant percentage rate as determined above by the price paid for the original issue of Shares being repurchased.

Following the five-year anniversary of the original subscription, once the initial charge is repaid in full to the Fund, any remaining shareholding will be automatically converted to Class A Shares.

### **Payment of Subscription Price**

The full purchase price of the Shares subscribed must be received in immediately available funds by the Depositary or its agent in the reference currency of the Class concerned not later than the date specified in Appendix II. Unless otherwise specified in Appendix II, no interest will be paid on payments received prior to the closing date of any Initial Offer Period or prior to any Valuation Day.

The Board of Directors may, in its absolute discretion, decide to authorise certain Investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement") or such other time as specified for the relevant Fund.

### **Subscriptions in Kind**

The Board of Directors may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Fund pursuant to its investment policy and restrictions. Any such subscriptions in kind will be made at the Net Asset Value of the assets contributed calculated in accordance with the rules set out under "Calculation of Net Asset Value" and will, if required by applicable laws and regulations or by the Board of Directors, be subject of an independent auditor's report drawn up in accordance with the requirements of Luxembourg law.

Should the Company not receive good title on the assets contributed this may result in the Company bringing an action against the defaulting Investor or his/her/its financial intermediary or deducting any costs or losses incurred by the Company or the Administrator against any existing holding of the applicant in the Company.

### **Acceptance of Subscriptions**

The Directors reserve the right to accept or refuse any application to subscribe Shares in whole or in part.

The Directors may decide at any time to close any Fund to further subscriptions when the assets under management are deemed to have reached their optimal size.

Subscription requests will only be processed when all the required investor's information has been received by the Administrator.

## **Irrevocability of Subscriptions**

Any request for subscriptions shall be irrevocable and may not be withdrawn by any Shareholder in any circumstances, except in the event of a suspension of the determination of the Net Asset Value of the relevant Fund or Class. In the event of a suspension, the Company will process the subscription requests on the first applicable Valuation Day following the end of the period of suspension. Further, the Directors may at their discretion, taking due account of the principle of equal treatment between Shareholders and the interest of the relevant Fund, decide to accept any withdrawal of an application for subscription.

## **Suspension of Subscriptions**

The Directors will suspend the issue of Shares of any Fund whenever the determination of the Net Asset Value of such Fund or Class is suspended.

## **Price Information**

The Net Asset Value per Share of one or more Share Classes is published in such newspapers or other electronic services as determined from time to time by the Directors. It is available from the registered office of the Company. Neither the Company nor the Distributors accept responsibility for any error in publication or for non-publication of the Net Asset Value per Share.

## **Types of Shares**

Shares will be issued in registered form. Registered Shares are in non-certificated form. Fractional entitlements to registered Shares will be rounded downwards to three decimal places. Fractions of Shares do not confer voting rights at any meeting of Shareholders but entitle the holder thereof to a correspondent amount in case of payment of dividend distribution or liquidation proceeds.

## **Anti-Money Laundering Procedures**

In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the amended law of 12 November 2004 on the fight against money laundering and financing of terrorism), the Grand Ducal Regulation dated 1 February 2010, CSSF regulation 12-02 of 14 December 2012, as amended, and relevant CSSF circulars concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector in order to prevent undertakings for collective investment from money laundering and financing of terrorism purposes. As a result of such provisions, the registrar and transfer agent of a Luxembourg UCI must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar and transfer agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the registrar and transfer agent, as delegate of the Company, may require any other information that the Company may require in order to comply with its legal and regulatory obligations, including but not limited to the CRS Law (as defined hereafter).

In case of delay or failure by an applicant to provide the required documentation, the subscription request will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the undertaking for collective investment nor the registrar and transfer agent will be held

responsible for said delay or failure to process deals resulting from the failure of the applicant to provide documentation or incomplete documentation.

From time to time, Shareholders may be asked to supply additional or updated identification documents in accordance with clients' on-going due diligence obligations according to the relevant laws and regulations.

The registrar and transfer agent is also obliged to identify any beneficial owner of the investment. The requirements apply to both purchases made directly to the Company and indirect purchases received from an intermediary. In case of a subscription for an intermediary acting on behalf of his/her/its customer, enhanced customer due diligence measures for this intermediary will be applied in accordance with the amended law of 12 November 2004 and CSSF regulation 12-02, as amended. In this context, Investors must inform without delay the registrar and transfer agent when the person(s) designated as beneficial owner(s) change and in general, ensure at all times that each piece of information and each document provided to the registrar and transfer agent or intermediary remains accurate and up-to-date.

The Management Company shall ensure that due diligence measures on the Company's investments are applied on a risk-based approach in accordance with Luxembourg applicable laws and regulations.

### **Ineligible Investors**

Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company might not otherwise incur or suffer, or would result in the Company being required to register with any authority under any relevant applicable laws.

In particular, Shares may not be sold to, held by or transferred to a US Person (see section "Restrictions on Distribution").

In addition, certain Classes of Shares may be reserved for Institutional Investors. The Directors may, at their discretion, delay the acceptance of any subscription for Shares restricted to Institutional Investors until such date as the Administrator has received sufficient evidence on the qualification of the relevant Investor as an Institutional Investor. If it appears at any time that a holder of such Shares is not an Institutional Investor, the Directors will instruct the Administrator to propose that the said holder convert their Shares into Shares of a class within the relevant Fund which is not restricted to Institutional Investors (provided that there exists such a class with similar characteristics). In the event that the Shareholder refuses such conversion, the Directors will, at their discretion, instruct the Administrator to redeem the relevant Shares in accordance with the provisions under "2.2 Redemption of Shares".

The Directors may require the compulsory redemption of shares owned by Investors in breach of the restrictions of this section.



## **2.2 REDEMPTION OF SHARES**

### **Redemption Procedure**

Subject to the restrictions provided in this document and Appendix II, any Shareholder may apply for the redemption of some or all of his/her/its Shares or of a fixed amount. Shares will be redeemed at the Net Asset Value per Share determined as at the Valuation Day on which the redemption application has been accepted. If the value of a Shareholder's holding on the relevant Valuation Day is less than the fixed amount which the Shareholder has applied to redeem, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice Requirements**

The Directors may in their discretion refuse to accept any application for redemption received after the first day of any prior notice period specified in Appendix II. Such applications will be dealt with as of the next Valuation Day.

Redemption requests will only be processed when all the required Shareholder's information has been received by the Administrator.

### **Minimum Holding Amount**

If as a result of a redemption, the value of a Shareholder's holding would become less than the Minimum Holding Amount, the Directors may decide that the redeeming Shareholder shall be deemed to have requested the conversion of the rest of his/her/its Shares into Shares of the Class of the same Fund with a lower minimum holding amount (subject to the fulfilment of any requirements imposed on such Class) and, if the redeeming Shareholder was holding Shares of the Class with the lowest minimum holding amount, the Directors may decide that the redeeming Shareholder shall be deemed to have requested the redemption of all of his/her/its Shares. The Directors may also at any time decide to compulsorily redeem all Shares from any Shareholder whose holding is less than the Minimum Holding Amount. Before any such compulsory redemption or conversion, each Shareholder concerned will receive one month's prior notice to increase his/her/its holding above the applicable Minimum Holding Amount at the applicable Net Asset Value per Share.

### **Redemption Charge**

In each Class of each Fund, a redemption charge may be charged or waived in whole or in part, as specified in Appendix II or a DSC (as described under "Subscription Charge" above) may be charged, which would have the result of reducing the redemption proceeds.

### **Redemption Price per Share**

The redemption price per Share of each Class is the Net Asset Value per Share of such Class determined as at the Valuation Day on which the redemption application has been accepted, reduced by any applicable redemption charge.

## **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, are paid in the reference currency of the relevant Fund or Class by or on behalf of the Depositary on the date specified in Appendix II.

## **Redemptions in kind**

The Directors may request in accordance with the provisions of the Articles, that a Shareholder accepts "redemption in kind" i.e. receives a portfolio of stock from the relevant Class of equivalent value to the appropriate cash redemption payment. In such circumstances the Shareholder must specifically accept the redemption in kind. He/she/it may always request a cash redemption payment in the reference currency of the Class. Where the Shareholder agrees to accept redemption in kind he/she/it will, as far as possible, receive a representative selection of the Class' holdings pro rata to the number of Shares redeemed and the Directors will make sure that the remaining Shareholders do not suffer any loss therefrom. The value of the redemption in kind will, if required by applicable laws and regulations or by the Board of Directors, be certified by a certificate drawn up by the auditors of the Company in accordance with the requirements of Luxembourg law.

## **Compulsory Redemption of Shares**

If the Directors become aware that a Shareholder of record is holding Shares for the account of a person who does not meet the Shareholder eligibility requirements specified in this Prospectus, or is holding Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Company including a requirement to register under the laws and regulations of any country or authority or a majority of its Shareholders, or otherwise be detrimental to the interests of the Company, the Directors may compulsorily redeem such Shares in accordance with the provisions of the Articles. Shareholders are required to notify the Company and the Administrator immediately if they cease to meet the Shareholder eligibility requirements specified in "Subscriptions" above or in Appendix II, or hold Shares for the account or benefit of any person who does not or has ceased to meet such requirements, or hold Shares in breach of any law or regulation or otherwise in circumstances having, or which may either have adverse regulatory, tax or fiscal consequences for the Company or be detrimental to the interests of the Company.

If the Directors become aware that a Shareholder has failed to provide any information or declaration required by the Directors within ten days of being requested to do so, the Directors may compulsorily redeem the relevant Shares in accordance with the provisions of the Articles.

The Directors or any duly appointed agent may further decide to compulsorily redeem Shares the subscription of which would not be made in accordance with the Prospectus or whose wired subscription amounts would be insufficient to cover the relevant subscription price (including, for the avoidance of doubt, any applicable subscription charge). Such redemption will be carried out under the most favourable conditions for the Company, including among other the possibility for the Company to keep the difference between the redemption price and the subscription price when the latter is lower than the former or claim to the relevant investor that difference when the latter is higher than the former.

## **Large Redemptions**

If applications for the redemption of more than 10% of the total number of Shares outstanding of any Fund are received in respect of any Valuation Day, the Directors may decide to defer redemption requests so that the 10% limit is not exceeded. Under these circumstances, redemptions may be deferred to a next following Valuation Day, as the Directors may decide. Any redemption requests in respect of the relevant Valuation Day so reduced will be given priority over subsequent redemption requests received for the succeeding Valuation Day, subject always to the 10% limit. The above limitations will be applied pro rata to all Shareholders who have requested redemptions to be effected on or as at such Valuation Day so that the proportion redeemed of each holding so requested is the same for all such Shareholders.

## **Suspension of Redemptions**

Redemption of Shares of any Fund or Class will be suspended whenever the determination of the Net Asset Value of such Fund or Class is suspended.

## **Revocability of Redemption Requests**

In normal circumstances, except in the event of a suspension of the determination of the Net Asset Value of the relevant Fund, applications for redemptions of Shares are irrevocable and may not be withdrawn by any Shareholder. In the event of such a suspension, the Shareholders of the relevant Fund, who have made an application for redemption of their Shares, may give written notice to the Company that they wish to withdraw their application. Further, the Directors may at their discretion, taking due account of the principle of equal treatment between Shareholders and the interest of the relevant Fund, decide to accept any withdrawal of an application for redemption.

## **2.3 CONVERSION OF SHARES**

No conversion of Shares into Shares of another existing Class within the same or a different Fund may be made at any time when issues and redemptions of Shares in either or both of the relevant Classes are suspended.

## **Irrevocability of Conversion Requests**

Any request for conversions shall be irrevocable and may not be withdrawn by any Shareholder in any circumstances, except in the event of a suspension of the determination of the Net Asset Value of the relevant Fund or Class. In the event of a suspension, the Company will process the conversion requests on the first applicable Valuation Day following the end of the period of suspension. Further, the Directors may at their discretion, taking due account of the principle of equal treatment between Shareholders and the interest of the relevant Fund, decide to accept any withdrawal of an application for conversion.

## **Conditions**

Acceptance of any application for conversion is contingent upon the satisfaction of any conditions (including any minimum subscription and prior notice requirements) applicable to the Class into which the conversion is to be effected. If as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than any Minimum Holding Amount, the Directors may decide

not to accept the conversion request. If as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the Minimum Holding Amount specified for each Class, the Directors may decide that such Shareholder shall be deemed to have requested the conversion of all of his/her/its Shares.

### **Prior Notice Requirements**

Unless specifically otherwise provided, the prior notice requirements for redemptions as specified for a given Fund in Appendix II shall be applicable to conversion requests.

### **Conversion Value**

The number of full and fractional Shares issued upon conversion is determined on the basis of the Net Asset Value per Share of each Class concerned on the common Valuation Day on which the conversion request is effected. If there is no common Valuation Day for any two Classes, the conversion is made on the basis of the Net Asset Value calculated on the next following Valuation Day of the Class of Shares to be converted and on the following Valuation Day of the Class into which conversion is requested, or on such other days as the Directors may reasonably determine.

The rate at which all or part of the holding of a given Fund (the "original Fund") is converted into shares of another Fund (the "new Fund") is determined as precisely as possible in accordance with the following formula:

$$A = \frac{(B \times C) - F}{D} \times E$$

A being the number of shares of the new Fund to be attributed;

B being the number of shares of the original Fund to be converted;

C being the prevailing Net Asset Value per share of the original Fund on the day in question;

D being the prevailing Net Asset Value per share of the new Fund on the day in question;

E being the exchange rate applicable at the time of the transaction between the currency of the Fund/Class to be converted and the currency of the Fund/Class to be attributed; and

F being a conversion fee payable to the original Fund, if any.

### **Compulsory Conversions**

If the Shareholder of a given Class accumulates a number of Shares of that Class with an aggregate Net Asset Value equal to or in excess of the minimum subscription amount of a parallel Class within the same Fund and such parallel Class is subject to a lower fee structure, the Directors may in their discretion convert the Shareholder's Shares into Shares of the parallel Class with such lower fee structure. A "parallel class" within a Fund is a Class that is identical in all material respects (including investment objective and policy) save for the minimum subscription amount and fee structure applicable to it.

### **Conversion Fee**

To cover any transaction costs which may arise from the conversion, the Directors may charge, for the benefit of the original Fund, a conversion fee of up to the amount of the redemption charge applicable to the Shares to be converted.

In addition, the subscription charge of the Class or Fund in which the conversion is effected may be levied as if the Investor were subscribing in that Class or Fund.

The same charge will be applied in respect of all conversions effected in the same common Valuation Day.

## **2.4 CALCULATION OF NET ASSET VALUE**

### **Calculation of the Net Asset Value per Share**

(A) The Net Asset Value per Share of each Share Class will be calculated on each Valuation Day in the currency of the relevant Share Class. It will be calculated by dividing the Net Asset Value attributable to each Share Class, being the proportionate value of its assets less its liabilities, by the number of Shares of such Share Class then in issue. The resulting sum shall be rounded down to the nearest two decimal places.

(B) The Directors reserve the right to allow the Net Asset Value per Share of each Share Class to be calculated more frequently than once daily, or to otherwise alter dealing arrangements on a permanent or a temporary basis, for example, where the Directors consider that a material change to the market value of the investments in one or more Funds so demands. The Prospectus will be amended, following any such permanent alteration, and Shareholders will be informed accordingly.

(C) In valuing total assets, the following rules will apply:

(1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.

(2) The value of such securities, financial derivative instruments and assets will be determined on the basis of the closing or last available price on the stock exchange or any other Eligible Market as aforesaid on which these securities or assets are traded or admitted for trading. Where such securities or other assets are quoted or dealt in one or more than one stock exchange or any other Eligible Market, the Directors shall make regulations for the order of priority in which stock exchanges or other Eligible Markets shall be used for the provisions of prices of securities or assets.

(3) If a security is not traded or admitted on any official stock exchange or any Eligible Market, or in the case of securities so traded or admitted the last available price of which does not reflect their true value, the Directors are required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.

(4) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction.

(5) Units or shares in undertakings for collective investments shall be valued on the basis of their last available Net Asset Value as reported by such undertakings.

(6) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.

(7) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

(8) Any assets or liabilities in currencies other than the base currency of the Funds will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.

The Directors are authorised to apply other appropriate valuation principles for the assets of the Funds and/or the assets of a given Share Class if the aforesaid valuation methods appear impossible or inappropriate due to extraordinary circumstances or events.

### **Swing Pricing**

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the Shareholders' interests in a Fund. In order to prevent this effect, called "dilution", the Directors have the authority to allow for the Net Asset Value per Share to be adjusted by effective dealing and other costs and fiscal charges which would be payable on the effective acquisition or disposal of assets in the relevant Fund if the net capital activity exceeds, as a consequence of the sum of all subscriptions, redemptions or conversions in such a Fund, such threshold percentage (the "Threshold") as may be determined from time to time by the Directors, of the Fund's total net assets on a given Valuation Day.

Swing pricing is applied on the capital activity at the level of a Fund and does not address the specific circumstances of each individual investor transaction. The decision to swing is based on the overall net-flows into a Fund, not per Class.

The swing pricing mechanism may apply to all Funds.

The performance fees, if any, are calculated based on the unswung Net Asset Value.

Description of the swing pricing procedure:

If the net capital activity on a given Valuation Day leads to a net inflow of assets in excess of the Threshold in the relevant Fund, the Directors may decide to adjust upwards the Net Asset Value used to process all subscriptions, redemptions or conversions in such Fund by the swing factor that shall be determined from time to time by them. The maximum limit (in terms of percentage of Net Asset Value) for each case of net inflow in excess of the Threshold is currently 2%.

If the net capital activity on a given Valuation Day leads to a net outflow of assets in excess of the Threshold in the relevant Fund, the Directors may decide to adjust downwards the Net Asset Value

used to process all subscriptions, redemptions or conversions in such Fund by the swing factor that shall be determined from time to time by them. The maximum limit (in terms of percentage of Net Asset Value) for each case of net outflow in excess of the Threshold is currently 2%.

## **2.5 SUSPENSION OF THE CALCULATION OF NET ASSET VALUE, ISSUE / REDEMPTION AND CONVERSION PRICES**

(A) The Company reserves the right not to accept instructions to redeem or switch on any one Valuation Day more than 10% of the total value of Shares in issue of any Fund. In these circumstances, the Directors may declare that the redemption of part or all Shares in excess of 10% for which a redemption or switch has been requested will be deferred until the next Valuation Day and will be valued at the Net Asset Value per Share prevailing on that Valuation Day. On such Valuation Day, deferred requests will be dealt with in priority to later requests and in the order that requests were initially received by the Administrator.

(B) The Company reserves the right to extend the period of payment of redemption proceeds to such period, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of a Fund are invested or in exceptional circumstances where the liquidity of a Fund is not sufficient to meet the redemption requests.

(C) The Company may suspend or defer the calculation of the Net Asset Value per Share of any Share Class in any Fund and/or the issue and/or redemption of any Share Class in such Fund, and/or the right to switch Shares of any Share Class in any Fund into Shares of the same Share Class of the same Fund or any other Fund (other than Shares already allotted):

(a) during any period when any stock exchanges or markets on which any substantial portion of the investments of the Company attributable to such class of shares from time to time are quoted or dealt with, is closed or during which dealings are restricted or suspended;

(b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by the Company attributable to such class of shares would be impracticable;

(c) in the case of the suspension of the calculation of the Net Asset Value of one or several of the funds in which the Company has invested a substantial portion of the assets attributable to such class;

(d) during any breakdown or restriction in the means of communication normally employed in determining the price or value of any of the investments attributable to any particular class of shares or the current prices or values on any stock exchange or market;

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

(f) in the event of the publication (i) of the convening notice to a general meeting of Shareholders at which a resolution to wind-up the Company or a class of shares is to be proposed,

or of the decision of the Board of Directors to wind-up one or more classes of shares, or (ii) to the extent that such a suspension is justified for the protection of the Shareholders, of the notice of the general meeting of Shareholders at which the merger of the Company or a class of shares is to be proposed, or of the decision of the Board of Directors to merge one or more classes of shares;

(D) The suspension of the calculation of the Net Asset Value per Share of any Fund or Share Class shall not affect the valuation of other Funds or Share Classes, unless these Funds or Share Classes are also affected.

(E) During a period of suspension, a Shareholder may withdraw his/her/its request in respect of any Shares not yet issued, redeemed or switched, by notice in writing received by the Administrator before the end of such period.

Shareholders will be informed of any suspension or deferral as appropriate.

The Company may, at any time and at its discretion, temporarily discontinue, cease permanently or limit the issue of Shares in one or more Funds to persons or corporate bodies resident or domiciled in some countries or territories. The Company may also prohibit them from acquiring Shares if such a measure is necessary to protect the Shareholders as a whole and the Company.

## **2.6 MARKET TIMING, LATE TRADING AND FREQUENT TRADING POLICY**

The Company does not knowingly allow investments which are associated with market timing or frequent trading practices, as such practices may adversely affect the interests of all Shareholders. The Board of Directors will also ensure that the relevant cut-off time for requests for subscription, redemption and conversion are strictly complied with and will therefore take adequate measures to prevent practices known as "Late Trading".

For the purposes of this section, market timing is held to mean subscriptions into, conversions between or redemptions from the various classes of Shares (whether such acts are performed singly or severally at any time by one or several persons) that seek or could reasonably be considered to appear to seek profits through arbitrage or market timing opportunities. Frequent trading is held to mean subscriptions into, conversions between or redemptions from the various classes of Shares (whether such acts are performed singly or severally at any time by one or several persons) that by virtue of their frequency or size cause any Fund's operational expenses to increase to an extent that could reasonably be considered detrimental to the interests of the Fund's other Shareholders.

## **GENERAL INFORMATION**

### **3.1 ADMINISTRATION DETAILS, CHARGES AND EXPENSES**

#### **Directors**

Each of the Directors is entitled to remuneration for his/her/its services at a rate determined by the Company from time to time in the general meetings. In addition, each Director may be paid reasonable expenses incurred while attending meetings of the Board of Directors or general meetings of the Company.

The Directors are responsible for the overall management and control of the Company.



## Management Company

The Board of Directors has appointed VAM Global Management Company S.A. as the Management Company to be responsible on a day-to-day basis, under the supervision of the Board of Directors, for providing administration, marketing and investment management and advisory services in respect of all Funds.

The Management Company is a public limited company ("*société anonyme*") incorporated on 9 June 2016. Its registered office is at 8-10, rue Genistre, L-1623 Luxembourg, Grand Duchy of Luxembourg and its share capital amounted to EUR 300,000 as at that date.

The Management Company has been set up with the main object of creating and administering UCITS as well as other types of Luxembourg and foreign investment funds. It may manage the portfolio of such investment funds and perform all the functions enumerated in Annex II of the 2010 Law. In addition, it may distribute in Luxembourg and/or third countries the parts and shares of investment funds. It may delegate all or part only of its activities in accordance with Luxembourg law.

The directors of the Management Company are:

Peter John de Putron, Chairman of VAM Funds (Lux) and VAM Managed Funds (Lux), St Peter Port, Guernsey

Brendan Adams, Managing Director, VAM Global Management Company S.A., Chesham, Bucks, United Kingdom

Michael Lange, Partner, ME Business Solutions S.à r.l., Luxembourg, Grand Duchy of Luxembourg

Julie Krentz, Director, VAM Global Management Company S.A., Luxembourg, Grand Duchy of Luxembourg

The conducting persons of the Management Company are:

Brendan Adams, Managing Director, VAM Global Management Company S.A., Chesham, Bucks, United Kingdom

Julie Krentz, Director of VAM Global S.à r.l., VAM Global Management Company S.A., Luxembourg, Grand Duchy of Luxembourg

Maciej Mitka, Conducting Officer, VAM Global Management Company S.A., Luxembourg, Grand Duchy of Luxembourg

The Management Company shall ensure compliance of the Company with the investment restrictions and will implement the Company's strategies and investment policy. The Management Company, with the consent of the Company, may appoint i) one or several investment manager(s) to provide investment management services relating to a specific Fund or ii) any other adviser, as set out in the relevant Appendix. The fees and expenses payable to such investment manager or adviser in respect of the relevant Fund will be set out in the relevant Appendix.

The Management Company also acts as management company for other investment funds. The names of these other funds are available upon request from the Management Company.

The Management Company has adopted various procedures and policies in accordance with Luxembourg laws and regulations (including but not limited to CSSF regulation 10-04 and CSSF circular 18/698) such as but not limited to Shareholder complaints handling procedures, conflicts of interest rules, voting rights policy of the Company etc. Shareholders may, in accordance with Luxembourg laws and regulations, obtain a summary and/or more detailed information on such procedures and policies upon request and free of charge.

In addition, the Management Company and the appointed Investment Manager, have where applicable modified various existing procedures and policies and adopted new procedures and policies in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR"). Through these policies and procedures the Management Company and the appointed Investment Manager identify and analyse sustainability risk (i.e. an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of an investment) as part of its risk management process.

The Management Company and the appointed Investment Manager understand sustainability risk to mean an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Fund's investment. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability risks may have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on environmental, social, or governance data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that the data will be correctly assessed.

Consequent impacts to the occurrence of sustainability risk can be many and varied according to a specific risk, region or asset class. Generally, when sustainability risk occurs for an asset, there will be a negative impact and potentially a total loss of its value and therefore an impact on the Net Asset Value of the concerned Fund.

While, the Management Company believes that the integration of this risk analysis in the investment decision process could help to enhance long-term risk adjusted returns for investors, in accordance with the investment objectives of the Funds, unless otherwise provided in the relevant Appendix for a particular Fund, the Funds do not promote environmental or social characteristics, and do not have as objective sustainable investment (as provided by Articles 8 or 9 of SFDR).

The Management Company and the Investment Manager(s) do not currently consider principal adverse impacts of investment decisions on sustainability factors due to a lack of available and reliable data. The position of the Management Company and the Investment Manager(s) on this matter will be reviewed at least annually.

The investments underlying the Funds do not take into account the EU criteria for environmentally sustainable economic activities.

Pursuant to article 111ter of the 2010 Law, the Management Company has established remuneration policies 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 Company, that, in accordance with the requirements of applicable laws:

- are consistent with and promote a sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles of the Company or with its Articles;
- are in line with the business strategy, objective values and interests of the Management Company, which do not interfere with the obligation of the Management Company to act in the best interests of the Company and which include measures to avoid conflict of interests;
- include an assessment of performance set in a multi-year framework appropriate to the holding period recommended to the Investors in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based remuneration components are spread over the same period; and
- appropriately balance fixed and variable components of total remuneration in order to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable 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 impact of the integration of sustainability risks on remuneration, the identity of persons responsible for awarding the remuneration and benefits, are available at <https://vam-manco.com/legal/#policies>. A paper copy is available free of charge upon request at the Management Company's registered office.

The Management Company acts in its own name and on the collective account of all Investors. It acts independently from the Depositary in the sole interest of the Shareholders.

The Management Company is entitled to fees, payable on a monthly basis in arrears at a total annual rate which could vary for each Fund as disclosed in section 1.4.2 "Management Fees". The Management Company may retrocede all or part of such fees to financial intermediaries involved in the marketing of the shares.

### **The Investment Managers**

The Management Company, with the consent of the Directors, has delegated the investment management of each Fund to the Investment Manager(s) disclosed in Appendix II in relation to the relevant Fund.

The Investment Manager(s) shall be remunerated by the Management Company.

## Domiciliary Agent

As domiciliary agent appointed by the Company, the Management Company is also responsible for receiving and keeping safely any and all notices, correspondence, telephonic advice or other representations and communications received for the account of the Company, as well as for providing such other facilities as may from time to time be necessary in the course of the day-to-day administration of the Company.

## Depositary

### *Depositary Bank's functions*

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

- (a) safekeeping of the assets
- (b) oversight duties and
- (c) cash flow monitoring

in accordance with the 2010 Law, and the Depositary Bank and Principal Paying Agent Agreement dated 1<sup>st</sup> August 2020 and entered into between the Company and the Depositary (the "**Depositary Bank and Principal Paying Agent Agreement**").

RBC Investor Services Bank S.A. is registered with the Luxembourg Register for Trade and Companies (RCS) under number B 47192 and was incorporated in 1994 under the name "First European Transfer Agent". It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services. Its equity capital as at 31 October 2021 amounted to approximately EUR 1,145, 212, 000.-.

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

An up-to-date description of any safekeeping functions delegated by the Depositary and an up-to-date list of the delegates and sub-custodians may be obtained, upon request, from the Depositary or via the following website link:

<https://apps.rbcits.com/RFP/gmi/updates/Appointed%20subcustodians.pdf>

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

Under its oversight duties, the Depositary will:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the 2010 Law and with the Company's Articles,

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

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

### Depositary's conflicts of interests

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

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

The Depositary has implemented and maintains a management of conflicts of interests' framework, aiming namely at:

- establishing, implementing and maintaining operational an effective conflicts of interest policy;
- establishing a functional, hierarchical and contractual separation between its depositary functions and the performance of other tasks; and
- Identifying, managing and adequately disclosing of potential conflicts of interests.

The Depositary manages and monitors potential conflicts of interest situations by;

- Implementing a functional and hierarchical segregation making sure that operations are carried out at arm's length from the Depositary business;
- Implementing preventive measures to decline any activity giving rise to the conflict of interest such as:
  - The Depositary and any third-party to whom the custodian functions have been delegated should not accept any investment management mandates.
  - The Depositary does not accept any delegation of the compliance and risk

management functions, however the Depositary may be entrusted with the performance of certain tasks linked to the risk management function.

- The Depositary has a robust escalation process in place to ensure that regulatory breaches are notified to its internal control functions which report material breaches to the management body of the Depositary.
- A dedicated permanent internal audit department provides independent objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

An up-to-date information on conflicts of interest policy referred to above may be obtained, upon request, from the Depositary or via the following website link:

<https://www.rbcits.com/en/who-we-are/governance/information-on-conflicts-of-interest-policy>

### **Administrator, Registrar and Transfer Agent and Agent**

The Management Company has delegated the functions of administrative and registrar and transfer agent to RBC Investor Services Bank S.A. As such, RBC Investor Services Bank S.A. is responsible for performing the general administrative functions required by Luxembourg law, processing the issue, conversion and redemption of Shares, calculating the Net Asset Value of the Shares and for maintaining the accounting records of the Company.

In addition to the fees described in the sub-section 1.4.2 "Management Fees" above, the Depositary, the Management Company and Administrator are entitled to further fees of an aggregate maximum of 0.5% per annum of the net assets of the Company, payable on a monthly basis, subject to minimum amounts set forth in the relevant agreements.

In order to provide central administration services (including transfer agency services), RBC Investor Services Bank S.A. must enter into outsourcing arrangements with third party service providers in or outside the RBC group (the "**Sub-contractors**"). As part of those outsourcing arrangement, RBC Investor Services Bank S.A. may be required to disclose and transfer personal and confidential information and documents about the investor and individuals related to the investor (the "**Related Individuals**") (the "**Data transfer**") (such as identification data – including the investor and/or the Related Individual's name, address, national identifiers, date and country of birth, etc. – account information, contractual and other documentation and transaction information) (the "**Confidential Information**") to the Sub-contractors. In accordance with Luxembourg law, RBC Investor Services Bank S.A. is due to provide a certain level of information about those outsourcing arrangements to the Company, which, in turn, must be provided by the Company to the investors.

A description of the purposes of the said outsourcing arrangements, the Confidential Information that may be transferred to Sub-contractors thereunder, as well as the country where those Sub-contractors are located is therefore set out in the below table.

Type of Confidential Information transmitted to the Sub-contractors	Country where the Sub-contractors are established	Nature of the outsourced activities
Confidential Information (as defined above)	Belgium Canada Hong Kong India Ireland Jersey Luxembourg Malaysia Poland Singapore United Kingdom United States of America	<ul style="list-style-type: none"> <li>• Transfer agent/ shareholders services (incl. global reconciliation)</li> <li>• Treasury and market services</li> <li>• IT infrastructure (hosting services, including cloud services)</li> <li>• IT system management / operation Services</li> <li>• IT services (incl. development and maintenance services)</li> <li>• Reporting</li> <li>• Investor services activities</li> </ul>

Confidential Information may be transferred to Sub-contractors established in countries where professional secrecy or confidentiality obligations are not equivalent to the Luxembourg professional secrecy obligations applicable to RBC Investor Services Bank S.A. In any event, RBC Investor Services Bank S.A. is legally bound to, and has committed to the Company that it will enter into outsourcing arrangements with Sub-contractors which are either subject to professional secrecy obligations by application of law or which will be contractually bound to comply with strict confidentiality rules. RBC Investor Services Bank S.A. further committed to the Company that it will take reasonable technical and organisational measures to ensure the confidentiality of the Confidential Information subject to the Data Transfer and to protect Confidential Information against unauthorised processing. Confidential Information will therefore only be accessible to a limited number of persons within the relevant Sub-contractor, on "a need to know" basis and following the principle of the "least privilege". Unless otherwise authorised/required by law, or in order to comply with requests from national or foreign regulatory authorities or law enforcement authorities, the relevant Confidential Information will not be transferred to entities other than the Sub-contractors.

### Other Charges and Expenses

The Company will pay all charges and expenses incurred in the operation of the Company including, without limitation, taxes, expenses for legal and auditing services, brokerage, governmental duties and charges, settlement costs and bank charges, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares may be marketed in different countries; expenses incurred in the issue and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs of printing proxies, statements,

Share certificates or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, explanatory brochures and any other periodical information or documentation when invoiced out of the net assets of the relevant Fund.

The Company shall bear the costs of drawing up and printing the Prospectus, notary public fees, the filing costs with administrative and stock exchange authorities.

The expenses incurred by the Company in relation to the launch of additional Funds will be borne by, and payable out of the assets of, those Funds and will be amortised on a straight-line basis over 5 years from the launch date.

### 3.2 COMPANY INFORMATION

1. The Company is an umbrella open-ended investment company with limited liability, organised as a "*société anonyme*" and qualifies since 1 October 2010 as a "*Société d'Investissement à Capital Variable*" ("SICAV") under part I of the 2010 Law. The Company was initially incorporated in the Isle of Man on 7 March 2005. It transferred its registered office to Luxembourg on 2 July 2007. Its Articles were published in the *Mémorial C, Recueil des Sociétés et Associations* (the "Mémorial") on 26 July 2007. The Articles were last amended on 3 May 2013 and were published in the Mémorial on 29 May 2013.

The Company is registered under Number B 129.579 with the *Registre de Commerce et des Sociétés*, where the Articles have been filed and are available for inspection. The Company exists for an indefinite period.

2. The minimum capital of the Company required by Luxembourg law is the USD equivalent of EUR 1,250,000. The share capital of the Company is represented by fully paid Shares of no-par value and is at any time equal to its Net Asset Value. Should the capital of the Company fall below two thirds of the minimum capital, an extraordinary meeting of Shareholders must be convened to consider the dissolution of the Company. Any decision to liquidate the Company in these circumstances must be taken by a majority of the Shares present or represented at the meeting. Where the share capital falls below one quarter of the minimum capital, the Directors must convene an extraordinary meeting of Shareholders to decide upon the liquidation of the Company (the "Meeting"). At that Meeting, the decision to liquidate the Company may be taken by Shareholders holding together one quarter of the Shares present or represented.

For consolidation purposes, the reference currency of the Company is the USD.

3. The following material contracts, not being contracts entered into in the ordinary course of business, have been entered into:
  - a) **Investment Management Agreements** between the Company, the Management Company and the relevant Investment Managers pursuant to which the Investment Managers have agreed to manage the investment and reinvestment of the assets of the relevant Fund on a discretionary basis in a manner consistent with the Fund's investment objective, strategies, restrictions and guidelines, as described in this Prospectus. The Investment Management Agreements may be terminated by either party up to upon three months' notice in writing.



- b) **A Depositary Bank and Principal Paying Agent Agreement** between the Company and the Depositary pursuant to which the latter was appointed as depositary of the assets of the Company. The Agreement may be terminated by either party on three months' notice in writing.
- c) **A Management Company Services Agreement** between the Company and the Management Company pursuant to which the latter was appointed as Management Company of the Company. The Agreement may be terminated by either party on three months' notice in writing.
- d) **An Administration Agency Agreement** between the Management Company and the Administrator pursuant to which the latter was appointed as administrative and registrar and transfer agent of the Company. The Agreement may be terminated by either party on three months' notice in writing.

Any of the above Agreements may be amended by mutual consent of the parties, consent on behalf of the Company being given by the Directors, subject to regulatory approval, if required.

### **Documents of the Company**

Copies of the Articles, Prospectus, KIDs and financial reports may be obtained free of charge and upon request, from the registered office of the Company. The material contracts referred to above are available for inspection during normal business hours, at the registered office of the Company.

### **3.3 DIVIDEND POLICY**

Unless otherwise stated in Appendix II, the Directors will not propose, in any given accounting year, to the Shareholders of any Fund or Class the payment of distribution out of all or part of that Fund's or Class's net income, capital gains or capital.

Distribution payments are restricted by law in that they may not reduce the net assets of the Company below the required minimum capital imposed by Luxembourg law.

In the event that a distribution is declared and remains unclaimed after a period of five years from the date of declaration, such distribution will be forfeited and will revert to the Fund or Class in relation to which it was declared.

### **3.4 TAXATION**

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular Shareholder or potential Shareholder. Prospective Shareholders should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

## **Taxation of the Company**

The Company is not subject to taxation in Luxembourg on its income, profits or gains.

The Company is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares.

The Company is however subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on its Net Asset Value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% per annum is applicable to Luxembourg UCITS whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both. A reduced subscription tax rate of 0.01% per annum is also applicable to UCITS individual compartments of UCITS with multiple compartments, referred to in the 2010 Law, as well as for individual classes of securities issued within a UCITS or within a compartment of a UCITS with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Subscription tax exemption applies to (i) investments in a Luxembourg UCI subject itself to the subscription tax, (ii) UCIs, compartments thereof or dedicated classes reserved to retirement pension schemes, (iii) money market UCIs, (iv) UCITS and UCIs subject to the part II of the 2010 Law qualifying as exchange traded funds, and (v) UCIs and individual compartments thereof with multiple compartments whose main objective is the investment in microfinance institutions.

## **Withholding tax**

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Company as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

## **Taxation of the Shareholders**

### Luxembourg resident individuals

Capital gains realised on the sale of the Shares by Luxembourg resident individuals Shareholders who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

- (i) the Shares are sold within 6 months from their subscription or purchase; or
- (ii) if the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her/its spouse and underage children, either directly or indirectly at any time

during the five years preceding the date of the disposal, more than 10% of the share capital of the company.

Distributions made by the Company will be subject to income tax.

Luxembourg personal income tax is levied following a progressive income tax scale.

#### Luxembourg resident corporate

Luxembourg resident corporate Shareholders will be subject to corporate taxation on capital gains realised upon disposal of Shares and on the distributions received from the Company.

Luxembourg corporate resident Shareholders who benefit from a special tax regime, such as, for example, (i) a UCI subject to the 2010 Law, (ii) specialised investment funds subject to the amended law of 13 February 2007 on specialised investment funds, (iii) a reserved alternative investment funds subject to the law of 23 July 2016 on reserved alternative investment funds (to the extent they have not opted to be subject to general corporation taxes), or (iv) family wealth management companies subject to the amended law of 11 May 2007 related to family wealth management companies, are exempt from income tax in Luxembourg, but instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realised thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate Shareholders except if the holder of the Shares is (i) a UCI subject to the 2010 Law, (ii) a vehicle governed by the amended law of 22 March 2004 on securitisation, (iii) an investment company governed by the amended law of 15 June 2004 on the investment company in risk capital, (iv) a specialised investment fund subject to the amended law of 13 February 2007 on specialised investment funds, (v) a reserved alternative investment fund subject to the Law of 23 July 2016 on reserved alternative investment funds (to the extent they have not opted to be subject to general corporation taxes), or (vi) a family wealth management company subject to the amended law of 11 May 2007 related to family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth tax exceeding EUR 500 million.

#### Non-Luxembourg residents

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realised upon disposal of the Shares nor on the distribution received from the Company and the Shares will not be subject to net wealth tax.

## Automatic Exchange of Information

The Organisation for Economic Co-operation and Development ("OECD") has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted in order to implement CRS among Members States.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law"). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company may require its Shareholders to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status and report information regarding a Shareholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), if such account is deemed a CRS reportable account under the CRS Law. The Company shall communicate any information to the Shareholders according to which (i) the Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will *inter alia* be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to CRS-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the Shareholder has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.

The Company reserves the right to refuse any application for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

### **Shareholders should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.**

The Controllers are responsible for the treatment of the personal data provided for in the CRS Law. The personal data obtained will be used for the purposes of the CRS Law and such other purposes indicated by the Controllers in the Prospectus in accordance with applicable data protection legislation, and may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*). Responding to CRS-related questions is mandatory. The investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and may contact the Controllers at their registered office to exercise their right.

## UK Tax Considerations

The statements on taxation below are intended to be a general summary of the UK tax treatment that may be applicable to the Company and its investors. The statements relate only to investors who are resident for UK tax purposes in the UK (and where such persons are individuals, only to those domiciled in the UK), who are beneficial owners of their Shares and who hold their Shares as an investment rather than as securities to be realised in the course of a trade. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. Such law and practice may be subject to change, and the below summary is not exhaustive.

**This summary should not be taken to constitute legal or tax advice, and any prospective investors should consult their own professional advisers on the implications of making an investment in, and holding or disposing of, Shares and of the receipt of distributions (whether or not on redemption) with respect to such Shares under the law of the countries in which they are liable to taxation.**

The Directors intend that the affairs of the Company will be managed and conducted so that it should not be regarded as resident in the UK for UK taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the UK through a permanent establishment in the UK, the Company will not be subject to UK corporation tax on income and capital gains.

### **Withholding tax**

Certain interest and other amounts received by the Company which have a UK source may be subject to withholding or other taxes in the UK.

### **Stamp Duty**

Since the Company is not incorporated in the UK and the register of Shareholders will be kept outside the UK, no liability to UK stamp duty reserve tax should arise by reason of the transfer, subscription for, or redemption of Shares. Liability to UK stamp duty will not arise provided that any instrument in writing, transferring Shares in the Company is executed and retained at all times outside the UK. However, the Company may be liable to transfer taxes in the UK on acquisitions and disposals of investments. In the UK, stamp duty or Stamp Duty Reserve Tax at a rate of 0.5% will be payable by the Company on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register there.

### UK Offshore fund rules and taxation of UK investors

For the purposes of the UK "offshore funds" tax legislation, shareholdings in the various Funds of the Company will constitute interests in "offshore funds", with each Class treated as a separate "offshore fund".

Under the UK "reporting funds" regime, an investor who is resident in the UK for UK taxation purposes and who holds an interest in an offshore fund will be taxed on any accrued gain at the time of sale, redemption or other disposal as an offshore income gain, unless the offshore fund in question is regarded as a reporting fund throughout the period during which the investor holds an interest. If reporting fund status is obtained, UK resident investors shall be subject to income tax (for UK individual investors) or corporation tax (for UK corporate investors) on the higher of any cash distribution paid and the full reported income attributable to the investor.

Any gain accruing to the investor upon the sale, redemption or other disposal of their interest in a reporting fund will be subsequently taxed as a capital gain and not income, with relief in computing that gain for any accumulated or reinvested profits which have already been subject to UK income tax or corporation tax on income (even where such profits are exempt from UK corporation tax), as a deemed distribution of reported income (as mentioned above).

It should be noted that a "disposal" for UK taxation purposes includes a switching between Funds and may include a switching between Share Classes of Funds.

The Company intends to obtain such status for the year 2010 and the subsequent periods. While the Board of Directors intends to conduct the business of the Company in such a manner as to enable the Company to qualify as a reporting fund in respect of such Classes and meet the up-front and annual duties on an ongoing basis, it cannot be guaranteed that, if obtained, reporting fund status will continue to be available for any future fiscal year of the Company.

Such annual duties will include calculating and reporting 100% of the income returns of the offshore fund constituted by the relevant Class for each reporting period (as defined for UK tax purposes) on a per-Share basis to all relevant investors. As noted above, UK investors which hold their interests at the end of the reporting period to which the reported income relates will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK resident Shareholders on the date the report is issued by the Directors provided that the Company reports within 6 months of the year end. Provided that the annual reporting requirements are satisfied, the reporting fund status will remain in place indefinitely.

Subject to their personal circumstances, individual investors (and other non-corporate investors) resident in the UK for taxation purposes may be liable to UK income tax in respect of dividends, other distributions and reported income of the Company, whether or not such distributions are reinvested. Individual investors may be entitled to a non-refundable tax credit equivalent to 10% of the higher of the dividend or reported amount plus the tax credit, which may be offset against their liability to tax.

Dividend distributions from the Company made to companies resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax. In addition, distributions to non-UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax on dividends to the extent that the shares held by that company are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

## **Bond Fund**

Special rules apply where any Share Class or Fund does not meet, at any time in an accounting period in which the investor holds its interest, the "qualifying investments test" (hereinafter referred to as a "Bond Fund"). An offshore fund does not meet the qualifying investments test at any time when its investments consist as to more than 60% by market value of, inter alia, government and corporate debt securities, money placed at interest or holdings in unit trust schemes, open-ended investment companies and offshore funds which themselves do not meet the qualifying investments test.

Any distribution (or reported income) from a Bond Fund will be treated as interest in the hands of a UK resident investor who is an individual (or other non-corporate person). This means that no tax credit will be available and the relevant tax rates will be those applying to interest. For investors who are within the charge to UK corporation tax holding an investment in a Bond Fund, such an investor is required to treat its interest for that accounting period as if it were rights under a creditor relationship for the purposes of the "loan relationships" regime contained in Chapter 3 of Part 6 of the Corporation Tax Act 2009 ("CTA 2009").

### **UK Controlled Foreign Company rules**

Corporate investors resident in the UK should note the provisions of Part 9 A of the Taxation (International and Other Provisions) Act 2010. These provisions may subject UK resident companies to corporation tax on profits of non-resident companies, controlled by persons resident in the UK, in which they have an interest. These provisions affect UK resident companies who (alone or together with "connected" or "associated" persons) have an interest of at least 25% in the profits of a non-UK resident company, where that non-UK resident company is controlled by residents of the UK and is resident in a low tax jurisdiction. This legislation is not directed towards the taxation of capital gains.

### **Transfer of Assets Abroad**

Individuals resident in the UK for taxation purposes should note that Chapter 2 of Part 13 of the Income Tax Act 2007 contains anti-avoidance provisions dealing with the transfer of assets to overseas persons that may in certain circumstances render such individuals liable to taxation in respect of undistributed income profits of the Company on an annual basis. The legislation is not directed towards the taxation of capital gains.

### **Close Company rules**

The attention of investors resident for tax purposes in the UK (and who, if individuals, are also domiciled in the UK for those purposes) is drawn to the provisions of Section 13 of Taxation of Chargeable Gains Act 1992. Under these provisions, where a chargeable gain accrues to a company that is not resident in the UK, but which would be a close company if it were resident in the UK, a person may be treated as though a proportional part of that chargeable gain, calculated by reference to their interest in the company, has accrued to them. No liability under Section 13 can be incurred by such a person, however, where the proportion of the gain that could be attributed to that person (and any persons "connected" with that person for tax purposes) does not exceed one-quarter of the gain.

### **UK Inheritance tax**

Any individual investor domiciled or deemed to be domiciled in the UK for UK tax purposes may be liable to UK inheritance tax on their Shares in the event of death or on making certain categories of lifetime transfer.

### **US Foreign Account Tax Compliance Act ("FATCA")**

FATCA, a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the

United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States and a memorandum of understanding in respect thereof. The Company would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its direct and indirect Shareholders that are Specified US Persons for FATCA purposes ("FATCA reportable accounts"). Any such information on FATCA reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States pursuant to article 28 of the convention between the Government of the United States and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company, the Management Company, in its capacity as the Company's Management Company, and/or the Administrator, may:

- a) request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;
- b) report information concerning a Shareholder and his/her/its account holding in the Company to the Luxembourg tax authorities if such account is deemed a FATCA reportable account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (Administration des Contributions Directes) concerning payments to Shareholders with FATCA status of a non-participating foreign financial institution;
- d) deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Controllers are responsible for the treatment of the personal data provided for in the FATCA



Law. The personal data obtained will be used for the purposes of the FATCA Law and such other purposes indicated by the Controllers in the Prospectus in accordance with applicable data protection legislation, and may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*). Responding to FATCA-related questions is mandatory. The investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and may contact the Controllers at their registered office to exercise their right.

The Company reserves the right to refuse any application for Shares if the information provided by a potential Shareholder does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

## **General**

The foregoing is based on the Directors' understanding of the law and practice in force at the date of this document and applies to Investors acquiring Shares as an investment. Investors should, however, consult their financial or other professional advisers on the possible tax or other consequences of buying, holding, transferring, converting, redeeming or otherwise dealing in the Company's Shares under the laws of their countries of citizenship, residence and domicile.

## **3.5 MEETINGS AND REPORTS**

### **Meetings**

The annual general meeting of Shareholders is held in Luxembourg on the third Wednesday of October at 11.00 a.m. (Luxembourg time) in each year or, if such day is not a Business Day in Luxembourg, on the next Business Day. If permitted by and under the conditions set forth in Luxembourg laws and regulations, the annual general meeting of Shareholders may be held at a date, time or place other than those set forth in the preceding paragraph, that date, time or place to be decided by the Directors. Shareholders will be convened in accordance with Luxembourg law. Such notices will include the agenda and specify the place of the meeting. The legal requirements as to notice, quorum and voting at all general and Fund or Class meetings are included in the Articles.

The notice of any general meeting of Shareholders may also provide that the quorum and the majority of such general meeting shall be determined by reference to the Shares issued and outstanding at midnight on the fifth day preceding the day on which such meeting of Shareholders will be held (the "Record Date"), whereas the right of a Shareholder to attend a general meeting of Shareholders and to exercise the voting rights attaching to his/her/its Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

Meetings of Shareholders of any given Fund or Class shall decide upon matters relating to that Fund or Class only.

### **Reports**

The financial year of the Company ends on 30 June each year. The unaudited semi-annual report and the full version of the audited annual report will also be prepared and made available.

Copies of the annual and semi-annual reports and financial statements are available free of charge from the registered office of the Company. Such reports form an integral part of this Prospectus.

### **3.6 DETAILS OF SHARES**

#### **Shareholder rights**

The Shares are freely transferable and entitled to participate equally in the profits, and, if any, dividends of the Classes to which they relate, and in the net assets of such Class upon liquidation. The Shares carry no preferential and pre-emptive rights.

#### **Voting**

At general meetings, each Shareholder has the right to one vote for each whole Share held.

A Shareholder of any particular Fund or Class will be entitled at any separate meeting of the Shareholders of that Fund or Class to one vote for each whole Share of that Fund or Class held.

In the case of a joint holding, only the first named Shareholder may vote.

#### **Transfers**

The transfer of registered Shares may be effected by delivery to the Administrator of a duly signed stock transfer form. Any new investors in receipt of stock transfers need to comply with section 2.1 under "Subscription of Shares".

#### **Rights on a winding-up and mergers**

The Company has been established for an unlimited period. However, the Company may be liquidated at any time by a resolution adopted by an extraordinary meeting of Shareholders, at which meeting one or several liquidators will be named and their powers defined. Liquidation will be carried out in accordance with the provisions of Luxembourg law. The net proceeds of liquidation corresponding to each Fund shall be distributed by the liquidators to the Shareholders of the relevant Fund in proportion to the value of their holding of Shares.

If and when the net assets of a Fund or a Class are less than USD 10,000,000 or its equivalent, or if any economic or political situation would constitute a compelling reason therefore, or if required in the interest of the Shareholders of the relevant Fund, the Directors may decide to liquidate all the Shares of that Fund or Class. In any such event Shareholders will be notified by liquidation notice published in such newspapers determined by the Directors in accordance with Luxembourg law prior to the effective date of liquidation, and will be paid the Net Asset Value of the Shares of the relevant Class held as at the effective date. Unless the Directors otherwise decide in the interests of, or to keep equal treatment between, the Shareholders, the Shareholders of the Fund or Class concerned may continue to request redemption or conversion of their Shares.

In accordance with the provisions on mergers of the 2010 Law and applicable regulations, the Directors may decide to merge one or more Funds with another Fund, or with another undertaking for collective investment (or a sub-fund thereof) qualifying as a UCITS.

If the Directors determine that the decision of merging a Fund should be put for Shareholders' approval, the decision to merge a Fund may be taken at a meeting of Shareholders of such Fund to be merged instead of being taken by the Directors. At such Fund meeting, no quorum shall be required and the decision to merge must be approved by a simple majority of the votes cast. In case of a merger of a Fund where, as a result, the Company ceases to exist, the merger shall be decided by a meeting of Shareholders for which no quorum is required and that may decide with a simple majority of the votes cast.

Under the same circumstances as described in the second paragraph above, the Directors may also decide (i) upon the reorganisation of any Fund by means of a division into two or more separate Funds or (ii) to reorganise the Shares of a Fund into two or more Classes or combine two or more Classes into a single Class providing in each case it is in the interests of Shareholders of the relevant Funds. Publication or notification of these decisions will be made at least one month before the date on which the reorganisation becomes effective in order to enable Shareholders to request redemption or switch of their Shares before the reorganisation becomes effective. The publication or notification of reorganisation of any Fund by means of a division into two or more separate Funds will, in addition, contain information in relation to the two or more separate Funds resulting from the reorganisation. The Directors may also decide to submit the question of the consolidation or split of Classes to a meeting of holders or such Classes. No quorum is required for this meeting and decisions are taken by the simple majority of the votes cast.

Any liquidation proceeds that could not be paid to Shareholders will be deposited in escrow at the "Caisse de Consignation". Amounts not claimed from escrow within the period fixed by law may be liable to be forfeited in accordance with the provisions of Luxembourg law.

## **APPENDIX I – RISKS OF INVESTMENT**

The nature of the Company's investments involves certain risks and the Company may utilise investment techniques which may carry additional risks. An investment in Shares therefore carries substantial risk and is suitable only for persons who can assume the risk of losing their entire investment. Prospective investors should consider, among others, the following factors before subscribing for Shares:

### **Suspension of Share dealings**

Investors are reminded that in certain circumstances their right to redeem or convert Shares may be suspended (see Section 2.5, "SUSPENSION OF THE CALCULATION OF NET ASSET VALUE, ISSUE / REDEMPTION AND CONVERSION PRICES").

### **Business Risk**

There can be no assurance that the Company or any Fund will achieve its investment objective. There is no operating history by which to evaluate their likely future performance. The investment results of the Company or any Fund are reliant upon the success of the Investment Managers and the performance of the markets the Funds invest in.

### **Concentration of Investments**

Although it will be the policy of the Company to diversify its investment portfolio, the Company may at certain times hold relatively few investments. The Company could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

### **Fee Structure**

The Company incurs the costs of its management and the fees paid to the Investment Managers and the Depositary and other service providers as well as a prorata portion of the fees paid by the UCITS and/or UCIs in which the Company invests to their sub-managers or other service providers. As a result the operating expenses of the Company may constitute a higher percentage of the Net Asset Value than could be found in other investment schemes. Further, some of the strategies employed at the level of the UCITS and/or UCIs require frequent changes in trading positions and a consequent portfolio turnover. This may involve brokerage commission expenses to exceed significantly those of other investment schemes of comparable size.

Potential investors should be aware that the fees payable to the Investment Managers are in addition to the fees paid by the UCITS and/or UCIs to the sub-managers and that there may be a duplication of fees. There may also be a duplication of subscription and/or redemption fees. It should be noted that any investment in UCITS and/or UCIs the investment policy of which is the investment in other funds might cause a triplication of certain fees.

When the Company invests in shares or units of other UCITS and/or UCIs, which are managed by the Investment Managers or affiliates thereof, there may be a duplication of the annual management and advisory fees but there will be no duplication of subscription and redemption fees.

## **Debt Securities**

The Company may invest in fixed income securities which may be unrated by a recognised credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Company may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Company may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Company will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. Unless otherwise specifically stated in the relevant Appendix for a Fund, Asset Backed Securities ("ABS") and/or Mortgage-Backed Securities ("MBS") will not represent more than 20% of the Net Asset Value of a Fund.

## **Warrants**

When the Company invests in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.

## **Liquidity and Market Characteristics**

A Fund is exposed to the risk that a particular investment, position or collateral cannot be easily unwound or offset due to insufficient market depth, market disruption, a sudden change in the perceived value or credit worthiness of the issuer of a security or the security itself / of the counterparty to a position or of the position itself, or due to adverse market conditions generally, in particular an adverse change in demand and supply of a security or bid and ask quotes on a position, respectively.

A common consequence of reduced liquidity of a security/of a position is an additional, as opposed to the usual bid-ask spread charged by the brokers, discount on the selling / liquidation price. In addition, reduced liquidity due to these factors may have an adverse impact on the ability of a Fund to meet redemption requests, or to meet liquidity needs in response to a specific economic event in a timely manner.

In general, securities purchased/positions entered into by a Fund are sufficiently liquid, so that no liquidity issues normally arise during the course of the Fund's business. However, certain securities might be or become illiquid due to a limited trading market, financial weakness of the issuer, legal or contractual restrictions on resale or transfer, political or other reasons.

A Fund's investment in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and / or credit risk (such as but not limited to ABS and MBS, collateralised debt obligations, high yield and high-risk bonds) tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

The attention of the Shareholders is drawn to the fact that in extreme market situations the liquidity of the securities in which a Fund may invest may be temporarily limited. Markets where a Fund's

securities are traded could experience such adverse conditions as to cause exchanges to suspend trading activities. The Investment Managers will however ensure that the overall liquidity of the portfolio is ensured at any time.

Essentially, liquidity risk is a risk that demand and supply of a financial instrument or any other asset is not sufficient to establish a sound market in this instrument or other asset. Accordingly, it may take longer to sell the instrument. The less liquid an instrument, the longer it might take to sell it.

### **Counterparty Risk**

The Company will be subject to the risk of the inability of any counterparty (including the clearing broker) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

### **Operational Risk**

The Company's operations (including investment management, distribution and collateral management) are carried out by several service providers. The Company and/or the Management Company follow a due diligence process in selecting service providers; nevertheless operational risk can occur and have a negative effect on the Company's operations, and it can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

### **Collateral Risk**

Although collateral may be received by a Fund to mitigate the risk of a counterparty default, there is a risk that the collateral received, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate pricing of collateral, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Please also refer to paragraph "Liquidity and Market Characteristics" above in respect of liquidity risk which may be particularly relevant where collateral takes the form of securities.

Where a Fund is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral that the Fund places with the counterparty is higher than the cash or investments received by the Fund.

In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from counterparties, the Funds may encounter difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

As a Fund may reinvest cash collateral it receives, there is a risk that the value on return of the reinvested cash collateral may not be sufficient to cover the amount required to be repaid to the counterparty. In this circumstance the Fund would be required to cover the shortfall.

As collateral will take the form of cash or certain financial instruments, market risk is also relevant.

Collateral received by a Fund may be held either by the Depositary or by a third-party custodian. In either case there may be a risk of loss where such assets are held in custody resulting from events such as the insolvency or negligence of the Depositary or a sub-custodian.

### **Net Asset Value Considerations**

The Net Asset Value per Share is expected to fluctuate over time with the performance of the Company's investments. A Shareholder may not fully recover his/her/its initial investment when he/she/it chooses to redeem his/her/its Shares or upon compulsory redemption if the Net Asset Value per Share at the time of such redemption is less than the subscription price paid by such Shareholder. It should be remembered that the value of the Shares and the income (if any) derived from them can go down as well as up.

### **Currency Exposure**

The Shares may be denominated in different currencies and Shares will be issued and redeemed in those currencies. Certain of the assets of the Company may, however, be invested in securities and other investments which are denominated in other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Company will be subject to foreign exchange risks. The Company may engage in currency hedging but there can be no guarantee that such a strategy will prevent losses. In addition, prospective investors whose assets and liabilities are predominantly in other currencies should take into account the potential risk of loss arising from fluctuations in value between the USD and such other currencies.

### **Potential Conflicts of Interest**

The Investment Manager may effect transactions in which the Investment Manager has, directly or indirectly, an interest which may involve a potential conflict with the Investment Manager duty to the Company. The Investment Manager shall not be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Managers' fees, unless otherwise provided, be abated.

### **Commodity Associated Risks**

The investment in Funds having an exposure to the international commodity and precious metal markets by investing in commodity-index linked derivatives and precious metal-index linked derivatives or by an investment in other transferable securities which performance, yield and/or capital repayment amount is linked to the performance of a commodity or precious metal index. Investments with exposure to commodities and precious metals can involve risks caused by changes in the overall market movements, changes in interest rates, or factors affecting a particular industry, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments.

## **Duplication of fees**

Potential investors should be aware that UCITS and UCIs in which the Company has invested will be subject to management fees and other expenses. As a result, Shareholders may suffer management fees and expenses incurred both at the level of the Company and the Underlying Funds in which the Company invests. There may also be a duplication of subscription and/or redemption fees and/or performance fees.

## **Regulatory Risk**

The Company is domiciled in Luxembourg and Investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, Funds may be registered in non-EU jurisdictions. As a result of such registrations these Funds may be subject to more restrictive regulatory regimes. In such cases these Funds will abide by these more restrictive requirements. This may prevent these Funds from making the fullest possible use of the investment limits.

## **Legal risk**

There is a risk that agreements and financial derivative instruments are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, a Fund may be required to cover any losses incurred.

Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by Luxembourg law, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.

## **Credit Risk**

The ability, or perceived ability, of an issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of the issuer to meet its obligation will decline substantially during the period when a Fund owns securities of that issuer, or that the issuer will default on its obligations. An actual or perceived deterioration in the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities.

If a security has been rated by more than one nationally recognised statistical rating organisation the Fund's Investment Manager may consider the highest rating for the purposes of determining whether the security is investment grade. A Fund will not necessarily dispose of a security held by it if its rating falls below investment grade, although the Fund's Investment Manager will consider whether the security continues to be an appropriate investment for the Fund. Some of the Funds will invest in securities which will not be rated by a nationally recognised statistical rating organisation, but the credit quality will be determined by the Investment Manager.

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the



rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of an investment's volatility and liquidity. Although investment grade investments generally have lower credit risk than investments rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

### **Futures, Options and Forward Transactions Risk**

The Funds may use options, futures and forward contracts on currencies securities, indices, volatility, inflation and interest rates for hedging and investment purposes.

Transactions in futures may carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the Fund. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options may also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by a Fund is fixed, such Fund may sustain a loss well in excess of that amount. A Fund will also be exposed to the risk of the purchaser exercising the option and such Fund will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the Fund holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Forward transactions, in particular those traded over-the-counter, have an increased counterparty risk. If a counterparty defaults, a Fund may not get the expected payment or delivery of assets. This may result in the loss of the unrealised profit.

### **Market and Settlement Risks**

- The securities markets in some countries lack the liquidity, efficiency and regulatory controls of more developed markets.
- Lack of liquidity may adversely affect the ease of disposal of assets. The absence of reliable pricing information in a particular security held by a Fund may make it difficult to assess reliably the market value of assets.
- The share register may not be properly maintained and the ownership or interest may not be (or remain) fully protected.
- Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.
- The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Funds.
- Settlement procedures may be less developed and still be in physical as well as in dematerialised form.

Limitations may exist with respect to the Funds' ability to repatriate investment income, capital or the proceeds from the sale of securities by foreign investors. A Fund can be adversely affected by delays in, or refusal to grant, any required governmental approval for such repatriation.

## **Risks of custody**

The assets of the Company and its Funds shall be held in custody by the Depository and its sub-custodian(s) and/or any other custodians and/or broker-dealers appointed by the Fund. Investors are hereby informed that cash and fiduciary deposits may not be treated as segregated assets and might therefore not be segregated from the relevant Depository, sub-custodian(s), other custodian / third-party bank and/or broker dealer's own assets in the event of the insolvency or the opening of bankruptcy, moratorium, liquidation or reorganization proceedings of the Depository, sub-custodian(s), other custodian / third-party bank or the broker dealer as the case may be. Subject to specific depositor's preferential rights in bankruptcy proceedings set forth by regulation in the jurisdiction of the relevant depository, sub-custodian(s), other custodian / third-party bank, or the broker dealer, the Fund's claim might not be privileged and may only rank pari passu with all other unsecured creditors' claims. The Company and/or its Funds might not be able to recover all of their assets in full.

## **Specific risks linked to securities lending**

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Fund to meet delivery obligations under security sales.

In case of default of a securities borrower, the Securities Lending Agent has the obligation to purchase for the account of the Company replacement securities identical to the loaned securities or to indemnify the Company for the amount equal to the difference between the market value of the loaned securities and the market value of the collateral held against such loaned securities. A default of the Securities Lending Agent may ultimately result in the loss of unpaid securities lending revenues.

## **Sustainability risk**

Sustainability risks means an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Fund's investment.

Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability risks may have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on environmental, social, or governance data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

Consequent impacts to the occurrence of sustainability risks can be many and varied according to a specific risk, region or asset class. Generally, when sustainability risk occurs for an asset, there will be a negative impact and potentially a total loss of its value and therefore an impact on the Net Asset Value of the concerned Fund.

### **Specific risks linked to investments in distressed securities**

Investment in distressed securities (i.e. which have a Standard & Poor's notation below CCC long-term rating or equivalent) may cause additional risks for a Fund. Such securities are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and principal or maintain other terms of the offer documents over any long period of time. They are generally unsecured and may be subordinated to other outstanding securities and creditors of the issuer. Whilst such issues are likely to have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposure to adverse economic conditions. Therefore, a Fund may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Recovery of interest and principal may involve additional cost for the relevant Fund. Under such circumstances, the returns generated from the relevant Fund's investments may not compensate the Shareholders adequately for the risks assumed.

### **Specific risks linked to contingent convertible bonds**

Some convertible securities are issued as so-called contingent convertible bonds (or "coco" bonds), where the conversion of the bond into equity occurs at stated conversion rate if a pre-specified trigger event occurs. This type of convertible became popular following the 2008-2009 financial crisis as a way of triggering conversion of debt to equity in the event of deteriorating financial condition to avoid bankruptcy. As such, issuers of such bonds may tend to be those that are vulnerable to weakness in the financial markets. Because conversion occurs after a specified event, conversion may occur when the share price of the underlying equity is less than when the bond was issued or purchased, resulting in greater potential compared to conventional convertible securities for capital loss.

The investments in contingent convertible bonds may also entail the following risks (non-exhaustive list):

- **Coupon cancellation:** for some contingent convertible bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.
- **Yield:** investors have been drawn to the instruments as a result of the CoCo's often attractive yield which may be viewed as a complexity premium.
- **Valuation and Write-down risks:** the value of contingent convertible bonds may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.
- **Call extension risk:** some contingent convertible bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.
- **Capital structure inversion risk:** contrary to classical capital hierarchy, contingent convertible bonds' investors may suffer a loss of capital when equity holders do not.

- Conversion risk: it might be difficult for the Investment Manager and/or the Investment co-Managers of the relevant Fund to assess how the securities will behave upon conversion. In case of conversion into equity, the Investment Manager and/or the Investment co-Managers might be forced to sell these new equity shares since the investment policy of the relevant Fund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.
- Unknown risk: the structure of contingent convertible bonds is innovative yet untested
- Industry concentration risk: investment in contingent convertible bonds may lead to an increased industry concentration risk as such securities are issued by a limited number of banks.
- Trigger level risk: trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager and/or the Investment co-Managers of the relevant Fund to anticipate the triggering events that would require the debt to convert into equity.
- Liquidity risk: in certain circumstances finding a ready buyer for contingent convertible bonds may be difficult and the seller may have to accept a significant discount to the expected value of the contingent convertible bond in order to sell it.

## APPENDIX II

### VAM MANAGED FUNDS (LUX) – VAM FUND

#### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation. The Fund will invest, in accordance with and subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus, substantially all of its assets in various compartments of VAM Funds (Lux), a Luxembourg undertaking for collective investment qualifying as a UCITS. Not more than 20% of the Fund's net assets will be allocated to a single compartment of VAM Funds (Lux). The current Prospectus and the annual and semi-annual reports of VAM Funds (Lux) are available upon request.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

The Fund may invest in financial derivative instruments only for the purpose of hedging risks.

There can be no assurance that the Fund will achieve its objective.

#### **Performance Comparison**

The Fund pursues an actively managed investment strategy and uses Lipper Global Equity Global for performance comparison. The Investment Manager is not in any way constrained by this comparison in its portfolio positioning and the deviation of the portfolio positioning from the Lipper Global Equity Global may be complete or significant. Lipper Global Equity Global is not a benchmark within the meaning of Article 3 of the Benchmark Regulation.

#### **Investment Manager**

Rivers Capital Management Ltd. ("Rivers") has been appointed as Investment Manager to determine the allocation of the assets of the Fund among the various compartments of VAM Funds (Lux), a Luxembourg UCITS.

Rivers is a limited company formed under the laws of England and Wales. Rivers' principal place of business is at 1027a Garratt Lane, London, SW17 0LN, United Kingdom. The principal activity of Rivers is the provision of investment management services. Rivers is regulated in the United Kingdom by the UK Financial Conduct Authority.

For the avoidance of doubt, Rivers is not acting as promoter or co-promoter of the Fund, the Company or VAM Funds (Lux) and should not be considered to be acting in such capacity by investors in the Fund.

## **Fund Currency**

The reference currency of the Fund is USD.

## **Profile of the typical investor**

The Fund is suitable for investors seeking long-term growth through capital appreciation and who want to participate in the long-term growth of the global economy. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of at least five to seven years, and who seek investment opportunities in global markets.

## **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

## **Business Day**

A day on which banks in Luxembourg, the New York Stock Exchange and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

## **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

## **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

### **Management Fee**

The Management Company will receive from the Fund management fees of:

Class A Shares	up to 1.20% per annum
Class Z Shares	up to 1.20% per annum
Class F Shares	up to 0.45% per annum

calculated on the Net Asset Value of the Fund on the Valuation Day.

These fees will be accrued on each Valuation Day and are payable monthly in arrears.

## VAM MANAGED FUNDS (LUX) – VAM BALANCED FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation through capital growth with some income.

The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments, subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund's direct and/or indirect exposure to equities and similar securities, of issuers worldwide may vary between 40% and 85% and its exposure to fixed income instruments (including sovereign or corporate fixed income instruments of issuers worldwide and of any credit rating as well as convertible instruments) and/or money market instruments may vary between 0% and 60% of the Fund's net assets. The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate, etc.) through the use of eligible transferable securities and/or financial derivative instruments.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

There can be no assurance that the Fund will achieve its objective.

### **Performance Comparison**

The Fund pursues an actively managed investment strategy and uses IA Mixed Investment 40-85% Shares TR for performance comparison. The Investment Manager is not in any way constrained by this comparison in its portfolio positioning and the deviation of the portfolio positioning from the IA Mixed Investment 40-85% Shares TR may be complete or significant. IA Mixed Investment 40-85% Shares TR is not a benchmark within the meaning of Article 3 of the Benchmark Regulation.



## **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London, England, EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

## **Fund Currency**

The reference currency of the Fund is GBP.

## **Profile of the typical investor**

The Fund is suitable for investors seeking long-term growth through capital appreciation. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of at least five to seven years, and who seek balanced investment opportunities in the global markets.

## **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

## **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

### **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM CAUTIOUS FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation through income and moderate capital growth.

The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments, subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund's direct and/or indirect exposure to equities and similar securities, of issuers worldwide may vary between 20% and 60% and its exposure to fixed income instruments (including sovereign or corporate fixed income instruments of issuers worldwide and of any credit rating as well as convertible instruments) and/or money market instruments may vary between 30% and 80% of the Fund's net assets. The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate, etc.) through the use of eligible transferable securities and/or financial derivative instruments.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

There can be no assurance that the Fund will achieve its objective.

### **Performance Comparison**

The Fund pursues an actively managed investment strategy and uses IA Mixed Investment 20-60% Shares TR for performance comparison. The Investment Manager is not in any way constrained by this comparison in its portfolio positioning and the deviation of the portfolio positioning from the IA Mixed Investment 20-60% Shares TR may be complete or significant. IA Mixed Investment 20-60% Shares TR is not a benchmark within the meaning of Article 3 of the Benchmark Regulation.

## **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London, England, EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

## **Fund Currency**

The reference currency of the Fund is GBP.

## **Profile of the typical investor**

The Fund is suitable for investors seeking long-term growth through capital appreciation. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of at least five to seven years, and who seek balanced investment opportunities in the global markets.

## **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

## **Business Day**

A day on which banks in Luxembourg and the LSE are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

### **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM GROWTH FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation through capital growth.

The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments, subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund's direct and/or indirect exposure to equities and similar securities, of issuers worldwide may vary between 0% and 100% and its exposure to fixed income instruments (including sovereign or corporate fixed income instruments of issuers worldwide and of any credit rating as well as convertible instruments) and/or money market instruments may vary between 0% and 100% of the Fund's net assets. The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate, etc.) through the use of eligible transferable securities and/or financial derivative instruments.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

There can be no assurance that the Fund will achieve its objective.

### **Performance Comparison**

The Fund pursues an actively managed investment strategy and uses IA Flexible Investment TR for performance comparison. The Investment Manager is not in any way constrained by this comparison in its portfolio positioning and the deviation of the portfolio positioning from the IA Flexible Investment TR may be complete or significant. IA Flexible Investment TR is not a benchmark within the meaning of Article 3 of the Benchmark Regulation.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London, England, EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term growth through capital appreciation. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of at least five to seven years, and who seek balanced investment opportunities in the global markets.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the LSE are normally open for business. 24 December is not a Business Day.

### **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

### **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

### **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.



## VAM MANAGED FUNDS (LUX) – VAM CONSERVATIVE FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation through capital growth and income.

The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments, subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund's direct and/or indirect exposure to equities and similar securities, of issuers worldwide may vary between 0% and 35% and its exposure to fixed income instruments (including sovereign or corporate fixed income instruments of issuers worldwide and of any credit rating as well as convertible instruments) and/or money market instruments may vary between 40% and 100% of the Fund's net assets. The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund may invest up to 10% in distressed and/or defaulted securities.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

There can be no assurance that the Fund will achieve its objective.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term growth through capital appreciation. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of approximately five years, and who seek conservative investment opportunities in the global markets.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

### **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

### **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

### **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM ADVENTUROUS FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation through capital growth over the long term.

The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments, subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund will invest primarily up to 100% in equity securities of issuers worldwide listed or traded on Recognised Exchanges. The Investment Manager aims to invest in companies with superior business models where the Investment Manager has conviction that management can deliver above expectations or companies whose future prospects do not appear to be fully reflected in the stock market price. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund may invest up to 10% in distressed and/or defaulted securities.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

There can be no assurance that the Fund will achieve its objective.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term capital growth through capital appreciation and income. It is also suitable for investors wishing to diversify their investment portfolios geographically within equities, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of at least five to seven years, and who seek adventurous investment opportunities in the global markets.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

### **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

### **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank business days following the relevant Valuation Day ("contractual settlement").

### **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM DEFENSIVE FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation through capital growth and income.

The Fund will, directly or indirectly, gain exposure to equities and similar securities, fixed income instruments (including convertible instruments) and/or money market instruments, subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

The Fund's direct and/or indirect exposure to equities and similar securities, of issuers worldwide may vary between 20% and 50% and its exposure to fixed income instruments (including sovereign or corporate fixed income instruments of issuers worldwide and of any credit rating as well as convertible instruments) and/or money market instruments may vary between 20% and 80% of the Fund's net assets. The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund may invest up to 10% in distressed and/or defaulted securities.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

There can be no assurance that the Fund will achieve its objective.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term growth through capital appreciation. It is also suitable for investors wishing to diversify their investment portfolios, who are comfortable with and understand the risks of investing in the stock market, who have an investment horizon of at least five years, and who seek defensive investment opportunities in the global markets.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

### **Subscriptions**

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

### **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.



### **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

### **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM TARGET 2025 FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation for investors planning to withdraw substantial portions of their investments in the year 2025 (the “Target Date”) with an actively managed reduction in its risk/return profile over the life of the investment. There can be no assurance that the Fund will achieve its objective.

Subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund's direct and/or indirect exposure to equities and similar instruments may vary between 0% and 100%. The Fund will invest directly in fixed income instruments (including convertible instruments, sovereign or corporate fixed income instruments of issuers worldwide and of all credit ratings as well as convertible instruments) and/or money market instruments.

The Fund's direct and/or indirect exposure to these instruments may vary between 0% and 100% depending on the time left to the Target Date. The Fund's exposure to equity will decline over time, as the Target Date moves closer, and will remain around 18% once the Target Date has been reached.

Additionally, the Fund may invest up to 10% in aggregate in distressed and/or defaulted securities. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund is actively managed to lower its risk over time and be conservatively invested when it reaches its Target Date.

The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund's risk return profile declines over time. The Fund aims to emulate the risk return profile of the VAM Defensive Fund and, as the Target Date moves closer, evolve towards the risk return profile of the VAM Conservative Fund. To achieve this by the Target Date, the Fund will invest primarily in the same underlying holdings as the VAM Defensive and VAM Conservative Funds, with the equity exposure declining over time. Once the Target Date has been reached, the Investment Manager continues to manage the Fund at the most conservative level.

The VAM Target 2025 Fund is actively managed to provide the appropriate investment risk to investors with risk profiles ranging from the VAM Defensive Fund at the higher risk end to the VAM Conservative Fund at the lower risk end.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term capital appreciation and anticipate requiring to withdraw all or a substantial portion of their investment in the year 2025.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

Initial subscriptions in the Fund may be accepted at the discretion of the Board of Directors as of each Valuation Day following the launch of the Fund.

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

After the Target Date, the Fund will be closed to subscriptions received from new investors until further decision of the Board of Directors.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

## **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank business days following the relevant Valuation Day ("contractual settlement").

## **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

## **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be

unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM TARGET 2030 FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation for investors planning to withdraw substantial portions of their investments in the year 2030 (the “Target Date”) with an actively managed reduction in its risk/return profile over the life of the investment. There can be no assurance that the Fund will achieve its objective.

Subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund's direct and/or indirect exposure to equities and similar instruments may vary between 0% and 100%. The Fund will invest directly in fixed income instruments (including convertible instruments, sovereign or corporate fixed income instruments of issuers worldwide and of all credit ratings as well as convertible instruments) and/or money market instruments.

The Fund's direct and/or indirect exposure to these instruments may vary between 0% and 100% depending on the time left to the Target Date. The Fund's exposure to equity will decline over time, as the Target Date moves closer, and will remain around 18% once the Target Date has been reached.

Additionally, the Fund may invest up to 10% in aggregate in distressed and/or defaulted securities. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund is actively managed to lower its risk over time and be conservatively invested when it reaches its Target Date.

The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund's risk return profile declines over time. The Fund aims to emulate the risk return profile of the VAM Balanced Fund and, as the Target Date moves closer, evolve towards the risk return profile of the VAM Conservative Fund. To achieve this by the Target Date, the Fund will invest primarily in the same underlying holdings as the VAM Balanced, VAM Defensive and VAM Conservative Funds, with the equity exposure declining over time. Once the Target Date has been reached, the Investment Manager continues to manage the Fund at the most conservative level.

The VAM Target 2030 Fund is actively managed to provide the appropriate investment risk to investors with risk profiles ranging from the VAM Balanced Fund at the higher risk end to the VAM Conservative Fund at the lower risk end.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term capital appreciation and anticipate requiring to withdraw all or a substantial portion of their investment in the year 2030.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

Initial subscriptions in the Fund may be accepted at the discretion of the Board of Directors as of each Valuation Day following the launch of the Fund.

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day.

After the Target Date, the Fund will be closed to subscriptions received from new investors until further decision of the Board of Directors.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

## **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

## **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

## **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be



unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM TARGET 2035 FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation for investors planning to withdraw substantial portions of their investments in the year 2035 (the “Target Date”) with an actively managed reduction in its risk/return profile over the life of the investment. There can be no assurance that the Fund will achieve its objective.

Subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund's direct and/or indirect exposure to equities and similar instruments may vary between 0% and 100%. The Fund will invest directly in fixed income instruments (including convertible instruments, sovereign or corporate fixed income instruments of issuers worldwide and of all credit ratings as well as convertible instruments) and/or money market instruments.

The Fund's direct and/or indirect exposure to these instruments may vary between 0% and 100% depending on the time left to the Target Date. The Fund's exposure to equity will decline over time, as the Target Date moves closer, and will remain around 18% once the Target Date has been reached.

Additionally, the Fund may invest up to 10% in aggregate in distressed and/or defaulted securities. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund is actively managed to lower its risk over time and be conservatively invested when it reaches its Target Date.

The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund's risk return profile declines over time. The Fund aims to emulate the risk return profile of the VAM Growth Fund and, as the Target Date moves closer, evolve towards the risk return profile of the VAM Conservative Fund. To achieve this by the Target Date, the Fund will invest primarily in the same underlying holdings as the VAM Growth, VAM Balanced, VAM Defensive and VAM Conservative Funds, with the equity exposure declining over time. Once the Target Date has been reached, the Investment Manager continues to manage the Fund at the most conservative level.

The VAM Target 2035 Fund is actively managed to provide the appropriate investment risk to investors with risk profiles ranging from the VAM Growth Fund at the higher risk end to the VAM Conservative Fund at the lower risk end.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term capital appreciation and anticipate requiring to withdraw all or a substantial portion of their investment in the year 2035.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

Initial subscriptions in the Fund may be accepted at the discretion of the Board of Directors as of each Valuation Day following the launch of the Fund

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day. After the Target Date, the Fund will be closed to subscriptions received from new investors until further decision of the Board of Directors.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

## **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

## **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

## **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in

Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.

## VAM MANAGED FUNDS (LUX) – VAM TARGET 2040 FUND

### **Investment Objective and Policy**

The objective of the Fund is to provide long-term capital appreciation for investors planning to withdraw substantial portions of their investments in the year 2040 (the “Target Date”) with an actively managed reduction in its risk/return profile over the life of the investment. There can be no assurance that the Fund will achieve its objective.

Subject to the investment restrictions set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund's direct and/or indirect exposure to equities and similar instruments may vary between 0% and 100%. The Fund will invest directly in fixed income instruments (including convertible instruments, sovereign or corporate fixed income instruments of issuers worldwide and of all credit ratings as well as convertible instruments) and/or money market instruments.

The Fund's direct and/or indirect exposure to these instruments may vary between 0% and 100% depending on the time left to the Target Date. The Fund's exposure to equity will decline over time, as the Target Date moves closer, and will remain around 18% once the Target Date has been reached.

Additionally, the Fund may invest up to 10% in aggregate in distressed and/or defaulted securities. Investments in contingent convertible securities are limited to 20% of the Fund's net assets.

The Fund is actively managed to lower its risk over time and be conservatively invested when it reaches its Target Date.

The Investment Manager decides on the weightings between equity and fixed income strategies based on its analysis of long-term returns and risk, and the efficient frontier (the optimal mix of risk and return) of asset class combinations. Depending on market conditions, the Fund's assets may be concentrated in a single asset class, a single or reduced number of countries, a single economic sector and/or a single currency.

The Fund's risk return profile declines over time. The Fund aims to emulate the risk return profile of the VAM Adventurous Fund and, as the Target Date moves closer, evolve towards the risk return profile of the VAM Conservative Fund. To achieve this by the Target Date, the Fund will invest primarily in the same underlying holdings as the VAM Adventurous, VAM Growth, VAM Balanced, VAM Defensive and VAM Conservative Funds, with the equity exposure declining over time. Once the Target Date has been reached, the Investment Manager continues to manage the Fund at the most conservative level.

The VAM Target 2040 Fund is actively managed to provide the appropriate investment risk to investors with risk profiles ranging from the VAM Adventurous Fund at the higher risk end to the VAM Conservative Fund at the lower risk end.

The Fund may, for investment purposes and/or hedging risks, invest in financial derivative instruments.

The Fund may gain exposure to assets worldwide without any restriction in relation to the currency of denomination of the assets to which exposure is obtained.

On an ancillary basis, the Fund may gain exposure to alternative asset classes (such as commodities, real estate through closed-ended REITs and listed equities of companies engaging in property renting activities, etc.) through the use of eligible transferable securities.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also hold ancillary liquid assets for treasury purposes.

Subject to the limits set out in section 1.3 "Investment Restrictions" of the Prospectus, the Fund may also invest in short-term fixed income instruments, bank deposits, money market instruments and money market funds in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. For defensive purposes, the Fund may invest up to 100% of its net assets in these instruments on a temporary basis.

### **Investment Manager**

Atomos Investments Limited ("Atomos") has been appointed as Investment Manager to determine the allocation of the assets and responsible for ongoing management of the assets of the Fund.

Atomos is a private limited company incorporated and organised under the laws of England and Wales having its main place of business at 24 Monument Street, London EC3R 8AJ, United Kingdom. The Investment Manager is authorised and regulated in the United Kingdom by the UK Financial Conduct Authority since 2001. The principal activities of Atomos are the provision of investment management and advisory services including the management of multi-asset risk rated portfolios for retail clients, intermediaries and institutions.

The Investment Manager shall be remunerated directly by the Management Company.

### **Fund Currency**

The reference currency of the Fund is GBP.

### **Profile of the typical investor**

The Fund is suitable for investors seeking long-term capital appreciation and anticipate requiring to withdraw all or a substantial portion of their investment in the year 2040.

### **Valuation Day**

The Net Asset Value per Share of each Class shall be determined as of each Business Day (a "Valuation Day").

### **Business Day**

A day on which banks in Luxembourg and the London Stock Exchange (the "LSE") are normally open for business. 24 December is not a Business Day.

## **Subscriptions**

Initial subscriptions in the Fund may be accepted at the discretion of the Board of Directors as of each Valuation Day following the launch of the Fund

The Directors may in their discretion accept Subsequent Subscriptions as of each Valuation Day. After the Target Date, the Fund will be closed to subscriptions received from new investors until further decision of the Board of Directors.

## **Prior Notice for Subscriptions**

For any subscription received by the Administrator prior to 11 a.m. Central European Time ("CET") on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day will be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any subscription received by the Administrator after 11 a.m. on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

## **Payment of Subscription Price**

The full Subscription Price, including any applicable subscription charge, must be received in immediately available funds by the Depositary or its agent no later than the Business Day prior to the applicable Valuation Day ("cash upfront"). Subscriptions for which the Subscription Price is not received on the Business Day prior to the applicable Valuation Day will automatically be dealt with on the Valuation Day following receipt of available funds.

The Board of Directors may, in its absolute discretion, decide to authorise certain investors to pay the Subscription Price within three Luxembourg bank Business Days following the relevant Valuation Day ("contractual settlement").

## **Redemptions**

Each Shareholder may apply for the redemption of all or part of his/her/its Shares or of a fixed amount as of each Valuation Day at the Net Asset Value per Share determined as at such Valuation Day. If the value of a Shareholder's holding on the relevant Valuation Day is less than the specified Minimum Holding Amount, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

## **Prior Notice for Redemptions**

For any request for redemption received by the Administrator by 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value calculated on that Valuation Day shall be applicable. At the time of placement of the order by the investor, the Net Asset Value per Share will thus be unknown ("forward pricing"). At the level of the sales agencies or intermediaries, whether in



Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Administrator. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries.

For any request for redemption received by the Administrator after 11 a.m. CET on the Business Day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.

### **Payment of Redemption Proceeds**

Redemption proceeds, net of any applicable redemption charge and any cash transfer charges, will be paid as soon as reasonably practicable and normally within five Business Days after the relevant Valuation Day.

### **Redemption Charge**

No redemption charge will be levied.