

# **TREA SICAV**

*Société d'Investissement à Capital Variable*  
Luxembourg

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**Sub-Fund “3G Credit Opportunities”**  
**Sub- Fund “Select European Equities”**  
**Sub- Fund “Trea Iberian Equities”**

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## INTRODUCTION

**TREA SICAV** (the “Fund”) is an open-ended investment company organized under the laws of the Grand Duchy of Luxembourg as a “*Société d’Investissement à Capital Variable*”.

The Fund is offering shares (the “Shares”) of one or several separate sub-funds (individually a “Sub-Fund”, collectively the “Sub-Funds”) on the basis of the information contained in this prospectus (the “Prospectus”) and in the documents referred to herein. No person is authorised to give any information nor to make any representations concerning the Fund other than as contained in the Prospectus and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in the Prospectus shall be solely at the risk of the purchaser. Neither the delivery of the Prospectus nor the offer, sale or issue of Shares shall under any circumstances constitute a representation that the information given in the Prospectus is correct as at any time subsequent to the date hereof. An Addendum or updated Prospectus shall be provided, if necessary, to reflect material changes to the information contained herein.

The distribution of the Prospectus is not authorised unless it is accompanied by the most recent annual and semi-annual reports of the Fund, if any. Such report or reports are deemed to be an integral part of the Prospectus.

The Shares to be issued hereunder may be of several different classes which relate to several separate Sub-Funds of the Fund. For each Sub-Fund, the board of directors of the Fund (the “Board of Directors”) may decide at any time to issue different classes of Shares (individually a “Class”, collectively the “Classes”) whose assets will be invested jointly according to the Sub-Fund’s specific investment policy, but with specific features applicable to each Class of Shares. Shares of the different Sub-Funds may be issued, redeemed and converted at prices computed on the basis of the net asset value (the “Net Asset Value”) per Share of the relevant Class or Sub-Fund, as defined in the Articles of Incorporation of the Fund (the “Articles”).

In accordance with the Articles, the Board of Directors may issue Shares in each Sub-Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objectives applicable to the relevant Sub-Fund. As a result, the Fund is an “umbrella fund” enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which Sub-Fund best suits their specific risk and return expectations as well as their diversification needs.

The Fund currently offers the following Sub-Funds:

- TREA SICAV – 3G Credit Opportunities (“3G Credit Opportunities”)
- TREA SICAV – Select European Equities (“Select European Equities”)
- TREA SICAV – Trea Iberian Equities (“Trea Iberian Equities”)

The Board of Directors may, at any time, create additional Sub-Funds, whose investment objectives may differ from those of the Sub-Funds then existing. Upon creation of new Sub-Funds, the Prospectus will be updated accordingly. The same applies in case of creation of Classes of Shares.

The distribution of the Prospectus and the offering of the Shares may be restricted in certain jurisdictions. The Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or where the person making the offer or solicitation is not qualified to do so or where a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of the

Prospectus and of any person wishing to apply for Shares to inform himself or herself of and to observe all applicable laws and regulations of relevant jurisdictions.

The Board of Directors has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein, whether of fact or opinion. The Board of Directors accepts responsibility accordingly.

**Luxembourg** - The Fund is registered pursuant to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (the "Law of 2010"). However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus or the assets held in the various Sub-Funds. Any representations to the contrary are unauthorised and unlawful.

**European Union ("EU")** - The Fund is an Undertaking for Collective Investment in Transferable Securities ("UCITS") for the purposes of Directive 2009/65/EC of the European Parliament and of the Council (the "UCITS Directive"), and the Board of Directors of the Fund proposes to market the Shares in accordance with the UCITS Directive in certain Member States of the EU.

**United States of America ("USA")** - The Shares have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"); they may therefore not be publicly offered or sold in the USA, or in any of its territories subject to its jurisdiction or to or for the benefit of a U.S. Person as such expression is defined by Article 10 of the Articles and hereinafter.

The Shares are not being offered in the USA, and may be so offered only pursuant to an exemption from registration under the 1933 Act, and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Fund been registered under the Investment Company Act of 1940, as amended (the "1940 Act"). No transfer or sale of the Shares shall be made unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such state securities laws and would not result in the Fund becoming subject to registration or regulation under the 1940 Act. Shares may furthermore not be sold or held either directly by nor to the benefit of, among others, a citizen or resident of the USA, a partnership organized or existing in any state, territory or possession of the USA or other areas subject to its jurisdiction, an estate or trust the income of which is subject to United States federal income tax regardless of its source, or any corporation or other entity organized under the laws of or existing in the USA or any state, territory or possession thereof or other areas subject to its jurisdiction (a "U.S. Person"). All purchasers must certify that the beneficial owner of such Shares is not a U.S. Person and is purchasing such Shares for its own account, for investment purposes only and not with a view towards resale thereof.

The Articles give powers to the Board of Directors of the Fund to impose such restrictions as they may think necessary for the purpose of ensuring that no Shares in the Fund are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the opinion of the Board of Directors might result in the Fund incurring any liability or taxation or suffering any other disadvantage which the Fund may not otherwise have incurred or suffered and, in particular, by any U.S. Person as referred to above. The Fund may compulsorily redeem all Shares held by any such person.

## **FOREIGN ACCOUNT TAX COMPLIANCE ACT (« FATCA »)**

The Foreign Account Tax Compliance Act (**FATCA**), which forms part of the US Hiring Incentives to Restore Employment (HIRE) Act, was enacted in the US in 2010 and took effect on 1 July 2014. The Act requires that foreign financial institutions (**FFIs**), that is financial institutions established outside of the US, report information on financial accounts held by specified US persons or non-US entities with one or more controlling person that is a specified US person (together referred to as "**US reportable accounts**") to the US tax authorities (Internal Revenue Service, **IRS**) every year. A withholding tax of 30% is also levied on revenue from a US source paid to FFIs that do not comply with the requirements of FATCA ("**non participating FFIs**").

On 28 March 2014, the Grand Duchy of Luxembourg signed an intergovernmental agreement with the US ("**Luxembourg IGA**"). Funds that are considered FFIs are required to comply with the Luxembourg IGA as introduced into national law following its ratification rather than comply directly with the FATCA regulations as issued by the US government.

Pursuant to the Luxembourg IGA, funds are required to collect specific information identifying their investors and all intermediaries (nominees) acting on behalf of such investors. Funds will be required to report information they have about US reportable accounts and non-participating FFIs to the Luxembourg tax authorities, which will in turn relay that information automatically to the IRS.

Funds must comply with the provisions of the Luxembourg IGA as introduced into national law following its ratification in order to be considered compliant with FATCA and to be exempt from the 30% withholding tax levied on US investments, whether real or considered as such. To guarantee such compliance, the fund or any authorised agent may

- a. seek information or additional documentation, including US tax forms (Forms W-8 / W-9) and a GIIN (Global Intermediary Identification Number), where necessary, or any other documentary evidence of the identification of a shareholder, intermediary, or their respective status pursuant to FATCA, and
- b. prohibit the sale or transfer of units/shares to specified US persons, non-participating FFIs and passive non-financial foreign entities (**passive NFFEs**) with one or more substantial US Owners.

The Fund may also, by decision of its board of directors,

- c. report information specifically related to a shareholder and its account to the Luxembourg tax authorities if it is considered a US reportable account pursuant to the Luxembourg IGA, or if the account is believed to be held by a non-participating FFI pursuant to FATCA, and
- d. where required, arrange for the deduction of US withholding tax applicable to payments made to certain shareholders, in accordance with FATCA.

The Fund's compliance with the Luxembourg IGA, as it may be introduced into national law following its ratification, can only be guaranteed if units/shares that are not directly recorded in the Register of Members by end-investors are recorded through an intermediary that is considered a participating FFI or considered as such pursuant to a ratified IGA, a registered deemed compliant FFI, a non registering local bank or a restricted distributor, acting as nominee. Thus the Fund prohibits the sale or transfer of its units/shares to specified US persons, non-participating FFIs and passive NFFEs with one or more substantial US owners.

All distributors and intermediaries, acting in accordance with FATCA, undertake to notify the Fund in the event of a change in their status pursuant to the FATCA within 90 calendar days following this change in status. All unitholders must immediately inform the Fund should their status change and they are no longer eligible as outlined above.

Distributors who are not recognised as nominees within the meaning of FATCA shall have their distribution contract terminated in advance within 90 calendar days following the date on which the distributor issued

notification of its change of status to the fund. The Fund shall buy back, recover directly in its register, or transfer to another nominee the units/shares issued through this distributor within six months following the date on which the change in status of the latter occurred.

Moreover, the units/shares issued directly by the Fund must be bought back or transferred by the fund itself rather than sold by investors on the secondary market.

The board of directors has the power to enforce the buyback of units/shares in accordance with these provisions.

Notions and terms related to FATCA should be interpreted and understood with reference to the definitions of the Luxembourg IGA and the texts ratifying this agreement under national law, and solely on a secondary basis according to the provisions of the FATCA Final Regulations issued by the US government ([www.irs.gov](http://www.irs.gov)).

The Fund may be required as part of its compliance with the FATCA to disclose to the US tax authorities via the Luxembourg tax authorities personal information related to specified US persons, non-participating foreign financial institutions (FFIs), and passive non-financial foreign entities (NFFE) with one or more controlling person that is a specified US person.

In the event of doubt concerning their status under FATCA or the implications of FATCA or the IGA in terms of their personal situation, investors are recommended to consult their financial, legal or tax advisor before subscribing for units/shares in the Fund.

The value of the Shares may fall as well as rise and a shareholder on transfer or redemption of Shares may not get back the amount he or she initially invested. Income from the Shares may fluctuate in money terms and changes in rates of exchange may cause the value of Shares to go up or down. The levels and basis of, and reliefs from, taxation may change. There can be no assurance that the investment objectives of the Fund will be achieved.

Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, conversion, redemption or disposal of the Shares of the Fund.

All references in the Prospectus to “USD” are to the legal currency of the United States of America.

All references in the Prospectus to “EUR” are to the legal currency of the European Union Member States participating to the Economic Monetary Union.

All references in the Prospectus to “Business Day” refer to any full day on which banks are open for business in Luxembourg City.

### **Data protection**

In accordance with the provisions of the data protection laws applicable to the Grand-Duchy of Luxembourg, as well as the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, effective since 25 May 2018, (“Data Protection Laws”), the Fund, acting as data controller, collects, stores and processes, by electronic or other means, the data supplied by Investors for the purpose of fulfilling the services required by the Investors and complying with its legal and regulatory obligations. The data processed includes in particular the name, contact details (including postal or email address), banking details, commitment and/or invested amount of

each Investor (or, when the Investor is a legal person, of its contact person(s) and/or beneficial owner(s)) (“Personal Data”).

The Investor may at his/her/its discretion refuse to communicate Personal Data to the Fund. In this case, however, the Fund may reject a subscription request.

In accordance with the conditions laid down by the Data Protection Laws, each Investor has a right to:

- access his/her/its Personal Data;
- ask for his/her/its Personal Data to be rectified where it is inaccurate or incomplete;
- object to the processing of his/her/its Personal Data;
- ask for erasure of his/her/its Personal Data;
- ask for data portability.

Each Investor may exercise the above rights by writing to the Fund at its registered office.

The Investor also acknowledges the existence of his/her/its right to lodge a complaint with a data protection supervisory authority.

Personal Data supplied by Investors is processed, in particular, for the purposes of processing subscriptions, redemptions and conversions of Shares and payments of distributions to Investors, account administration, client relationship management, tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to CRS/FATCA) and compliance with applicable anti-money laundering rules. Personal Data supplied by Investors is also processed for the purpose of maintaining the register of shareholders of the Fund. In addition, Personal Data may be processed for the purposes of marketing. Each Investor has the right to object to the use of his/her/its Personal Data for marketing purposes by writing to the Fund at its registered office.

For such purposes, Personal Data may be transferred to affiliated and third-party entities supporting the activities of the Fund which include, in particular, the Management Company, the Investment Manager, the the Depository, the Domciliary and Corporate Agent, the Administrative Agent, the Paying Agent, the Registrar and Transfer Agent, the Auditor, legal advisors and/or any other agents of the Fund, all acting as data processors (“Data Processors”).

The Data Processors are located in the European Union. The Fund may also transfer Personal Data to third-parties such as governmental or regulatory agencies, including tax authorities, in or outside the European Union, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

Personal Data will not be retained for a period longer than necessary for the purpose of the data processing, subject to applicable legal minimum retention periods as provided by laws.

***Shares of the various Sub-Funds must be subscribed solely on the basis of the information contained in the Prospectus and the Key Investor Information Document (“KIID”). The KIID is a pre-contractual document that contains key information for investors. It includes appropriate information about the essential characteristics of each Class of a particular Sub-Fund.***

***If you are considering subscribing for Shares, you should first read the KIID carefully together with the Prospectus and its appendices, which include in particular information on the various Sub-Funds’ investment policies, and you should also consult the Fund’s last published annual and semi-annual reports, copies of which are available from the following internet sites <http://funds.degroofpetercam.lu/> and [www.fundsquare.net](http://www.fundsquare.net), from local agents, if any, or from the***

*entities marketing the Shares, and may be obtained upon request, free of charge, at the Fund's registered office.*

## DIRECTORY

### Board of Directors:

#### *Chairman*

*Mr. Juan Pablo Tusquets Trias de Bes, Managing Director, TREA ASSET MANAGEMENT, S.G.I.I.C. , S.A. , Barcelona*

Mr. Ramón Cardil Bautista, COO, TREA ASSET MANAGEMENT, S.G.I.I.C. ,S.A.

Mr. Joaquin Fernandez Domenech, Chief Accounting Officer, TREA ASSET MANAGEMENT, S.G.I.I.C., S.A.

#### Registered Office:

12, rue Eugène Ruppert, L-2453 Luxembourg

#### Management Company:

Degroof Petercam Asset Services S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

#### Investment Manager:

TREA ASSET MANAGEMENT, S.G.I.I.C. , S.A.  
Calle Serrano, N° 66, 5ª Planta – 28001 Madrid (Spain)

#### Global Distributor :

TREA ASSET MANAGEMENT, S.G.I.I.C. , S.A.  
Calle Serrano, N° 66, 5ª Planta – 28001 Madrid (Spain)

#### Depositary:

Banque Degroof Petercam Luxembourg S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

#### Domiciliary and Corporate Agent, Administrative Agent, Paying Agent, Registrar and Transfer Agent:

Banque Degroof Petercam Luxembourg S.A.  
12, rue Eugène Ruppert, L-2453 Luxembourg

#### Auditors:

KPMG Luxembourg Société Coopérative  
39 Avenue John F. Kennedy, L-1855 Luxembourg



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## **PART A: FUND INFORMATION**

### **INVESTMENT OBJECTIVES, POLICIES, TECHNIQUES AND INVESTMENT RESTRICTIONS**

#### **I. INVESTMENT OBJECTIVES AND POLICIES**

The investment objective of the Fund is to manage the assets of each Sub-Fund for the benefit of their shareholders within the limits set forth under chapter II "Investment Restrictions" herein. In order to achieve the investment objective, the assets of the Fund will be invested in transferable securities or other eligible assets permitted by law.

Each Sub-Fund may (a) use financial derivative instruments for investment and/or hedging purposes, and (b) exploit the techniques and instruments relating to transferable securities and money market instruments for the purpose of efficient portfolio management, under the conditions and within the limits laid down by law, regulation and administrative practice, as well as under chapters II "Investment Restrictions" and III "Techniques and instruments relating to transferable securities and money market instruments" herein.

Each Sub-Fund shall ensure that its global exposure relating to financial derivative instruments does not exceed the total net value of its portfolio. Global exposure is a measure designed to limit the leverage generated by each Sub-Fund through the use of financial derivative instruments. In order to calculate global exposure, each Sub-Fund will use the commitment approach, thereby aggregating the market value of the equivalent position of underlying assets.

When using the commitment approach the maximum leverage generated by the use of financial derivative instruments will be of 100%

The investments within each Sub-Fund are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that the investment objective(s) of each Sub-Fund will be achieved.

The investment policies and structure applicable to the various Sub-Funds and Classes created by the Board of Directors are described hereinafter in Part B of the Prospectus. If further Sub-Funds and Classes are created, the Prospectus will be updated accordingly.

#### **II. INVESTMENT RESTRICTIONS**

The Board of Directors shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments of each Sub-Fund, the reference currency of each Sub-Fund and the course of conduct of the management and business affairs of the Fund.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund in Part B of the Prospectus, the investment policy shall comply with the rules and restrictions laid down hereafter.

The following concepts are defined hereafter:

<b>Group of Companies</b>	Companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules
<b>Member State</b>	A member state of the European Union
<b>Money Market Instruments</b>	Instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time
<b>Other Regulated Market</b>	Market which is regulated, operates regularly and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency; (iii) which is recognized by a state or by a public authority which has been delegated by that state or by another entity which is recognized by that state or by that public authority such as a professional association; and (iv) on which the securities dealt are accessible to the public
<b>Other State</b>	Any State of Europe which is not a Member State, and any State of America, Africa, Asia, Australia and Oceania
<b>Reference Currency</b>	Currency denomination of the relevant Class or Sub-Fund
<b>Regulated Market</b>	A regulated market as defined in Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments ("Directive 2004/39/EC"), namely a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with nondiscretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of Title III of said Directive

<b>Regulatory Authority</b>	The <i>Commission de Surveillance du Secteur Financier</i> or its successor in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg
<b>Rule 144A Securities</b>	Rule 144A Securities are US securities transferable via a private placement regime (i.e. without registration with the Securities and Exchange Commission), to which a “registration right” registered under the Securities Act may be attached, such registration rights providing for an exchange right into equivalent Debt Securities or into equity shares. The selling of such Rule 144A Securities is restricted to Qualified Institutional Buyers (as defined by the Securities Act, Itself below defined).
<b>Security Act</b>	Refers to the US Securities Act of 1933, as may be amended from time to time.
<b>Transferable Securities</b>	<ul style="list-style-type: none"> <li>- Shares and other securities equivalent to shares;</li> <li>- bonds and other debt instruments;</li> <li>- any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchanges, with the exclusion of techniques and instruments</li> </ul>
<b>UCI</b>	Undertaking for collective investment
<b>A. Investments in the Sub-Funds may consist solely of:</b>	
(1)	Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;
(2)	Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
(3)	Transferable Securities and Money Market Instruments admitted to official listing or dealt in on an Other Regulated Market in an Other State;
(4)	recently issued Transferable Securities and Money Market Instruments, provided that: <ul style="list-style-type: none"> <li>- the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market or on an Other Regulated Market as described under (1)-(3) above; and</li> <li>- such admission is secured within one year of issue.</li> </ul>
(5)	units of UCITS authorised according to Directive 2009/65/EC and/or other UCIs within the meaning of Article 1, paragraph (2) of Directive 2009/65/EC, whether situated in a Member State or in an Other State, provided that: <ul style="list-style-type: none"> <li>- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in Community law, and</li> </ul>

- that cooperation between authorities is sufficiently ensured; UCIs that have been authorised under the laws of any Member State, of any member state of the Organization for Economic Cooperation and Development or under the laws of Hong Kong, Guernsey, Jersey, the Isle of Man, Liechtenstein and Singapore are deemed to be subject to equivalent supervision. Such list is however subject to change from time to time;
- the level of protection for unit holders in such other UCIs is equivalent to that provided for unit holders 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;
  - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and
  - 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 of other UCITS or other UCIs.
- (6) 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 an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in Community law;
- (7) financial derivative instruments, i.e., in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
- (i) - the underlying consists of instruments covered by this section A, financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest according to its investment objectives;
  - the counterparties to OTC derivative transactions are credit institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and
  - 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 Fund's initiative.
- (ii) under no circumstances shall these operations cause the Fund to diverge from its investment objectives;
- (8) Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue 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 Other 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 Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above; or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by Community law; or
  - issued by other bodies belonging to the categories approved by the Regulatory 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 (10,000,000 EUR) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.
- (9) Rule 144A Securities, which can be invested into by some Sub-funds under the conditions that:
- such securities are either admitted to official listing on a Regulated Market or are dealt in on an Other Regulated Market which operates regularly and is recognised and open to the public;
  - such securities respect Point 17 of “CESR’s Guidelines concerning eligible assets for investment by UCITS”, dated March 2007.

Investment in Rule 144A Securities, which would not comply with any of the above conditions, shall, together with the transferable securities eligible under section B(1) of Section II. “Investment Restrictions” of this Prospectus, not exceed 10% of the Sub-fund’s net asset value.

**B. Each Sub-Fund may however:**

- (1) Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under A (1) through (4) and (8);
- (2) Hold cash and cash equivalents on an ancillary basis;

Notwithstanding the above provision and if justified by exceptional market conditions, the Sub-Funds may invest up to 100% of their net assets in cash and cash equivalents, term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, monetary UCITS and UCIs, provided that sufficient diversification (duration, counterparty, ...) is ensured. In general terms, the Sub-Funds will then comply with the investment restrictions and the principle of risk spreading set forth under this chapter. There is no restriction as to the currency of these securities and instruments. Term deposits and liquid assets may not exceed 49% of the Sub-Funds’ net assets; term deposits and liquid assets held by any counterparty including the Depositary may not exceed 20% of the Sub-Funds’ net assets.

- (3) Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction;
- (4) Acquire foreign currency by means of a back-to-back loan.

**C. In addition, the Fund shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per issuer:**

**(a) Risk Diversification rules**

For the purpose of calculating the restrictions described under (1) to (5) and (7) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (6) to (8) and (11) to (13) hereunder.

• ***Transferable Securities and Money Market Instruments***

- (1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:
  - (i) upon such purchase more than 10% of its net assets would consist of Transferable Securities and Money Market Instruments of one single issuer; or
  - (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- (2) A Sub-Fund may invest on a cumulative basis up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.
- (3) The limit of 10% set forth above under (1)(i) may be increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).
- (4) The limit of 10% set forth above under (1)(i) may be increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its net assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund.
- (5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).

**Notwithstanding the ceilings set forth above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and**

**Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other Member State of the Organization for Economic Cooperation and Development ("OECD") or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the net assets of such Sub-Fund.**

(6) Without prejudice to the limits set forth hereunder under (b), the limits set forth in (1) may be raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognized by the Regulatory Authority, on the following basis:

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

The limit of 20% may be raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

(7) A Sub-Fund may not invest more than 20% of its assets in deposits made with the same body.

- ***Derivative Instruments***

(8) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in A (6) above or 5% of its net assets in other cases.

(9) Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (7), (8), (12) and (13). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in (1) to (5), (7), (8), (12) and (13).

(10) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of (A) (7) (ii) and (D) (1) above as well as with the risk exposure and information requirements laid down in the Prospectus.

- ***Units of Open-Ended Funds***

(11) No Sub-Fund may invest more than 20% of its assets in the units of a single UCITS or other UCI.

For the purpose of the application of this limit, each compartment of a UCITS or 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.

Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of the relevant Sub-Fund.

When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management



company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

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

- **Combined limits**

(12) Notwithstanding the individual limits laid down in (1), (7) and (8) above, a Sub-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.

(13) The limits set out in (1), (3), (4), (7), (8) and (12) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with (1), (3), (4), (7), (8) and (12) above may not exceed a total of 35% of the net assets of the Fund.

**(b) Limitations on Control**

(14) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Fund to exercise a significant influence over the management of the issuer.

(15) The Fund may not acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or units of any one UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above under (14) and (15) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);

- shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under C, items (1) to (5), (7), (8) and (11) to (15); and
- shares in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

**D. In addition, the Fund shall comply in respect of its net assets with the following investment restrictions per instrument:**

- (1) Each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

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

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

**E. Finally, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:**

- (1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof.
- (2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (3) No Sub-Fund may use its assets to underwrite any securities.
- (4) No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.
- (5) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A, items (5), (6) and (7).
- (6) The Fund may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A, items (5), (6) and (7).

**F. Notwithstanding anything to the contrary herein contained:**

- (1) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to securities in such Sub-Fund's portfolio.
- (2) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its shareholders.

While ensuring observance of the principle of risk spreading, the Fund may derogate to the limits set forth above for a period of 6 months following the date of its authorisation.

The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Fund are offered or sold.

## **G. Financial Derivative Instruments**

As specified in A (7) above, the Fund may in respect of each Sub-Fund invest in financial derivative instruments, including but not limited to financial futures contracts, options (on equities, interest rates, indices, bonds, currencies, commodity indices or other instruments), forward contracts (including foreign exchange contracts), swaps (including total return swaps, foreign exchange swaps, commodity index swaps, interest rate swaps, and swaps on baskets of equities), credit derivatives (including credit default derivatives, credit default swaps and credit spread derivatives), warrants and structured financial derivative instruments such as credit-linked and equity linked securities, contracts for differences (CFDs) and any other derivative instruments traded over the counter. No geographical or other restriction applies to the selection of the assets underlying these financial derivative instruments, provided the underlying assets are instruments that are consistent with the relevant Sub-Fund's investment policy, such as transferable securities, interest rates, forward exchange rates, currencies and financial indices (in accordance with Article 50(1) g) of Directive 2009/65/EC and Article 9 of European Directive 2007/16/EC).

In this respect, a Sub-Fund may, for example, use CFDs to obtain synthetic short purchase or sale positions, in order to exploit with more efficiency the long term trends by including companies adversely impacted or to hedge out undesired factor exposures such as cyclical, seasonality, interest rate risk and other specific factor risks.

CFDs are over-the-counter financial contracts that provide exposure to fluctuations (positive or negative depending on the direction of the transaction) in different asset classes without having to own or borrow the underlying financial instruments. These contracts provide that the seller will pay the buyer the difference between the actual value of the asset and the value of the asset at the time the contract is concluded. CFDs do not require that the relevant asset be bought or delivered, but simply allow the amount of the asset's change in price to be collected or paid. These transactions are an arbitrage technique that enables the Sub-Fund to reduce its exposure to market risk or to specific sector-based risk. The risk generated by one or more exposures to a fall in the price of securities should not be viewed in isolation but in consideration of the overall portfolio and the Sub-Fund's long positions in similar securities. Therefore, the risk associated with a sale of securities in this context is not absolute, but should be seen as a relative risk.

**Each Sub-Fund may invest in financial derivative instruments for hedging purposes. Moreover, and unless stated otherwise in the relevant investment policy in "Part B: Specific Information", the use of financial derivative instruments may be an integral part of any Sub-Fund's investment policy.**

Investment in financial derivative instruments will be done within the limits laid down in restriction C. (9) to (11) above. The use of financial derivative instruments may not cause the Fund to stray from the investment objectives of each Sub-Fund as set out in "Part B: Specific Information".

### **III. TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS**

Save as otherwise described in the investment policy of any Sub-Fund under the related section “Investment Restrictions” in Part B of the Prospectus, the Fund may employ the techniques and instruments available in the context of securities investments for the purpose of efficient asset management such as securities lending and borrowing, repurchase agreements, reverse repurchase agreements and “réméré” transactions, under the conditions and within the limits laid down by the law, regulation, the administrative practice, and in accordance with the CSSF Circular 14/592 relating to the Guidelines of the European Securities and Markets Authority (ESMA) on ETFs and other UCITS issues (ESMA/2014/937) and as described hereafter.

The net exposure (i.e. the exposures of the Fund less the collateral received by the Fund) to a counterparty arising from securities lending and borrowing, sale with right of repurchase and/or reverse repurchase and repurchase transactions must be taken into account in the 20% limit provided for in article 43/2 of the Law of 2010 pursuant to point 2 of Box 27 of ESMA Guidelines 10-788. The Fund may take into account a guarantee conforming to the requirements set out under section C below in order to reduce the counterparty risk in securities lending and borrowing, in sale with right of repurchase and/or reverse repurchase and repurchase transactions.

All the revenues arising from the techniques and instruments transactions net of direct and indirect operational costs/fees will be returned to the relevant Sub-Fund.

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

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

#### **A. Securities lending and borrowing**

Each Sub-Fund may enter into securities lending and borrowing transactions subject to the following restrictions:

- Each Sub-Fund may only lend securities through a standardised lending system organised by a recognised clearing institution or through a financial institution that are subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those prescribed by Community law and specialised in this type of transactions.
- Each borrower must also be subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those prescribed by Community law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending agreement.
- As the Sub-Funds are open-ended, each Sub-Fund must be in a position to terminate outstanding “réméré” transactions, repurchase or reverse repurchase agreements and to recall securities purchases and sold in such conditions out at all times. Should this not be the case, each Sub-Fund must ensure that securities lending transactions will be maintained at a level such that it is, at all times, able to meet its obligations to redeem Shares.

- Each Sub-Fund must receive, previously or simultaneously to the transfer of securities lent, a guarantee which complies with the requirements expressed under section C below. At maturity of the securities lending transaction, the guarantee will be remitted simultaneously or subsequently to the restitution of the securities lent.
- Each Sub-Fund may borrow securities only under the following specific circumstances in connection with the settlement of a sale transaction: (a) during a period over which the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; and (c) to avoid a failed settlement when the Depository fails to make delivery.

**B. Repurchase agreements, reverse repurchase agreements and “réméré” transactions**

- Each Sub-Fund may enter into “réméré” transactions which consist in the purchase and sale of securities with a clause reserving the seller the right to repurchase from the buyer the securities sold at a price and term specified by the two parties in a contract.
- Each Sub-Fund may enter into repurchase agreements or reverse repurchase agreements which consist in the purchase and sale of securities with a simultaneous agreement to repurchase from the buyer the securities sold at a price and term specified by the two parties in a contract.
- Each Sub-Fund may act either as buyer or seller in “réméré” transactions, repurchase agreements or reverse repurchase agreements.
- Each Sub-Fund may only enter into “réméré” transactions, repurchase agreements or reverse repurchase agreements with financial institutions subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those prescribed by Community law.
- Securities which are delivered to each Sub-Fund under a “réméré” transaction, a repurchase agreement or a reverse repurchase agreement may belong to any of the following categories of eligible assets:
  - Short-term bank certificates or Money Market Instruments as set forth under chapter II A. (1) to (4) and (8) hereabove, or
  - Bonds issued and/or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings of a community, regional or worldwide nature, or
  - Bonds issued by non-governmental issuers offering an adequate liquidity, or
  - Shares or units of other money-market UCIs, provided that their net asset value is calculated daily and that such investment funds have a triple-A rating or any other form of rating considered as equivalent, or
  - Equities admitted to official listing or negotiated on a Regulated Market of a Member State of the European Union or on a stock exchange of a Member State of the OECD on the conditions that these equities are included in a main index.
- During the life of a “réméré” transaction, a repurchase agreement or a reverse repurchase agreement, and where the Sub-Fund acts as a buyer, it may not sell or pledge/give as guarantee the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the term of the contract has expired.

- As the Sub-Funds are open-ended, each Sub-Fund must ensure that the value of purchased securities subject to a repurchase obligation or under a “réméré” transaction will be maintained at a level such that it is, at all times, able to meet its obligations to redeem Shares.
- Securities which are delivered to each Sub-Fund under a “réméré” transaction, a repurchase agreement or a reverse repurchase agreement must belong to one of the categories of assets eligible for investment by each Sub-Fund as per chapter II A above and Part B of the Prospectus. When complying with the investment restrictions defined under chapter II C above, each Sub-Fund will take into consideration securities held directly or through “réméré” transactions, repurchase agreements or reverse repurchase agreements.

### **C. Collateral management**

As part of securities lending transactions or when entering into “réméré” transactions or repurchase agreements and reverse repurchase agreements, each Sub-Fund must receive collateral, the value of which must be at least equal to the aggregate of the value of securities lent and of the counterparties’ risk exposure.

In accordance with the ESMA’s Guidelines for competent authorities and UCITS management companies (ESMA/2014/937), collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the Fund’s net asset value. When the Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Fund 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. The Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund’s net asset value.

The collateral must be blocked in favour of the Fund and must be given in the form of either:

- (a) Cash, other acceptable forms of liquid assets and Money Market Instruments as set forth under chapter II A. (1) to (4) and (8) above, or
- (b) bonds issued and/or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings of a community, regional or worldwide nature, or
- (c) bonds issued or guaranteed by first-class issuers offering an adequate liquidity, or
- (d) equities admitted to official listing or negotiated on a Regulated Market of a Member State of the European Union, Switzerland, Canada, Japan or the United States and which are included in a main index, or
- (e) shares or units of other money-market UCIs, provided that their net asset value is calculated daily and that such investment funds have a triple-A rating or any other form of rating considered as equivalent, or
- (f) shares or units of other UCITS, provided that such investment funds invest primarily in instruments listed under (c) and (d) above.

The Fund reserves the right to re-invest the collateral received in the form of cash in any of the following assets:

- (a) short-term bank deposits, or
- (b) Money Market Instruments as set forth under chapter II A. (1) to (4) and (8) above, or
- (c) Short-term bonds issued and/or guaranteed by a Member State of the European Union, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature, or
- (d) Bonds issued or guaranteed by first-class issuers offering an adequate liquidity, or
- (e) Reverse repurchase agreement transactions as described above, or
- (f) Shares or units of other money-market UCIs, provided that their net asset value is calculated daily and that such investment funds have a triple-A rating or any other form of rating considered as equivalent.

For the avoidance of doubt, both cash and non-cash collateral received will not be sold, pledged or reinvested.

#### **D. Haircut Policy and Stress Test policy**

- a) Shall the SICAV enter into any of the afore-mentioned efficient portfolio management techniques, the SICAV will apply its haircut policy in respect of each class of assets received as collateral in respect of the SICAV / Sub-Fund(s). Any such haircut policy will take into account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The haircut is a percentage deducted from the market value of the securities received as collateral. It aims to reduce the risk of loss when the borrower defaults.
- b) In the event that the SICAV (or any of its Sub-Fund(s)) receives collateral for at least 30% of the net assets, a stress testing policy may be implemented to ensure that regular stress tests are carried out under normal and exceptional liquidity conditions in order to allow it to assess the liquidity risk attached to the relevant collateral.
- c) Points a) and b) hereinabove will also be applicable to any collateral received by the SICAV (or any of its Sub-Fund(s)) within the framework of operations relating to financial derivative instruments dealt in over-the-counter (within the meaning and purpose of this document).
- d) The following haircuts are applied by the SICAV (the SICAV reserves the right to vary this policy at any time in which case this Prospectus will be updated accordingly):

<b>Asset class</b>	<b>Minimum rating accepted</b>	<b>Haircut</b>	<b>Maximum by issuer</b>
1. cash and other acceptable forms of liquid assets	/	100%-110%	20%
2. securities issued and/or guaranteed by a member state of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature	AA-	100%-110%	20 %
3. interest-bearing securities and convertible bonds, provided that such instruments are issued or guaranteed by first class institutions and are sufficiently liquid	AA-	100%-110%	20%
4. equities admitted to official listing on a stock exchange of a member state of the European Union, Switzerland, Canada, Japan or the United States	/	100%-110%	20%
5. shares or units of other UCITS or UCIs, provided that such investment funds invest in money-market instruments and liquid assets, and have a triple-A rating or any other form of rating considered as equivalent,	UCITS - AAA	100%-110%	<u>20%</u>
6. shares or units of other UCITS or UCIs, provided that such investment funds invest primarily in instruments listed under (3) and (4) hereabove	/	100%-110%	20%



## **RISK FACTORS**

**Investing in the Fund and its Sub-Funds involves risks, including in particular those associated to market fluctuations and the risks inherent in any investment in financial assets. Investments may also be affected by changes to the rules and regulations governing exchange controls or taxation, including withholding tax, or by changes to economic and monetary policies.**

**No guarantee can be given that the Fund's and Sub-Funds' objectives will be achieved and that investors will recover the amount of their initial investment.**

**Past performance is not an indicator for future results or performance.**

The conditions and limits laid down in sections II and III above are intended however to ensure a certain portfolio diversification so as to reduce such risks.

The Sub-Funds are exposed to various risks, depending on their respective investment policies. The main risks to which Sub-Funds may be exposed are listed below.

### **Equity risk**

The risks associated with investments in equity (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's shares to its bonds. Moreover, these fluctuations are often amplified in the short term.

### **Credit risk**

This is the risk that may derive from the rating downgrade or the default of a bond issuer to which the Sub-Funds are exposed, which may therefore cause the value of the investments to go down. Such risks relate to the ability of an issuer to honor its debts.

Downgrades of an issue or issuer rating may lead to a drop in the value of bonds in which the Sub-Funds have invested.

Some strategies utilized may be based on bonds issued by issuers with a high credit risk (junk bonds).

Sub-Funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

### **Interest rate risk**

The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

The investor's attention is drawn to the fact that an increase in interest rates results in a decrease in the value of investments in bonds and debt instruments.

### **Liquidity Risk**

There is a risk that investments made by the Sub-Funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), if their "rating"

declines or if the economic situation deteriorates; consequently, it may not be possible to sell or buy these investments quickly enough to prevent or minimize a loss in these sub-funds.

### **Inflation Risk**

Over time, yields of investments may not keep pace with inflation, leading to a reduction of investor's purchasing power.

### **Taxation Risk**

The value of an investment may be affected by the application of tax laws in various countries, including withholding tax, changes in government, economic or monetary policy in the countries concerned. As such, no guarantee can be given that the financial objectives will actually be achieved.

### **Counterparty Risk**

This risk relates to the quality or the default of the counterparty with which the Management Company negotiates, in particular involving payment for/delivery of financial instruments and the signing of agreements involving forward financial instruments. This risk is associated with the ability of the counterparty to fulfil its commitments (for example: payment, delivery and reimbursement). This risk also relates to efficient portfolio management techniques and instruments. If counterparty does not live up to its contractual obligations, it may affect investor returns.

### **Warrant Risk**

The investor's attention is drawn to the fact that warrants are complex, volatile, high-risk instruments: the risk of a total loss of the invested capital is great. In addition, one of the principal characteristics of warrants is the "leverage effect", which is seen in the fact that a change in the value of the underlying asset can have a disproportionate effect on the value of the warrant. Finally, there is no guarantee that, in the event of an illiquid market, it will be possible to sell the warrant on a secondary market.

### **Operational & Custody Risk**

Some markets (emerging markets) are less regulated than most of the developed countries regulated markets; hence, the services related to custody and liquidation for the funds on such markets could be more risky. Operational risk is the risk of contract on financial markets, the risk of back office operations, custody of securities, as well as administrative problems that could cause a loss to the sub funds. This risk could also result from omissions and inefficient securities processing procedures, computer systems or human errors.

### **Legal infrastructure**

Sovereign and corporate laws in many emerging market countries are in their early stages. As the legal infrastructure in these countries develop, certain new laws might have a negative impact on the value of an investment which cannot be foreseen at the time the investment is made. This could adversely affect the performance of the Sub-Fund.

### **Currency risk**

A Sub-Fund may hold assets denominated in currencies other than its reference currency. It may be affected by changes in exchange rates between the reference currency and these other currencies or by

changes to exchange control regulations. If the currency in which an asset is denominated appreciates against the Sub-Fund's reference currency, the security's equivalent value in the reference currency will also appreciate. Conversely, a depreciation in the currency will result in a fall in the security's equivalent value in the reference currency.

Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations.

When the Management Company is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

### **Emerging & New Frontiers Markets Risk**

Investors' attention is drawn to the fact that the manner in which the markets of certain emerging and less developed countries operate and are supervised may differ from the standards that prevail in the major international markets.

Sub-funds investing in emerging and new frontiers markets are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions (social, political and economic conditions). In addition, some emerging markets offer less security than the majority of international developed markets and certain markets are not currently considered to be regulated markets. For this reason, services for portfolio transactions, liquidation and conservation on behalf of funds invested in emerging markets may carry greater risk.

The Fund and investors agree to bear these risks.

### **Low Interest Rate Consequence**

A very low level of interest rates may affect the return on short term assets held by monetary funds which may not be sufficient to cover management and operating costs leading to there a structural decrease of the net asset value of the Sub-Fund.

### **Small Cap, Specialised or Restricted Sectors Risk**

Sub-funds investing in small caps or specialised or restricted sectors are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions.

Smaller companies may find themselves unable to generate new funds to support their growth and development, they may lack vision in management, or they may develop products for new, uncertain markets.

The Fund and investors agree to bear these risks.

### **Derivatives Risk**

In order to hedge (hedging derivative investments strategy) and/or to leverage the yield of the Sub-Fund (trading derivative investment strategy), the Sub-Fund is allowed to use derivative investments' techniques and instruments in the context of a Sub-Fund's overall investment policy and under the circumstances set forth in Section II and III of Part A of the prospectus (in particular, warrants on securities, agreements

regarding the exchange of securities, rates, currencies, inflation, volatility and other financial derivative instruments, contracts for difference [CFDs], credit default swaps [CDSs], futures and options on securities, rates or futures).

The investor's attention is drawn to the fact that these financial derivative instruments include leveraging. Because of this, the volatility of these Sub-Funds is increased.

#### **Risk related to efficient portfolio management techniques**

Efficient portfolio management techniques, such as securities lending, repurchase and reverse repurchase transactions, and particularly with respect to the quality of the collateral received / reinvested, may lead to several risks such as liquidity risk, counterparty risk, issuer risk, valuation risk and settlement risk, which can have an impact on the performance of the Sub-Fund concerned.

#### **Risk related to investments in other UCITS and UCIs**

Such investments expose a Sub-Fund to the risks related to financial instruments held by any such UCI / UCITS in their portfolios. However certain risks are directly linked to the holding of units/shares of UCI / UCITS. Some UCI / UCITS may be leveraged either by using financial derivatives instruments or through borrowing. Use of leverage increases the volatility of the value of such UCI / UCITS and thus the risk of losing capital. Investments made in units or shares of any such UCI / UCITS may also entail a higher liquidity risk than a direct investment in a portfolio of transferable securities. To the contrary, investments made in units or shares of any such UCI / UCITS gives a Sub-Fund a flexible and efficient way to access to several professional management styles and also gives a certain diversification of its investments.

A Sub-Fund mainly investing through UCI / UCITS will ensure that its portfolio of UCI / UCITS shows proper liquidity profile so that it can in turn face its own liquidity duty. The way such target UCI / UCITS are selected will take into account the liquidity profile of such UCI / UCITS and any given Sub-Fund mainly investing in open-ended UCI / UCITS will ensure that such target UCI / UCITS have a liquidity profile to that of the Sub-Fund.

If the Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

It should be noted that the investment in other UCITS and/or other UCIs may entail a duplication of certain fees and expenses. The aggregated management fees (including investment management and performance fees) charged both to the Sub-Fund and to the other UCITS and/or other UCIs may normally not exceed 5%.

#### **Market disruptions**

The Sub-Fund may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. Sudden restrictions of credit by the dealer community have resulted in forced liquidations and major losses for a number of investment funds and other vehicles. Due to a cause-and-effect relationship, investment funds and other vehicles have suffered heavy losses although they were not necessarily heavily invested in credit-related investments.

A financial exchange may periodically suspend or limit trading, rendering it difficult or impossible for the Sub-Fund to liquidate affected positions and thereby expose the Sub-Fund to losses. There is also no assurance that OTC markets will remain liquid enough for the Sub-Fund to close out positions.

### **Non-convertibility or Non-transferability of currency**

At the time of remittance of income and capital gains, there is no certainty that there will be liquidity. Also, local authorities might impose certain exchange control measures which might fully or partially affect convertibility of the local currency into the base currency of the Sub-Fund. The Sub-Fund may be invested in debt securities issued by companies or other entities denominated in currencies other than the local currency of the country in which these issuers are based or conduct business. There is the possibility that the sovereign government may prevent these issuers from converting local currency into foreign currency or transferring foreign currency off-shore for the payment of interest or principal on their liabilities, which could adversely affect the performance of the Sub-Fund.

### **Redemption risk and restrictions**

Substantial redemptions of Shares could require the Sub-Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the trading performance of the Sub-Fund and even cause the liquidation of the Sub-Fund. In these and other exceptional circumstances the Board of Directors and/or its delegates may impose restrictions on the redemption of Shares as further described herein.

In certain situations, restrictions on the redemption of Shares in the Sub-Fund may be imposed as a result of which shareholders may not receive their redemption proceeds until after the sale of sufficient investments to meet those redemption requests, or may not be permitted to redeem their shareholding until a later time.

### **Registration risk**

In some emerging market countries, evidence of legal title to shares is maintained in “book-entry” form only. The role of the registrar in such custodial and registration processes is crucial and there are higher risks associated with such form of registration. It is possible for the Sub-Fund to lose its registration through fraud, negligence or mere oversight on the part of the registrar without any effective recourse. If the company's register were to be destroyed or mutilated, the Sub-Fund's holding of the shares of the company could be substantially impaired, or in certain cases, deleted. Insurance for such eventualities is not common. Furthermore, the registrar or the relevant company could wilfully refuse to recognise the Sub-Fund as the registered holder of shares previously purchased by, or in respect of, the Sub-Fund due to the destruction of the company's register.

### **Reliability of credit ratings**

The Sub-Fund may, in accordance with its investment policy, be permitted to invest in securities/investments having a range of credit ratings, or none at all. For rated securities, some of these will be investment grade, while others could be considered more speculative. Credit ratings may, however, not be an accurate or reliable measure of the strength or weakness of the securities/investments being invested in. Where such credit ratings prove inaccurate or unreliable losses may be incurred by the Sub-Fund which has invested in such securities/investments.

### **Valuation risk**

The Board of Directors, the Management Company and/or the Investment Manager may be consulted with respect to the valuation of certain investments. There is an inherent conflict of interest between the

involvement of these entities in determining the valuation price of the Sub-Fund's investments and their other duties and responsibilities in relation to the Sub-Fund.

### **Conflicts of interest**

The Board of Directors, the Management Company and/or the Investment Manager and their delegates and/or affiliates are engaged in a broad spectrum of activities. In the ordinary course of their businesses, these entities may engage in activities where their interests or the interests of their clients conflict with the interests of the Sub-Fund. In the event of a conflict of interest arising, the relevant entity will ensure that it is resolved fairly in the best interests of the shareholders and that investment opportunities shall be fairly allocated to their respective clients.

### **Commodity Market Risk:**

Commodity markets may experience significant, sudden price variations that have a direct effect on the valuation of shares and securities that equate to the shares in which a sub-fund may invest and/or indices that a Sub-Fund may be exposed to.

Moreover, the underlying assets may evolve in a markedly different way from traditional securities markets (equity markets, bond markets etc.)

### **Risk linked to Structured Debts:**

Structured debts and securitisation involve following risks: credit risk, default risk and downgrading risk (on the different underlying asset tranches), liquidity risk.

Mortgage and Other Asset Back Securities (MBS / ABS)

The yield characteristics of ABS / MBS differ from traditional debt securities.

A major difference is that the principal amount of the obligation generally may be prepaid at any time because the underlying assets generally may be prepaid at any time. As a result, if an ABS / MBS is purchased at a premium, a prepayment rate that is faster than expected will reduce yield to maturity, while a prepayment rate that is slower than expected will have the opposite effect of increasing yield to maturity. Conversely, if an ABS / MBS is purchased at a discount, faster than expected prepayments will increase, while slower than expected prepayments will decrease, yield to maturity.

Generally, pre-payments on fixed-rate mortgage loans will increase during a period of falling interest rates and decrease during a period of rising interest rates. ABS / MBS may also decrease in value as a result of increases in interest rates and, because of prepayments, may benefit less than other fixed income securities from declining interest rates. Reinvestment of prepayments may occur at lower interest rates than the original investment, thus adversely affecting a Sub-Fund's yield. Actual prepayment experience may cause the yield of ABS / MBS to differ from what was assumed when the Fund purchased the security.

The market for privately issued ABS / MBS is smaller and less liquid than the market for U.S. government ABS / MBS.

In addition, the term ABS also covers securities which are not resulting from securitisation activities, such as securities which are secured by assets, but whose cash flows do not necessarily derive from the cash flows of the underlying assets.

### **Concentration risk**

Sub-Funds which invest in a concentrated portfolio may be subject to greater volatility than those Sub-Funds with a more diversified portfolio.

### **Risk related to investments in convertible bonds**

A convertible bond generally entitles the holder to receive interest paid or accrued on bond or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible bonds generally have characteristics similar to both debt and equity securities. The value of convertible bonds tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible bonds are usually subordinated to comparable nonconvertible bonds. Convertible bonds generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible bonds may be affected by any dividend changes or other changes in the underlying securities.

### **Total Return Swaps**

Accordingly, it is intended that the risk of loss with respect to total return swaps is limited to the net the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments. If the other party to a total return swap defaults, in normal circumstances the Sub-fund 's risk of loss consists of the net amount of interest or total return payments that the Sub-fund is contractually entitled to receive.

The use of total return swaps is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Manager is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Sub-fund would be less favourable than it would have been if this investment technique was not used.

### **Risks associated with investment in Rule 144A Securities**

Rule 144A Securities are US securities transferable via a private placement regime (i.e. without registration with the Securities and Exchange Commission), to which a "registration right" registered under the Securities Act may be attached, such registration rights providing for an exchange right into equivalent Debt Securities or into equity shares.

Rule 144A Securities are not registered with the Securities and Exchange Commission (SEC). These securities are considered as recently issued transferable securities and are only deemed for investment by Qualified Institutional Buyers (as defined in the 1933 Act).

### **Risk related to investments in (contingent) convertible bonds**

A convertible bond generally entitles the holder to receive interest paid or accrued on bond or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible bonds generally have characteristics similar to both debt and equity securities. The value of convertible bonds tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible bonds are usually subordinated to comparable nonconvertible bonds. Convertible bonds

generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible bonds may be affected by any dividend changes or other changes in the underlying securities.

Investment in contingent convertible bonds may result in material losses to the Fund based on certain trigger events. The existence of these trigger events creates a different type of risk from traditional bonds and may more likely result in a partial or total loss of value or alternatively they may be converted into shares of the issuing company which may also have suffered a loss in value. Such trigger events may include a reduction in the issuers' capital ratio, determination by a regulator or the injection of capital by a national authority. Investors should be aware that in the event of a financial crisis that action by regulators or the companies themselves may cause concentrations of these trigger events across the Fund.

Some contingent convertible bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual contingent convertible bonds will be called on call date. Some contingent convertible bonds are a form of permanent capital. The investor may not receive return of principal if expected on call date or indeed at any date.

### **Global financial market crisis and governmental intervention risk**

The global financial markets have been and continue to be undergoing pervasive and fundamental disruptions and dramatic instability. The extent to which the underlying causes of instability are pervasive throughout global financial markets and have the potential to cause further instability is not clear. However, these underlying causes have led to extensive and unprecedented governmental and regulatory intervention which has, in certain cases, been implemented on an "emergency" basis without much or any notice with the consequences, clarity of scope and application, resulting in confusion and uncertainty. This has been and could continue to be materially detrimental to the efficient functioning of the financial markets as well as previously successful investment strategies, including the one employed by the Sub-Fund. It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the ability of the Sub-Fund to implement its investment objectives/investment policy. There is the likelihood that increased regulation of the global financial markets could be materially detrimental to the performance of the Sub-Fund.

**The aforementioned information is not exhaustive. It is not intended to, and does not, constitute legal advice. If in doubt, potential investors should read the Prospectus carefully and consult their own professional adviser(s) as to the implications of subscribing for or otherwise dealing in the Shares.**



## MANAGEMENT COMPANY

The Fund is managed by the Board of Directors which has the overall responsibility for the management and administration of the Fund, its Sub-Funds and Classes, for authorising the establishment of Sub-Funds and Classes, and for setting and monitoring their investment policies and restrictions.

For the implementation of the investment policy of each Sub-Fund and the management of their assets, the administration and the marketing of the Fund, the Board of Directors has appointed a management company established under the Chapter 15 of the Law of 2010, Degroof Petercam Asset Services S.A. (the "Management Company"). For this purpose, the Fund and the Management Company have entered into a Collective Portfolio Management Agreement.

The Management Company is a company incorporated in Luxembourg as a société anonyme on 20 December 2004. Its corporate capital amounts to EUR 2 million. Its registered office is at 12, rue Eugène Ruppert, L-2453 Luxembourg. The main purpose of the Management Company is the management of UCITS and other UCIs including the investment management, the administration and the marketing of UCITS and other UCIs.

For the purpose of a more efficient conduct of its duties, the Management Company may delegate to third parties, on its behalf and under its responsibility, the power to carry out one or more of its functions. If one or more of the Management Company's functions are so delegated, it will be specified in Part B of the Prospectus.

Its management board is composed as follows:

- Mrs. Sandra Reiser,
- Mr. Frank Van Eylen,
- Mr. Jérôme Castagne.

Its supervisory board is composed as follows:

- Mr. John Pauly,
- Mr. Hugo Lasat,
- Mr. Jean-Michel Gelhay,
- Mr. Bruno Houdmont,
- Mr. Pascal Nyckees,
- Mr. Frédéric Wagner.

## THE SHARES

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

The Fund may issue Shares of different Classes reflecting the various Sub-Funds which the Board of Directors may decide to open. Within a Sub-Fund, Classes of Shares may be defined from time to time by the Board of Directors so as to correspond to (i) a specific distribution policy, such as entitling to distributions or not entitling to distributions, and/or (ii) a specific sales and redemption charge structure, and/or (iii) a specific management or advisory fee structure, and/or (iv) a specific distribution fee structure, and/or (v) specific types of investors entitled to subscribe the relevant Classes of Shares, and/or (vi) a specific currency, and/or (vii) any other specific features applicable to one Class.

The availability of such Classes of Shares in each Sub-Fund shall be disclosed in Part B of the Prospectus for each Sub-Fund individually.

Shares in any Sub-Fund may be issued on a registered or bearer dematerialized basis at the request of the shareholders, provided however that the Board of Directors may decide in relation to one or several Sub-Fund(s) to issue only registered Shares. This will be indicated in the specific information concerning the relevant Sub-Fund(s) contained in Part B of the Prospectus.

The inscription of the shareholder's name in the register of shareholders evidences his or her right of ownership of such registered Shares.

Unless a Share certificate is requested, a holder of registered Shares shall receive a written confirmation of his or her shareholding.

A holder of bearer dematerialized Shares will have its Shares deposited on a securities account in the name of its beneficiary.

A holder of bearer dematerialized Shares requesting the exchange of his or her Shares for registered Shares or a holder of registered Shares requesting the exchange of his or her registered Shares for bearer dematerialized Shares shall bear the costs for such exchange.

All Shares must be fully paid-up; they are of no par value and carry no preferential or pre-emptive rights. Each Share of the Fund to whatever Sub-Fund it belongs is entitled to one vote at any general meeting of shareholders, in compliance with Luxembourg law and the Articles.

Fractional registered Shares may be issued to one thousandth of a Share, and such fractional Shares shall not be entitled to vote but shall be entitled to a participation in the net results and in the proceeds of liquidation attributable to the Shares in the relevant Sub-Fund on a pro rata basis.

If the Shares of a Sub-Fund are listed on the Luxembourg Stock Exchange, it will be specified in Part B of the Prospectus.

## PROCEDURE FOR SUBSCRIPTION, CONVERSION AND REDEMPTION

### Subscription of Shares

After the Initial Subscription Period of a Class of Shares, if any, of a Sub-Fund (as defined in Part B of the Prospectus), the subscription price per Share in the relevant Class of Shares or Sub-Fund (the "Subscription Price") is the total of the Net Asset Value per Share and the sales charge, if any, as stated in Part B of the Prospectus. The Subscription Price is available for inspection at the registered office of the Fund.

Subscriptions in any Class of Shares or in any Sub-Fund may be subject to a minimum investment amount and/or a minimum holding requirement as stated in Part B of the Prospectus, as the case may be.

Investors whose applications are accepted will be allotted Shares issued on the basis of the Net Asset Value per Share determined as of the Valuation Day (as defined in this Part A in the section "Determination of the Net Asset Value" sub 1) "Calculation and Publication") following receipt of the subscription form provided that such application is received by the Fund within the relevant time limit as stated in Part B of the Prospectus. Applications received by the Fund after the relevant time limit will be dealt with on the following Valuation Day.

Investors may be required to complete a purchase application for Shares or other documentation satisfactory to the Fund, indicating that the purchaser is not a U.S. Person or nominee thereof. Subscription forms containing such representation are available from the Fund.

Payments for Shares will be made in the Reference Currency of the relevant Class of Shares or Sub-Fund.

Payments for subscriptions must be made within the time limits set out for each Sub-Fund in Part B of the Prospectus.

The Fund may agree to issue Shares as consideration for a contribution in kind of securities or other permitted assets, in compliance with the conditions set forth by Luxembourg law, in particular the obligation for the Auditors of the Fund to deliver a valuation report and provided that such securities comply with the investment policy and restrictions of the relevant Sub-Fund. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant shareholders.

The Fund reserves the right to reject any application in whole or in part, in which case subscription monies paid, or the balance thereof, as appropriate, will be returned to the applicant (without interest) as soon as practicable or to suspend at any time and without prior notice the issue of Shares in one, several or all of the Sub-Funds.

Certificates or written confirmations of shareholding (as appropriate) will be sent to shareholders.

No Shares in any Sub-Fund will be issued during any period when the calculation of the Net Asset Value per Share in such Sub-Fund is suspended by the Fund, pursuant to the powers reserved to it by Article 12 of the Articles.

In the case of suspension of dealings in Shares, the application will be dealt with on the first Valuation Day following the end of such suspension period.

## Money Laundering Prevention

In order to contribute to the fight against money laundering and terrorist financing, the Fund will at all times comply with any obligations imposed by any applicable laws, rules, regulations and circulars with respect to the prevention of money laundering and terrorist financing obliging investors to prove their identity to the Fund. Subscriptions will be considered valid and acceptable by the Fund only if the subscription form is sent together with:

- in the case of natural persons, a copy of an identification document (passport or identity card), or
- in the case of corporate entities, a copy of the corporate documents (articles of incorporation and a recent extract from the trade register, authorised signatures list, list of shareholders holding directly or indirectly more than 25% of the share capital or the voting rights of the investor, directors' list, ...) and a copy of the identification documents (passport or identity card) of the beneficiaries and of the persons authorised to give instructions to the Registrar and Transfer Agent.

Such documents must be duly certified by a public authority (public notary, police, consulate, embassy) of the country of residence.

Such obligation is absolute, unless

- the subscription form is sent (i) by a financial intermediary residing in any of the Member States of the European Union, the European Economic Area or any other country which impose equivalent requirements to those laid down by the Law of 12 November 2004 on the fight against money laundering and terrorist financing as amended, or (ii) by a branch or a subsidiary of financial intermediaries located in another country, if the parent company of this branch or subsidiary is located in any of these countries and if both the legislation of these countries and the parent company internal rules impose the application of rules relating to anti-money laundering and terrorist financing to this branch or subsidiary;

- the subscription form is sent directly to the Fund and the subscription is paid by:
  - a wire transfer from a financial intermediary residing in any of these countries,
  - a cheque drawn on the subscriber's personal account in a bank residing in one of these countries or a bank cheque issued by a bank residing in one of these countries.

However, the Board of Directors must obtain from its distributors, financial intermediaries or directly from the subscriber, at first demand, a copy of the identification documents as indicated above.

Before accepting a subscription, the Fund may undertake additional investigations in accordance with national and international rules in force concerning anti-money laundering and terrorist financing.

## Conversion of Shares

Shareholders have the right, subject to the provisions hereinafter specified, to convert Shares from one Sub-Fund for Shares of another Sub-Fund and to convert Shares of a given Class of Shares to Shares of the same Class of Shares of another Sub-Fund (if applicable). The Board of Directors may refuse to accept a conversion application if it is detrimental to the interests of the Fund, the Sub-Funds and the Classes of Shares concerned or the relevant shareholders.

The rate at which Shares of any Class of Shares or Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Classes of Shares or Sub-Funds, calculated as of the Valuation Day following receipt of the documents referred to below.

Conversions of Shares in any Class of Shares or Sub-Fund may be subject to a fee based on the respective Net Asset Value of the relevant Shares as stated in Part B of the Prospectus, as the case may be. However, this amount may be increased if the subscription fee applied to the original Class of Shares or Sub-Fund was less than the subscription fee applied to the Class of Shares or Sub-Fund in which the Shares will be converted. In such cases, the conversion fee may not exceed the amount of the difference between the subscription rate applied to the Class of Shares or Sub-Fund in which the Shares will be converted and the subscription rate applied to the initial subscription. This amount will be payable to the sales agents.

Shares may be tendered for conversion on any Valuation Day.

All terms and notices regarding the redemption of Shares shall equally apply to the conversion of Shares.

No conversion of Shares will be effected until a duly completed request for conversion of Shares has been received at the registered office of the Fund from the shareholder.

Fractions of registered Shares will be issued on conversion to one thousandth of a Share.

Certificates or written confirmations of shareholding (as appropriate) will be sent to shareholders together with the balance resulting from such conversion, if any.

In converting Shares of a Class of Shares or Sub-Fund for Shares of the same Class of Shares of another Sub-Fund or of another Sub-Fund, a shareholder must meet the applicable minimum initial investment requirements imposed by the acquired Sub-Fund, if any.

If, as a result of any request for conversion, the investment held by any shareholder in a Class of Shares or Sub-Fund would fall below the minimum amount, if any, indicated in Part B of the Prospectus in the section "Minimum Investment" under the specific information for each Sub-Fund, the Fund may treat such request as a request to convert the entire shareholding of such shareholder.

Shares in any Class of Shares or Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share in the relevant Classes of Shares or Sub-Funds is suspended by the Fund pursuant to Article 12 of the Articles.

In the case of suspension of dealings in Shares, the request for conversion will be dealt with on the first Valuation Day following the end of such suspension period.

### **Redemption of Shares**

Each shareholder of the Fund may at any time request the Fund to redeem on any Valuation Day all or any of the Shares held by such shareholder in any of the Classes of Shares or Sub-Funds.

Shareholders desiring to have all or any of their Shares redeemed should apply in writing to the registered office of the Fund.

Redemption requests should contain the following information (if applicable): the identity and address of the shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Class of Shares or Sub-Fund, whether the Shares are issued with or without a Share certificate, the name in which such Shares are registered and details as to whom payment should be made. Share certificates in proper form (if any) and all necessary documents to complete the redemption should be enclosed with such request.

Shareholders have to take due care and bear responsibility that the certificates of the Shares to be redeemed are received in proper form at the registered office of the Fund.

Shareholders whose requests for redemption are accepted will have their Shares redeemed on any Valuation Day provided that the requests have been received by the Fund within the relevant time limit as stated in Part B of the Prospectus. Requests received by the Fund after the relevant time limit will be dealt with on the following Valuation Day.

Shares will be redeemed at a price based on the Net Asset Value per Share in the relevant Class of Shares or Sub-Fund determined on the first Valuation Day following receipt and acceptance of the redemption request, potentially decreased by a redemption fee, as stated in Part B of the Prospectus, as the case may be.

The redemption price shall be paid within the time limits set out for each Sub-Fund in Part B of the Prospectus.

Payment will be made by transfer bank order to an account indicated by the shareholder, at such shareholder's expense and risk.

Payment of the redemption price will be made in the Reference Currency of the relevant Class of Shares or Sub-Fund.

The redemption price may be higher or lower than the price paid at the time of subscription or purchase.

Shares in any Class of Shares or Sub-Fund will not be redeemed if the calculation of the Net Asset Value per Share in such Class of Shares or Sub-Fund is suspended by the Fund pursuant to Article 12 of the Articles (as summarised in this Part A in the section "Determination of the Net Asset Value" sub 2) "Temporary Suspension of the Calculation of the Net Asset Value, of the issue, redemption and conversion of Shares").

Notice of any such suspension shall be given in all the appropriate ways to the shareholders who have made a redemption request which has been thus suspended. In the case of suspension of dealings in Shares, the request will be dealt with on the first Valuation Day following the end of such suspension period.

If as a result of any request for redemption, the investment held by any shareholder in a Class of Shares or Sub-Fund would fall below the minimum amount indicated in Part B of the Prospectus, if any, the Fund may treat such request as a request to redeem the entire shareholding of such shareholder in such Class of Shares or Sub-Fund.

Furthermore, if on any Valuation Day redemption requests pursuant to Article 8 and conversion requests pursuant to Article 9 of the Articles relate to more than 10 percent of the net assets of a specific Sub-Fund, the Board of Directors may decide that all or part, on a pro rata basis for each shareholder asking for the redemption or conversion of its Shares, of such requests for redemption or conversion will be deferred proportionally for such period as the Board of Directors considers to be in the best interests of the Sub-Fund. On the Valuation Days during such period, these redemption and conversion requests will be met in priority to later requests.

Under special circumstances including, but not limited to, default or delay in payments due to the relevant Sub-Fund from banks or other entities, the Fund may, in turn, delay all or part of the payment to shareholders requesting redemption of Shares in the Sub-Fund concerned. The right to obtain redemption is contingent upon the Sub-Fund having sufficient liquid assets to honour redemptions.

The Fund may also defer payment of the redemption of a Sub-Fund's Shares if raising the funds to pay such redemption would, in the opinion of the Board of Directors, be unduly burdensome to such Sub-Fund. The payment may be deferred until the special circumstances have ceased; redemption could be based on the then prevailing Net Asset Value per Share.

If the value of the net assets of any Sub-Fund on a given Valuation Day has decreased to an amount of USD 10 million or the equivalent in any other Reference Currency, or in case of a significant change of the economical or political situation or in order to proceed to an economical rationalization, the Board of Directors may, at its discretion, elect to redeem all, but not less than all, of the Shares of such Sub-Fund then outstanding at the Net Asset Value per Share in such Sub-Fund (taking into account actual realization prices of investments and realization expenses), calculated on the Valuation Day at which such decision shall take effect. The Fund shall provide at least 30 days' prior written notice of redemption to all holders of the Shares to be so redeemed. Redemption proceeds corresponding to Shares not surrendered at the date of the compulsory redemption of the relevant Shares by the Fund may be kept with the Depositary (as defined hereinafter) during a period not exceeding nine months as from the date of such compulsory redemption; after this delay, these proceeds shall be kept in safe custody at the *Caisse de Consignation*. In addition, and under the same circumstances as provided above, the Board of Directors may decide the merger of one Sub-Fund with one or several other Sub-Funds of the Fund in the manner described in this Part A in the section "General Information" sub 4) "Dissolution and Merger of Sub-Funds".

The Articles contain, in Article 10, provisions enabling the Fund to compulsorily redeem Shares held by U.S. persons.

### **Protection against Late Trading and Market Timing practices**

The Fund, through the Central Administration, ensures that the practices of Late Trading and Market Timing will be eliminated in relation to the distribution of Shares of the Fund. The cut-off times mentioned under the sections "Subscriptions and Subscription Fee", "Redemptions" and "Conversions" set out for each Sub-Fund in Part B of the Prospectus will be observed rigidly. Investors will not know the Net Asset Value per Share applicable to their applications at the time of their request for subscription, redemption or conversion of Shares.

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

### **1) Calculation and Publication**

The Net Asset Value per Share of each Class of Shares in respect of each Sub-Fund shall be determined in the Reference Currency of that Class of Shares or Sub-Fund.

The Net Asset Value per Share of each Class of Shares in a Sub-Fund shall be calculated as of each Valuation Day (as defined hereinafter) by dividing the net assets of the Fund attributable to such Class of Shares in that Sub-Fund (being the value of the portion of assets less the portion of liabilities attributable to such Class of Shares on any such Valuation Day) by the total number of Shares in the relevant Class of Shares then outstanding.

The Net Asset Value per Share of each Class of Shares of the various Sub-Funds is determined on the day specified for each Sub-Fund in Part B of the Prospectus (the "Valuation Day") on the basis of the value of the underlying investments of the relevant Sub-Fund, determined as follows:

- (a) The value of any cash on hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is 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 is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- (b) The value of any security or other asset which is quoted or dealt in on a Regulated Market and Other Regulated Market will be based on its last available price in Luxembourg; in the event that there would be several such markets, on the basis of the last available price on the main market for the relevant security.
- (c) In the event that any assets are not listed nor dealt in on any Regulated Market or on any Other Regulated Market, or if, with respect to assets listed or dealt in on any Regulated Market or on any Other Regulated Market as aforesaid, the price as determined pursuant to subparagraph (b) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.
- (d) Units or shares of undertakings for collective investment will be valued at their last determined and available net asset value or, if such price is not, in the opinion of the Board of Directors, representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis.
- (e) The liquidating value of futures, spot, forward or options contracts not traded on stock exchanges nor on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, spot, forward or options contracts traded on stock exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these contracts on Regulated Markets and Other Regulated Markets on which the particular futures, spot, forward or options contracts are traded by the Fund; provided that if a futures, spot, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable. Swaps will be valued at their market value.
- (f) The value of money market instruments not traded on Regulated Markets nor on Other Regulated Markets and with a remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less will be valued by the amortized cost method, which approximates market value.
- (g) Interest rate swaps will be valued at their market value established by reference to the applicable interest rates' curve.
- (h) All other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

The net proceeds from the issue of Shares in the relevant Sub-Fund are invested in the specific portfolio of assets constituting such Sub-Fund.



The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Each Sub-Fund shall only be responsible for the liabilities which are attributable to such Sub-Fund.

The value of all assets and liabilities not expressed in the Reference Currency of a Class of Shares or Sub-Fund will be converted into the Reference Currency of such Class of Shares or Sub-Fund at the rate of exchange ruling in Luxembourg on the relevant Valuation Day.

The Board of Directors, in its discretion, may permit some other methods of valuation to be used if it considers that such valuation better reflects the fair value of any assets.

The Net Asset Value per Share and the issue, redemption and conversion prices for the Shares in each Sub-Fund may be obtained during business hours at the registered office of the Fund, and will be published in such newspapers as determined for each Sub-Fund in Part B of the Prospectus, as the case may be.

## **2) Temporary Suspension of the Calculation of the Net Asset Value, of the issue, redemption and conversion of Shares**

In each Sub-Fund, the Fund may temporarily suspend the calculation of the Net Asset Value per Share and the issue, redemption and conversion of Shares:

a) during any period when any stock exchange or other market on which a substantial portion of the investments of the Fund attributable to such Sub-Fund from time to time is quoted or dealt in, is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or

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

c) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or value on any stock exchange or other market in respect of the assets attributable to such Sub-Fund; or

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

e) when for any other reason beyond the control and responsibility of the Board of Directors the prices of any investments owned by the Fund attributable to such Sub-Fund cannot promptly or accurately be ascertained; or

f) upon the notification or publication of a notice convening a general meeting of shareholders for the purpose of resolving the winding-up of the Fund; or

g) during any period when the market of a currency in which a substantial portion of the assets of the Fund is denominated is closed otherwise than for ordinary holidays, or during which dealings therein are suspended or restricted; or

h) during any period when political, economical, military, monetary or fiscal circumstances which are beyond the control and responsibility of the Fund prevent the Fund from disposing of the assets, or determining the Net Asset Value of the Fund in a normal and reasonable manner; or

i) during any period when the calculation of the net asset value per unit or share of a substantial part of undertakings for collective investment in which the Fund is investing, is suspended and this suspension has a material impact on the Net Asset Value per Share in a Sub-Fund.

Notice of the beginning and of the end of any period of suspension shall be given by the Fund to all the shareholders by way of publication and may be sent to shareholders affected, i.e., having made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended.

Any application for subscription, redemption or conversion of Shares is irrevocable except in case of suspension of the calculation of the Net Asset Value per Share in the relevant Sub-Fund, in which case shareholders may give notice that they wish to withdraw their application. If no such notice is received by the Fund, such application will be dealt with on the first Valuation Day following the end of the period of suspension.

## **DISTRIBUTION POLICY**

The distribution policy will be described in the specific information concerning the relevant Sub-Fund(s) contained in Part B of the Prospectus.

### **1) Principle**

The general meeting of shareholders shall decide, at the proposal of the Board of Directors and after closing the annual accounts, whether and to what extent distributions are to be paid out of the Net Assets of the relevant Sub-Fund and/or Class. The payment of distributions must not result in the Net Asset Value of the Fund falling below the minimum capital amount prescribed by Luxembourg law.

The Board of Directors may, at its discretion, pay interim dividends.

### **2) Payment**

Registered Shareholders shall be paid by bank transfer in accordance with their instructions.

Payments will be made in the Reference Currency of the relevant Sub-Fund and/or Class.

Entitlements to distributions and allocations not claimed within five years of the due date shall be forfeited and the corresponding assets returned to the respective Sub-Fund. If the Sub-Fund in question has already been liquidated, the distributions and allocations will accrue to the remaining Sub-Funds of the same Fund in proportion to their respective net assets.

## CHARGES AND EXPENSES

### General

The Fund pays out of the assets of the relevant Sub-Fund all expenses payable by the Fund which shall include but not be limited to formation expenses, fees payable to its Management Company, Investment Managers and Advisers, including performance fees, if any, fees and expenses payable to its Distributors, Auditors and accountants, Depositary and correspondents, Domiciliary and Corporate Agent, Administrative Agent, Registrar and Transfer Agent, Listing Agent, any Paying Agent, any permanent representatives in places of registration, as well as any other agent employed by the Fund, the remuneration (if any) of the Directors and officers of the Fund and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with Board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in the promotion and marketing of the Fund, in registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, translating, advertising and distributing prospectuses and marketing material, explanatory memoranda, periodical reports or registration statements, share certificates, and the costs of any reports to shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of buying and selling assets, interest, bank and brokerage charges. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateable for yearly or other periods.

In the case where any liability of the Fund cannot be considered as being attributable to a particular Sub-Fund, such liability shall be allocated to all the Sub-Funds pro rata to their Net Asset Values or in such other manner as determined by the Board of Directors acting in good faith.

Expenses incurred in connection with the creation and launching of the Fund including those incurred in the preparation and publication of the first Prospectus, are estimated at USD 17,000.- and may be amortized over a maximum period of five years.

Expenses incurred in connection with the creation of any additional Sub-Fund shall be borne by the relevant Sub-Fund and will be written off over a period of five years. Hence, the additional Sub-Funds shall not bear a pro rata of the costs and expenses incurred in connection with the creation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the new Sub-Funds.

### Fees of the Management Company

The Management Company is entitled to receive from the relevant Sub-Fund a fee payable quarterly in arrears as determined in Part B of the Prospectus.

### Fees of the Depositary

The Depositary is entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg as a percentage per annum of the average quarterly Net Asset Value thereof during the relevant quarter and payable quarterly in arrears.

They are currently paid at the following rates:

- 0.10% per annum on the first EUR 25 million of average net assets;
- 0.08% per annum on the average net assets comprised between EUR 25 million and EUR 50 million;
- 0.06% per annum on the average net assets over EUR 50 million;

with a minimum of EUR 10,000 per annum per Sub-Fund,  
plus a transaction fee of:

- EUR 15 per investment transaction in securities,
- EUR 50 per investment transaction in UCITS and other UCIs
- EUR 250 per investment transaction in hedge funds.

### **Fees of the Domiciliary and Corporate Agent, Administrative Agent, Registrar and Transfer Agent**

The Domiciliary and Corporate Agent, Administrative Agent, Registrar and Transfer Agent is entitled to receive from the Management Company at the charge of the Fund, out of the assets of each Sub-Fund, remuneration calculated in accordance with customary banking practice in Luxembourg and expressed basically as flat fees payable yearly or quarterly in arrears.

They are currently paid at the following rates:

- domiciliation: EUR 7,500 per annum for the Fund as a whole,
- administrative agency: EUR 2,000 per month per Sub-Fund,
- registrar and transfer agency: EUR 2,500 per annum per Sub-Fund + EUR 30 per transaction

In addition, the Domiciliary and Corporate Agent, Administrative Agent, Registrar and Transfer Agent is entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and disbursements.

## DEPOSITARY

Banque Degroof Petercam Luxembourg S.A. has been appointed as depositary of the Fund (hereinafter the 'Depositary') within the meaning of article 33 of the Law of 2010.

Banque Degroof Petercam Luxembourg S.A. is a société anonyme incorporated under the laws of Luxembourg. It was incorporated in Luxembourg on 29 January 1987 for an indefinite term under the name of Banque Degroof Luxembourg S.A. Its registered office is located at 12 Rue Eugène Ruppert, L-2453 Luxembourg, and it has engaged in the banking business since its incorporation. As of 31st December 2015, it had Tier 1 regulatory equity of EUR 225.864.929,-.

The Depositary performs its duties pursuant to a depositary agreement entered into for an indefinite term between Banque Degroof Petercam Luxembourg S.A. and the Fund.

Pursuant to this agreement, Banque Degroof Petercam Luxembourg S.A. also acts as paying agent with respect to provide financial servicing for the Fund's shares.

The Depositary performs its duties and tasks as prescribed by Luxembourg laws and particularly the duties set out in articles 33 to 37 of the Law of 2010.

The Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Fund and the investors of the Fund.

The Depositary shall not carry out activities, with regard to the Fund or the Management Company on behalf of the Fund, that may create conflicts of interest between the Fund, the shareholders and the Management Company. An interest is a source of a benefit of any kind whatsoever and a conflict of interest is a situation in which the interest of the Depositary during performance of its activities conflicts with the interest of the Fund, the shareholders and/or the Management Company.

The Depositary may provide the Fund, directly or indirectly, with a wide range of banking services in addition to the depositary services.

The provision of additional banking services, as well as the capital links between the Depositary and some service providers and/or governing bodies of the Fund, may lead to potential conflicts of interests between the Depositary and the Fund.

Situations that may give rise to a potential conflict of interest during performance of the Depositary's activities may include the following:

- the probability that the Depositary will make a financial gain or avoid a financial loss, at the Fund's expense;
- the Depositary's interest while its performs its activities is not the same as the Fund's interest;
- financial or other reasons exist that might encourage the Depositary to act in the interest of a client rather than in the interest of the Fund;
- the Depositary receives or will receive a benefit in connection with the performance of its activities, other than its usual fees, from a counterparty other than the Fund;
- the Depositary and the Management Company are linked, directly or indirectly, to Banque Degroof Petercam S.A. and some members of the staff of Banque Degroof Petercam S.A. are members of the Management Company's board of directors;

- the Depositary also acts as central administration agent of the Fund;
- the Depositary delegates the safekeeping of certain assets of the Fund to a number of sub-custodians;
- the Depositary may provide additional banking services beyond the depositary services.

The Depositary may perform these activities provided it has put in place functional and organisational barriers to separate performance of its tasks as Depositary from its other potentially conflictual tasks, and the potential conflicts of interest are duly and properly identified, managed, monitored and disclosed to the SICAV shareholders.

In order to identify, prevent and minimize conflicts of interest that may arise, the conflict of interest procedures and measures put in place by the Depositary include practical measures to ensure that if a conflict of interest arises the Depositary's interest is not unfairly prioritised.

Especially, none of the staff of Banque Degroof Petercam Luxembourg S.A., performing or participating in the safekeeping, oversight and/or cash flow monitoring functions can be a member of the Board of the Fund.

The Depositary publishes on the following website, <https://www.degroofpetercam.lu/fr/protection-de-linvestisseur>, the list of delegates and sub-delegates it uses.

The selection and monitoring process of sub-custodians is handled in accordance with the Law of 2010. The Depositary monitors any potential conflicts of interests that may arise with sub-delegates. At present, the Depositary therefore confirms that no situation of conflicts of interest with any delegates or sub-delegates could be identified.

When, despite the measures in place to identify, prevent and minimize conflicts of interest that may arise with the Depositary, such a conflict arises, the Depositary shall at all times comply with its legal and contractual obligations to the Fund. If a conflict of interest was likely to significantly and adversely affect the Fund or the shareholders of the Fund and cannot be resolved, the Depositary shall duly inform the Fund, which will take appropriate action.

Updated information relating to the Depositary may be obtained by shareholders upon request.

### **DOMICILIARY AND CORPORATE AGENT, ADMINISTRATIVE AGENT, PAYING AGENT, REGISTRAR AND TRANSFER AGENT**

The Management Company has appointed Banque Degroof Petercam Luxembourg S.A. as the domiciliary and corporate agent (the "Domiciliary and Corporate Agent") for the Fund. In such capacity, it will be responsible for all corporate agency duties required by Luxembourg law, and in particular for providing and supervising the mailing of statements, reports, notices and other documents to the shareholders, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

The Management Company has appointed Banque Degroof Petercam Luxembourg S.A. as the administrative agent (the "Administrative Agent") for the Fund. In such capacity, it will be responsible for all administrative duties required by Luxembourg law, and in particular for the bookkeeping and the calculation of the Net Asset Value per Share of any Class of Shares within each Sub-Fund, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

The Management Company has appointed Banque Degroof Petercam Luxembourg S.A. as the registrar (the "Registrar") and transfer agent (the "Transfer Agent") for the Fund, which will be responsible for

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

The rights and duties of the Domiciliary and Corporate Agent, Administrative Agent, Paying Agent, Registrar and Transfer Agent are governed by an agreement entered into for an unlimited period of time and which may be terminated at any time by the Management Company or Banque Degroof Petercam Luxembourg S.A. on giving a three months' prior written notice.

## **INVESTMENT MANAGER AND INVESTMENT ADVISER**

In order to carry out the policy of any Sub-Fund, the Management Company may delegate at the charge of the Fund the investment management function to one or more investment managers for each Sub-Fund, as specified in Part B of the Prospectus (individually the "Investment Manager" and collectively the "Investment Managers") as the case may be.

The Investment Manager provides the Management Company with advice, reports and recommendations in connection with the management of the assets of the relevant Sub-Fund(s) and shall advise the Management Company as to the selection of the securities and other assets constituting the portfolios of the relevant Sub-Fund(s) and has discretion, on a day-to-day basis and subject to the overall control and responsibility of the Management Company, to purchase and sell securities and otherwise to manage the relevant Sub-Fund's portfolio.

In addition, the Management Company and/or the Investment Manager(s) may be assisted, at the charge of the Fund, by one or more investment advisers for each Sub-Fund, as specified in Part B of the Prospectus (individually the "Investment Adviser" and collectively the "Investment Advisers"). An Investment Adviser may so be designated to provide investment advice on any particular category of assets of any Sub-Fund when it is considered that such an investment adviser has specific knowledge and skills in the contemplated assets. Neither the Management Company nor the Investment Manager as the case may be, will be bound by the advice provided by the Investment Adviser as the case may be.

The appointment of an Investment Manager and/or of an Investment Adviser will be indicated in the specific information concerning the relevant Sub-Fund(s) contained in Part B of the Prospectus.

The Management Company has appointed TREA ASSET MANAGEMENT, S.G.I.I.C. ,S.A. as Investment Manager for each Sub-Fund as further described in Part B of the Prospectus.

## **DISTRIBUTORS**

The Management Company may decide to appoint at any time distributors and/or nominees (the "Distributors") to assist them in the distribution and the placement of Shares of the Fund.

The Distributors will carry out activities of marketing, placement and sale of Shares of the Fund. They will intervene in the relationship between the investors and the Fund in collecting subscription orders of Shares.

They will be authorised to receive subscription and redemption orders from investors and shareholders on behalf of the Fund, and to offer Shares at a price based on the applicable Net Asset Value per Share.

The Distributors shall transmit to the Registrar and Transfer Agent of the Fund any application for the issue and/or redemption of Shares.

The Distributors will also be entitled to receive and execute the payment of the issue and redemption orders of Shares.

In the context of Distributors acting as nominees on behalf of investors, each Distributor shall be entered into the register of shareholders held by the Fund and not the clients who have invested in the Fund. The terms and conditions of the distribution agreements will provide, among others, that a client who has invested in the Fund through a Distributor shall at all times be entitled to require the transfer of the legal title to the Shares to be registered in such client's own name, whereupon that client shall be entered in the register of shareholders upon receipt of proper instructions from the Distributor.

Investors shall nevertheless retain the possibility to invest directly in the Fund, without investing via a Distributor.

The Investment Manager shall be responsible for the remuneration of the Distributors, through payments to be deducted either from the investment management fees payable by the Management Company to the Investment Manager, or through other distribution fees charged to investors as indicated in Part B of the Prospectus (as the case may be).

TREA ASSET MANAGEMENT, S.G.I.I.C., S.A. is the global distributor of the Fund and will conclude distribution agreements with Distributors provided that they are professionals in the financial sector and established in any of the member states of the European Union, the European Economic Area or any other country which impose equivalent requirements within the meaning of the Law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended. The Distributors so appointed will be mentioned in the annual and semi-annual reports of the Fund.

## **TAXATION**

The following summary is based on the law and practice currently applicable in the Grand Duchy of Luxembourg and is subject to changes therein.

### **A. Taxation of the Fund in Luxembourg**

The Fund is not liable to any Luxembourg tax on profits or income. The Fund is, however, liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Funds at the end of the relevant calendar quarter. However, this tax is reduced to 0.01% per annum for the net assets attributable to the Classes dedicated to institutional investors within the meaning of article 174 of the Law of 2010 (each an "Institutional Investor"). No stamp duty or other tax is payable in Luxembourg on the issue of Shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.



## General

Dividends, interests and capital gains received by the Fund on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

### **B. Luxembourg Taxation of shareholders**

#### **Automatic Exchange of Information**

European Directive 2014/107/EU of 9 December 2014 (the 'Directive') amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, like other international agreements, such as those that have been or will be adopted in connection with the information exchange standard developed by the OECD (more generally known as the 'Common Reporting Standard' or 'CRS'), require participating jurisdictions to obtain information from their financial institutions and to exchange such information since 1 January 2016.

Pursuant, in particular, to the Directive, investment funds, which are considered to be Financial Institutions, are required to collect specific information intended to properly identify their Investors.

In addition, the Directive requires that the personal and financial data<sup>1</sup> of each Investor who is:

- an individual or legal entity considered to be a reportable person<sup>2</sup>, or
- a passive non-financial entity (NFE)<sup>3</sup> with controlling persons who are reportable persons<sup>4</sup>,

be reported by the Financial Institution to the competent local Tax Authorities, which will, in turn, forward such information to the Tax Authorities of the country(ies) in which the Investor resides.

If the Fund's shares are held in an account with a financial institution, such institution will be responsible for reporting the required information.

Consequently, the Fund, whether directly or indirectly (i.e. through an intermediary appointed for such purpose):

- may, at any time, request and obtain from any Investor updates to the documents and information already provided, as well as any additional document or information for any purpose whatsoever;
- is required by the Directive to report all or some of the information provided by Investors in connection with their investment in the Fund to the competent local Tax Authorities.

The Investor is hereby informed of the potential risk of an inaccurate and/or erroneous exchange of information in the event the information he provides ceases to be accurate or complete. In the event of a change that impacts the information provided, the Investor shall promptly inform the Fund (or any

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<sup>1</sup> Including, but not limited to, name, address, country of residence, tax identification number, date and place of birth, bank account number, the amount of income generated, the proceeds from sales, redemptions or refunds, and the value of the 'account' during the calendar year or upon the closure thereof.

<sup>2</sup> An individual or legal entity who is not a resident of the country in which the Fund is incorporated and who is a resident of a participating country. The list of countries that participate in the automatic exchange of information may be viewed on the following website: <http://www.oecd.org/tax/automatic-exchange/>

<sup>3</sup> Non-Financial Entity, i.e. an Entity that is not a Financial Institution under the Directive.

<sup>4</sup> An individual or legal entity who is not a resident of the country in which the Fund is incorporated and who is a resident of a participating country. The list of countries that participate in the automatic exchange of information may be viewed on the following website: <http://www.oecd.org/tax/automatic-exchange/>

intermediary it appoints for such purpose) and furnish, if necessary, a new certificate within 30 days from the event that causes the information to become inaccurate or incomplete.

The mechanisms and scope of this information exchange regime may change over time. Each Investor is recommended to consult his own tax adviser to determine the impact that the CRS provisions may have on an investment in the Funds.

In Luxembourg, under the Act of 2 August 2002 relating to the protection of individuals in relation to the processing of personal data, the Investor has a right to access and rectify data about him that are reported to the Tax Authorities. These data are kept by the Fund (or any intermediary it appoints for such purpose) in accordance with the provisions of that Act.

## **General**

It is expected that shareholders in the Fund will be resident for tax purposes in many different countries. Consequently, no attempt is made in the Prospectus to summarize the taxation consequences for each investor of subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares in the Fund. These consequences will vary in accordance with the law and practice currently in force in a shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

**The above information is not exhaustive and does not constitute legal or tax advice. Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, converting, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.**

## **GENERAL INFORMATION**

### **1) Corporate Information**

The Fund was incorporated for an unlimited period of time on 5 May 2011 and is governed by the Luxembourg law of 10 August 1915 on commercial companies, as amended, and by the Law of 2010.

The registered office of the Fund is established at 12, rue Eugène Ruppert, L-2453 Luxembourg.

The Fund is recorded at the "*Registre de Commerce et des Sociétés*" of Luxembourg under the number B 160.815.

The Articles have been published in the "*Mémorial C, Recueil des Sociétés et Associations*" (the "Mémorial") of 20 May 2011, and have been filed with the "*Registre de Commerce et des Sociétés*" of Luxembourg. Any interested person may inspect the Articles on the "*Registre de Commerce et des Sociétés*" of Luxembourg website at [www.lbr.lu](http://www.lbr.lu), "*Recueil Electronique des Sociétés et Associations*" ("RESA") Portal.

The minimum capital of the Fund as provided by law, which must be achieved within 6 months from the date on which the Fund has been authorised as an undertaking for collective investment under Luxembourg law, is the equivalent of EUR 1,250,000. The capital of the Fund is represented by fully paid-up Shares of no par value. The initial capital of the Fund has been set at USD 45,000 divided into 450 fully paid-up Shares of no par value.

The Fund is open-ended which means that it may, at any time on the request of the shareholders, redeem its Shares at prices based on the applicable Net Asset Value per Share of the relevant Sub-Fund.

In accordance with the Articles, the Board of Directors may issue Shares in each Sub-Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective(s) applicable to the relevant Sub-Fund. As a result, the Fund is an “umbrella fund” enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds.

The Board of Directors of the Fund may from time to time decide to create further Sub-Funds; in that event, the Prospectus will be updated and amended so as to include detailed information on the new Sub-Funds.

The share capital of the Fund will be equal, at any time, to the total value of the net assets of all the Sub-Funds.

The Articles, in Article 10, contain provisions enabling the Fund to restrict or prevent the ownership of Shares by U.S. Persons.

## **2) Meetings of, and Reports to, shareholders**

Notice of any general meeting of shareholders (including those considering amendments to the Articles or the dissolution and liquidation of the Fund or of any Sub-Fund) shall be mailed to each registered shareholder at least eight days prior to the meeting and shall be published to the extent required by Luxembourg law in the Recueil Electronique des Sociétés et Associations (“RESA”) and in any Luxembourg and other newspaper(s) that the Board of Directors may determine. Such notices will indicate the date and time of the meeting as well as the agenda, the quorum requirements and the conditions of admission.

Under the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the shares issued and outstanding at a certain date and time preceding the general meeting (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/its/her shares shall be determined by reference to the shares held by this shareholder as at the Record Date.

If all the Shares are only issued in registered form, convening notices may be mailed by registered mail to each registered shareholder without any further publication.

If the Articles are amended, such amendments shall be filed with the “*Registre de Commerce et des Sociétés*” of Luxembourg and published in the RESA.

The Fund publishes annually a detailed audited report on its activities and on the management of its assets; such report shall include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and a report from the Auditors.

The Fund shall further publish semi-annual unaudited reports, including, inter alia, a description of the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication.

The first report was an interim report as at 30 September 2011.

The aforementioned documents will be available within four months for the annual reports and two months for the semi-annual reports of the date thereof and copies may be obtained free of charge by any person at the registered office of the Fund.

The accounting year of the Fund commences on the first of April and terminates on the last day of March of the next year. The first accounting year will commence on the date of incorporation of the Fund and will end on 31 March 2012.

The annual general meeting of shareholders takes place in Luxembourg City at a place specified in the notice of meeting each year on the last Tuesday in the month of July at 11.30 a.m. and for the first time in 2012. If such day is not a Business Day in Luxembourg, the annual general meeting shall be held on the next following Business Day in Luxembourg.

The shareholders of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Sub-Fund.

The combined accounts of the Fund shall be maintained in USD being the currency of the share capital. The financial statements relating to the various separate Sub-Funds shall also be expressed in the relevant Reference Currency for the Classes of Shares or Sub-Funds.

### **3) Dissolution and Liquidation of the Fund**

The Fund may at any time be dissolved by a resolution of the general meeting of shareholders subject to the quorum and majority requirements applicable for amendments to the Articles.

Whenever the share capital falls below two-thirds of the minimum capital indicated in Article 5 of the Articles, the question of the dissolution of the Fund shall be referred to a general meeting of shareholders by the Board of Directors. The general meeting, for which no quorum shall be required, shall decide by the simple majority of the votes of the Shares represented at the meeting.

The question of the dissolution of the Fund shall also be referred to a general meeting of shareholders whenever the share capital falls below one-fourth of the minimum capital set by Article 5 of the Articles; in such event, the general meeting shall be held without any quorum requirement and the dissolution may be decided by shareholders holding one-fourth of the votes of the Shares represented at the meeting.

The meeting must be convened so that it is held within a period of forty days as from ascertainment that the net assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators who may be physical persons or legal entities appointed by the general meeting of shareholders which shall determine their powers and their compensation.

The net proceeds of liquidation corresponding to each Class of Shares in each Sub-Fund shall be distributed by the liquidators to the holders of Shares of the relevant Class of Shares in such Sub-Fund in proportion to their holding of such Shares.

Should the Fund be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 2010. Such law specifies the steps to be taken to enable shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit in escrow at the *Caisse de Consignation* at the time of the close of liquidation. Amounts not claimed from escrow within the

statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

#### **4) Dissolution and Merger of Sub-Funds**

In the event that for any reason the value of the net assets in any Sub-Fund has decreased to or has not reached an amount below USD 10 million or the equivalent in any other Reference Currency, being the amount determined by the Board of Directors to be the minimum level for such Sub-Fund to be operated in an economically efficient manner, or if a change in the economical or political situation relating to the Sub-Fund concerned would have material adverse consequences on the investments of that Sub-Fund or in order to proceed to an economical rationalization, the Board of Directors may decide to compulsorily redeem all the Shares issued in such Sub-Fund at the Net Asset Value per Share (taking into account actual realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect. The Fund shall serve a notice to the holders of the relevant Shares at least thirty calendar days prior to the effective date for the compulsory redemption, which will indicate the reasons for, and the procedure of the redemption operations: registered holders shall be notified in writing and the Fund shall inform holders of bearer dematerialized Shares by publication of a notice in newspapers to be determined by the Board of Directors. Unless it is otherwise decided in the interests of, or to keep equal treatment between the shareholders, the shareholders of the Sub-Fund concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the effective date for the compulsory redemption.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the Depositary for a period of nine months as from the related decision; after such period, the assets will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled.

Merger of Sub-Funds will fulfil the Law of 2010. Any merger will be decided by the Board of Directors unless it decides to submit such decision to the general meeting of shareholders of the Sub-Fund concerned. No quorum shall be required for such general meeting and the decision will be adopted by simple majority of the cast votes.

If the merger would lead to the liquidation of the Fund, this request be decided by a general meeting with quorum and majority rules required for amendment of the Articles.

## PART B: SPECIFIC INFORMATION

### I. SUB-FUND 3G CREDIT OPPORTUNITIES

#### 1. Name

The name of the Sub-Fund is “3G Credit Opportunities”.

#### 2. Specific Investment Policy, Investment Restrictions and Risk Factors

##### Investment Objectives

The Sub-Fund’s primary investment objective is to provide long exposure to the bonds of corporate and sovereign issuers from emerging market countries. In addition, the Sub-Fund will try to limit the overall portfolio level volatility through the implementation of a variety of additional strategies, including active hedging and asset allocation, among others. The implementation of these additional strategies may entail the Sub-Fund reducing or increasing its exposure to the bonds of corporate and sovereign issuers from emerging market countries at any given point in time.

The Sub-Fund expects to achieve its objectives and performance through a combination of capital appreciation and current income.

##### Investment Policy

The Sub-Fund will invest principally in a portfolio of Investment Grade (“High Grade”) and Non-Investment Grade (“High Yield”) fixed and floating rate debt securities issued or guaranteed by emerging markets governments and/or by companies that are incorporated under the laws of, or have their registered office in, an emerging market country, or that derive a predominant part of their economic activity from emerging market countries, even if the securities are listed, or issued from, elsewhere. These investments may include, among others, debt securities issued by sovereign, quasi-sovereign, supranational and corporate issuers, debt securities traded in the international and/or domestic markets, senior and/or subordinated debt securities, securitizations, unsecured and/or secured debt securities, as well as other types of structured debt securities. Such debt securities may be denominated in any currency; however, the Sub-Fund expects to principally invest in debt securities that are denominated in, or settle in, hard currency, e.g., USD or EUR.

Investments in distressed debt securities, if any, are likely to be limited.

The investment policy will have flexibility in terms of geographic and sector allocation. However, the Investment Manager expects to principally invest in debt securities issued by sovereigns or companies in emerging market countries located in North America, Latin America, Central and Eastern Europe, the Middle East, Africa and Asia. However, this does not preclude the Investment Manager from investing in sovereign or corporate debt securities of issuers outside of the emerging markets, if necessary to achieve the Sub-Fund’s objectives.

In addition to debt securities, the Sub-Fund may also invest in equity and equity-linked securities in order to achieve its objectives. The Sub-Fund may do so through the use of American, European and International/Global Depositary Receipts, respectively ADRs, EDRs or IDRs/GDRs, where underlying securities are issued by companies domiciled in emerging market countries and then traded on a Regulated

Market outside the respective emerging market country, mainly in the USA or Europe. By investing in ADRs, EDRs and IDRs/GDRs the Sub-Fund expects to be able to mitigate some of the settlement risks associated with its investment policy, although other risks, e.g., the currency risk exposure, among others, may remain. The Sub-Fund may also invest in equity securities traded on a Regulated Market or Other Regulated Market that are not structured as International/Global Depositary Receipts. However, regardless of the vehicle chosen to obtain exposure, investing in equities is not expected to be the principal focus of the Sub-Fund.

The Sub-Fund may also invest in financial derivative instruments such as futures, forwards and options, without excluding other financial derivative instruments. The Sub-Fund would use such financial derivative instruments for the purpose of investment, hedging risky positions and/or sound portfolio management. There will be no geographic or other restriction with respect to the selection of the underlying assets of those financial derivative instruments (i.e., investments may be implemented through non-emerging markets underlying instruments such as US Treasury Bills), provided the underlying assets consist of instruments covered by Article 41 (1) of the Law of 2010, financial indices, interest rates, foreign exchange rates or currencies and that they are fitting with the investment policy of the Sub-Fund.

The Sub-Fund will calculate its global exposure resulting from the use of financial derivative instruments on a commitment basis. On the basis of this approach, the positions on financial derivative instruments must be converted into equivalent positions on the underlying assets. The global exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, counterparty risk, foreseeable market movements and the time available to liquidate the positions. The Fund shall ensure that the global exposure of the Sub-Fund relating to financial derivative instruments does not exceed the total net assets of that Sub-Fund. The Sub-Fund's global exposure shall consequently not exceed 200% of its total net assets. In addition, this global exposure may not be increased by more than 10% by means of temporary borrowing, so that the Sub-Fund's overall risk exposure may not exceed 210% of its total net assets in any circumstances.

The Sub-Fund will make use of financial derivative instruments in a manner not to materially alter the Sub-Fund's risk profile over what would be the case if financial derivative instruments were not used.

The Sub-Fund may also invest, up to 10% of its net assets, in other UCITS and/or UCIs (within the limits set out in chapter II in Part A of the Prospectus), including UCITS/UCIs which are established as Exchange Traded Funds ("ETF"), whose investment policy is in line with that of the Sub-Fund. It should be noted that the investment in other UCITS and UCIs may entail a duplication of certain fees and expenses. If the Sub-Fund invests in UCITS or UCIs managed by the Investment Manager and Global Distributor's group, no subscription or redemption fees will be charged for investments by the Sub-Fund into other investment funds of the Investment Manager and Global Distributor's group.

The Sub-Fund may also invest, up to 20% of its net assets, in Asset Backed Securities ("ABS"). The term ABS covers, among other securities, all securities resulting from so-called "securitisation" activities (cash or synthetic). Securitisation is the mechanism whereby specific financial assets are converted into securities that can be traded on the financial markets. There are three main types of ABS related to securitisation, corresponding to specific asset categories: Traditional Asset Backed Securities, Mortgage Backed Securities and Collateralized Debt Obligations. The Investment Manager will select ABS generating the most predictable and secure flows of cash. In addition, the term ABS also covers securities which are not resulting from securitisation activities, such as securities which are secured by assets, but whose cash flows do not necessarily derive from the cash flows of the underlying assets.

In order to achieve its investment objectives, the Sub-Fund may hold liquid assets such as cash and deposits.

Notwithstanding the above provisions and if justified by exceptional market conditions, the Sub-Fund may invest up to 100% of its net assets in cash and cash equivalents, term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, monetary UCITS and UCIs, provided that sufficient diversification (duration, counterparty) is ensured. In general terms, the Sub-Fund will then comply with the applicable investment restrictions and the principle of risk spreading set out in chapter II in Part A of the Prospectus. There is no restriction as to the currency of these securities and instruments. Term deposits and liquid assets may not exceed 49% of the Sub-Fund's net assets; term deposits and liquid assets held by any counterparty including the Depositary may not exceed 20% of the Sub-Fund's net assets.

The Net Asset Value of the Sub-Fund will be expressed in USD.

### **Investment Restrictions**

The Sub-Fund is subject to the investment restrictions set out in Part A of the Prospectus under chapter II. In addition, the Sub-Fund may use techniques and instruments as set out in chapter III in Part A of the Prospectus.

The investment restrictions may not be complied with during a transitional period of 6 months from the date on which the Fund has been authorised, provided that the Sub-Fund will endeavour to ensure, at all times, an appropriate level of diversification of risk within the portfolio of the Sub-Fund.

### **Risk Profile and Risk Factors**

At any given time, the Sub-Fund is subject to any number of risks associated with investments in emerging and developed market debt securities, emerging and developed market equity securities, as well as in the broader global finance markets, including, but not limited to, interest rate risk, geopolitical risk, diversification risk, credit risk, foreign exchange risk and liquidity risk.

Investors should note the following specific risk factors in relation to an investment in 3G Credit Opportunities:

#### ***Emerging markets risk***

The Sub-Fund will invest in securities of sovereigns and companies in emerging or developing (together, "emerging") markets. Such securities may involve a higher degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalization, and social, political and economic instability; (ii) the small current size of the markets for securities of emerging market issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility; (iii) certain national policies which may restrict the Sub-Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; (iv) the absence of developed legal structures governing private or foreign investment and private property; (v) the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of shareholder protection or information to investors as would generally apply in developed markets; (vi) potentially a greater risk regarding the ownership and custody of securities i.e., in certain countries, ownership is evidenced by entries in the books of a company or its registrar. In such instances, no certificates representing ownership of companies might be held by the Depositary or any of its local correspondents or in an effective central depository system; and (vii) emerging markets may experience significant adverse economic developments, including substantial depreciation in currency exchange rates or unstable currency fluctuations, increased interest rates, or reduced economic growth rates than investments in securities of issuers based in developed countries.



The economies of emerging markets in which the Sub-Fund may invest may differ favourably or unfavourably from the economies of industrialized or developed countries. The economies of emerging countries are generally heavily dependent on international trade and have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Investments in emerging markets entail risks which include the possibility of political or social instability, adverse changes in investment or exchange control regulations, expropriation and withholding of dividends at source. In addition, such securities may trade with less frequency and volume than securities of companies and governments of developed, stable nations and there is also a possibility that redemption of Shares following a redemption request may be delayed due to the illiquid nature of such investments.

### ***Counterparty credit risk***

The Sub-Fund may have credit exposure to counterparties by virtue of positions in swaps, repurchase transactions, forward exchange rate and other financial or derivative contracts held by the Sub-Fund. The Sub-Fund may also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments. When the Sub-Fund invests in a security or other instrument which is guaranteed by a bank or other type of financial institution, there can be no assurance that such guarantor will not itself be subject to credit difficulties, which may lead to the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments, or payments due on such securities or instruments.

Notwithstanding any measures implemented by the Sub-Fund to reduce the aforementioned risks, there can be no assurance that counterparties will not default or that the Sub-Fund will not sustain losses on the transactions as a result.

### ***Global financial market crisis and governmental intervention***

The global financial markets have been and continue to be undergoing pervasive and fundamental disruptions and dramatic instability. The extent to which the underlying causes of instability are pervasive throughout global financial markets and have the potential to cause further instability is not clear. However, these underlying causes have led to extensive and unprecedented governmental and regulatory intervention which has, in certain cases, been implemented on an "emergency" basis without much or any notice with the consequences, clarity of scope and application, resulting in confusion and uncertainty. This has been and could continue to be materially detrimental to the efficient functioning of the financial markets as well as previously successful investment strategies, including the one employed by the Sub-Fund. It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the ability of the Sub-Fund to implement its investment objectives/investment policy. There is the likelihood that increased regulation of the global financial markets could be materially detrimental to the performance of the Sub-Fund.

### ***Legal infrastructure***

Sovereign and corporate laws in many emerging market countries are in their early stages. As the legal infrastructure in these countries develop, certain new laws might have a negative impact on the value of an investment which cannot be foreseen at the time the investment is made. This could adversely affect the performance of the Sub-Fund.

### ***Liquidity risk***

Not all securities invested in by the Sub-Fund will be listed or rated and consequently liquidity may be low. Liquidity may also be low for a variety of other reasons, including, among other reasons, lack of market-makers certain securities, given their over-the-counter (“OTC”) nature. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Sub-Fund may also encounter difficulties in disposing of assets at their fair market price due to adverse or highly volatile market conditions leading to limited liquidity.

### ***Market disruptions***

The Sub-Fund may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. Sudden restrictions of credit by the dealer community have resulted in forced liquidations and major losses for a number of investment funds and other vehicles. Due to a cause-and-effect relationship, investment funds and other vehicles have suffered heavy losses although they were not necessarily heavily invested in credit-related investments.

A financial exchange may periodically suspend or limit trading, rendering it difficult or impossible for the Sub-Fund to liquidate affected positions and thereby expose the Sub-Fund to losses. There is also no assurance that OTC markets will remain liquid enough for the Sub-Fund to close out positions.

### ***Non-convertibility or Non-transferability of currency***

At the time of remittance of income and capital gains, there is no certainty that there will be liquidity. Also, local authorities might impose certain exchange control measures which might fully or partially affect convertibility of the local currency into the base currency of the Sub-Fund. The Sub-Fund may be invested in debt securities issued by companies or other entities denominated in currencies other than the local currency of the country in which these issuers are based or conduct business. There is the possibility that the sovereign government may prevent these issuers from converting local currency into foreign currency or transferring foreign currency off-shore for the payment of interest or principal on their liabilities, which could adversely affect the performance of the Sub-Fund.

### ***Redemption risk and restrictions***

Substantial redemptions of Shares could require the Sub-Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the trading performance of the Sub-Fund and even cause the liquidation of the Sub-Fund. In these and other exceptional circumstances the Board of Directors and/or its delegates may impose restrictions on the redemption of Shares as further described herein.

In certain situations, restrictions on the redemption of Shares in the Sub-Fund may be imposed as a result of which shareholders may not receive their redemption proceeds until after the sale of sufficient investments to meet those redemption requests, or may not be permitted to redeem their shareholding until a later time.

### ***Registration risk***

In some emerging market countries, evidence of legal title to shares is maintained in “book-entry” form only. The role of the registrar in such custodial and registration processes is crucial and there are higher risks associated with such form of registration. It is possible for the Sub-Fund to lose its registration through fraud, negligence or mere oversight on the part of the registrar without any effective recourse. If the company’s register were to be destroyed or mutilated, the Sub-Fund’s holding of the shares of the company could be

substantially impaired, or in certain cases, deleted. Insurance for such eventualities is not common. Furthermore, the registrar or the relevant company could wilfully refuse to recognise the Sub-Fund as the registered holder of shares previously purchased by, or in respect of, the Sub-Fund due to the destruction of the company's register.

### ***Reliability of credit ratings***

The Sub-Fund may, in accordance with its investment policy, be permitted to invest in securities/investments having a range of credit ratings, or none at all. For rated securities, some of these will be investment grade, while others could be considered more speculative. Credit ratings may, however, not be an accurate or reliable measure of the strength or weakness of the securities/investments being invested in. Where such credit ratings prove inaccurate or unreliable losses may be incurred by the Sub-Fund which has invested in such securities/investments.

### ***Valuation risk***

The Board of Directors, the Management Company and/or the Investment Manager may be consulted with respect to the valuation of certain investments. There is an inherent conflict of interest between the involvement of these entities in determining the valuation price of the Sub-Fund's investments and their other duties and responsibilities in relation to the Sub-Fund.

### ***Conflicts of interest***

The Board of Directors, the Management Company and/or the Investment Manager and their delegates and/or affiliates are engaged in a broad spectrum of activities. In the ordinary course of their businesses, these entities may engage in activities where their interests or the interests of their clients conflict with the interests of the Sub-Fund. In the event of a conflict of interest arising, the relevant entity will ensure that it is resolved fairly in the best interests of the shareholders and that investment opportunities shall be fairly allocated to their respective clients.

### ***Risk associated with securitisation instruments***

The Sub-Fund is exposed to risks associated with securitisation instruments (Asset Backed Securities (ABS), Mortgage Backed Securities (MBS), etc.), for which the credit risk relates essentially to the quality of the underlying assets, which may vary in type (bank receivables, debt securities, etc.) and which may present a liquidity risk. These instruments derive from complex operations that may entail legal risks and other specific risks related to the characteristics of the underlying assets. Realisation of these risks may cause the sub-fund's net asset value to fall.

### ***Risks associated with investment in Rule 144A Securities***

Rule 144A Securities are not registered with the Securities and Exchange Commission (SEC). These securities are considered as recently issued transferable securities and are only deemed for investment by Qualified Institutional Buyers (as defined in the Securities Act).

The aforementioned risk factors are by no means exhaustive. The information provided is not intended to, and does not, constitute legal advice. If in doubt, prospective investors should read the Prospectus carefully and consult their own professional adviser(s) as to the implications of subscribing for or otherwise dealing in the Shares of the Sub-Fund.

No guarantee can be given that the Sub-Fund's objectives will be achieved and that investors will recover the amount of their initial investment.

Past performance is not an indicator for future results or performance.

### **Profile of targeted investors**

This Sub-Fund is most suited to investors who want exposure to the bond markets of emerging market countries with a focus on limiting downside risk during periods of volatility. The Sub-Fund will be open to both institutional and retail investors.

### **3. Distribution Policy**

The Sub-Fund's current policy regarding the appropriation of results is to capitalise income for Classes A, B, C, D, E and F, and to distribute a fixed amount to be determined by the Board of Directors for Class G.

The Board of Directors intends to declare quarterly distributions to shareholders of Class G registered as of the close of business, respectively, on 30<sup>th</sup> June, 30<sup>th</sup> September, 31<sup>st</sup> December and 31<sup>st</sup> March of each year (if such day is not a Business Day, the immediately preceding Business Day). Payment of distributions will be made within 10 Business Days of their declaration.

### **4. Form of Shares**

Shares in Classes A, B, E and G will be issued in registered form only. Shares in Classes C, D and F may be issued in registered or bearer dematerialized form, at the election of the investors.

### **5. Classes of Shares**

The Sub-Fund will offer 7 Classes which differ according to the type of investors, and/or their reference currency, and/or their distribution policy, and/or their hedging policy:

Class A (*)	Shares denominated in USD and intended for institutional investors
Class B (*)	Shares denominated in EUR and intended for institutional investors
Class C	Shares denominated in USD and intended for retail investors
Class D	Shares denominated in EUR and intended for retail investors
Class E	Hedged EUR shares denominated in EUR and intended for institutional investors
Class F	Hedged EUR shares denominated in EUR and intended for retail investors
Class G	Distribution hedged EUR shares denominated in EUR and intended for institutional investors

(\*) Shares in Classes A and B will be launched at a later date. The initial subscription period will be fixed by the Board of Directors.

For Classes E, F and G, the EUR shares will be hedged against the USD.

## **6. Minimum Investment**

The minimum initial investment and holding requirement per investor in the Classes are the following:

Class A	USD 250,000
Class B	EUR 250,000
Class C	USD 25,000
Class D	EUR 25,000
Class E	EUR 250,000
Class F	EUR 25,000
Class G	EUR 250,000

The Board of Directors may decide, upon recommendation of the Investment Manager as the case may be, to accept a lesser amount, or even to waive the minimum.

No minimum is required for additional subscriptions from existing shareholders.

## **7. Subscriptions and Subscription Fee**

The subscription price corresponds to the Net Asset Value per Share for the relevant Class on the relevant Valuation Day, which may be increased by a sales charge of a maximum of 3% of the applicable relevant Net Asset Value per Share and which shall revert to the sales agents, if any.

In order to be dealt with on the basis of the relevant Net Asset Value per Share for any Valuation Day, duly completed and signed subscription forms must be received by the Registrar and Transfer Agent of the Fund in Luxembourg not later than 12.00 noon, Luxembourg time, 3 Business Days preceding such Valuation Day and must be accepted. Subscription forms received after this time and date will take effect on the next following Valuation Day.

Payment shall be received by the Depositary not later than 3 Business Days following such Valuation Day for the account of the Fund referencing the Sub-Fund and the relevant Class.

The corresponding Shares will be issued only upon receipt of the payment.

## **8. Redemptions**

In order to be dealt with on the basis of the relevant Net Asset Value per Share for any Valuation Day, redemption requests must be received by the Registrar and Transfer Agent of the Fund in Luxembourg not later than 12.00 noon, Luxembourg time, 3 Business Days preceding such Valuation Day. Redemption requests received after this time and date will take effect on the next following Valuation Day.

The redemption price shall be based on the Net Asset Value per Share for the relevant Class on the relevant Valuation Day. No redemption fee will be levied.

The redemption price shall be paid by the Depositary not later than 3 Business Days following the applicable Valuation Day.

## **9. Conversions**

Shares of any Class of the Sub-Fund may be converted into Shares of any other Class of the Sub-Fund according to the procedure described in the Prospectus. No conversion fee shall be levied.

The minimum initial investment and holding requirement per investor in the new selected Class shall then be observed.

The conversion list will be closed under the same terms and conditions as applicable to redemptions in the Sub-Fund.

#### **10. Reference Currencies**

The Net Asset Value per Share of Classes A and C will be calculated in USD.

The Net Asset Value per Share of Classes B, D, E, F and G will be calculated in EUR.

The Sub-Fund is consolidated in USD.

#### **11. Frequency of the Net Asset Value (NAV) calculation and Valuation Day**

For each Wednesday (“Valuation Day”), there is a corresponding Net Asset Value which is dated that Valuation Day and calculated and published on the next Business Day following that Valuation Day (“NAV Calculation Day”) on the basis of the prices on that Valuation Day. If such Valuation Day is not a Business Day, then the Valuation Day will be the next following Business Day.

For each Business Day other than a Valuation Day, the Administrative Agent shall, under the overall responsibility of the Board of Directors, determine for each Class of the Sub-Fund, Indicative Net Asset Values:

- on the basis of the closing prices on that Business Day (the “Indicative Valuation Day”)
- on the next Business Day following any Indicative Valuation Day.

These Indicative NAV shall be used solely for publication and performance calculation needs; no redemptions, no subscriptions and/or share conversions shall be accepted on the basis of these Indicative Net Asset Values.

#### **12. Management Company Fees**

A management fee is payable to the Management Company by the Sub-Fund in remuneration for its services. Such fee is payable quarterly in arrears and calculated on the average of the net assets of the Sub-Fund for the relevant quarter as follows:

0.075% per annum on the average net assets,  
with a minimum of EUR 10,000 per annum.

Furthermore, the Sub-Fund will pay to the Management Company an additional fee in remuneration for its services with respect to its currency overlay program. Such fee is equal to 0.01% per month of the average net assets of the Classes E, F and G during the relevant month. Such fee is payable quarterly.

#### **13. Investment Manager**

In accordance with an agreement entered into with the Management Company in the presence of the Fund, terminable by either party giving not less than three months' prior notice to the other parties, TREA ASSET MANAGEMENT, S.G.I.I.C. ,S.A. is acting as Investment Manager.

TREA ASSET MANAGEMENT, S.G.I.I.C ,S.A.is a company incorporated in the Official Register of the CNMV (Comisión Nacional del Mercado de Valores) with number 217 on 13 April 2007. Its corporate capital amounts to EUR 17,521,500.-. Its registered office is Calle Serrano, N° 66, 5ª Planta – 28001 Madrid (Spain).The principal activity of the company consists of the business of asset management.

#### **14. Investment Management Fees**

An investment management fee is payable to the Investment Manager out of the assets of the Sub-Fund, in remuneration for its services. Such fee is set at the annual rate of 1.25% per annum for Classes A, B, E and G, and at the annual rate of 1.75% per annum for Classes C, D and F, payable quarterly in arrears and calculated on the average of the net assets of the Sub-Fund for the relevant Class for the relevant quarter.

#### **15. Listing on the Luxembourg Stock Exchange**

The Shares of the Sub-Fund may be listed on the Luxembourg Stock Exchange.

#### **16. Publication of the NAV**

The Net Asset Value per Share and the issue and redemption prices of the Shares will be available at the registered office of the Fund and will be published on Bloomberg.

#### **17. Taxation**

The Sub-Fund is liable to a tax of 0.05% per annum of its Net Asset Value (*taxe d'abonnement*), such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Fund at the end of the relevant calendar quarter. However, this tax is reduced to 0.01% per annum for the net assets attributable to Classes A, B, E and G.

#### **18. ISIN codes**

Class A (*)	LU0629658195
Class B (*)	LU0629658351
Class C	LU0629658435
Class D	LU0629658518
Class E	LU0629658609
Class F	LU0629658864
Class G	LU0804186558

(\*) Shares in Classes A and B will be launched at a later date. The initial subscription period will be fixed by the Board of Directors.

## II. SUB-FUND SELECT EUROPEAN EQUITIES

### 1. Name

The name of the Sub-Fund is "Select European Equities".

### 2. Specific Investment Policy, Investment Restrictions and Risk Factors

#### Investment Objectives

The investment objective of the Sub-Fund is to provide superior capital growth through an active management of a portfolio of listed equities and other transferable securities equivalent to equities. The geographic focus will generally be on European countries.

#### Investment Approach and Policy

The Sub-Fund intends to achieve its objective by investing its assets principally in equities and equity linked securities, including but not limited to depository receipts, warrants and other participation rights and participation notes, equity linked notes and convertible securities, of issuers whose shares will be listed on an European market stock exchange, and/or of companies incorporated, having their principal place of business or carrying out a significant part of their business in a European country, even if they are listed on a stock exchange elsewhere. There are no restrictions as to the market capitalization of the companies in which the Sub-Fund invests.

Investments in emerging and frontier countries will not exceed 10% of the Sub-Fund's net assets. For the avoidance of doubt it is understood the Sub-fund will not invest in China, Russia and India.

The Sub-Fund may get exposure to emerging and frontier countries either directly or indirectly by investing in American, European and International/ Global Depository Receipts, respectively ADRs, EDRs or IDRs/ GDRs, where underlying securities are issued by companies domiciled in any emerging or frontier countries and then traded on a Regulated Market outside the respective emerging or frontier countries, mainly in the USA or Europe. By investing in ADRs, EDRs and IDRs/ GDRs the Sub-Fund expects to be able to mitigate some of the settlement risks associated with its investment policy, although other risks, e.g. the currency risk exposure, shall remain.

The use of ADRs, EDRs, IDRs/ GDRs refers to American, European and International/ Global Depository Receipts, mirror substitutes for shares which cannot be bought locally for legal reasons. ADRs, EDRs or IDRs/ GDRs are not listed locally but on such markets as New York and London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the sub-fund's investment policy.

If such ADRs/GDRs or participation notes would entitle an embedded derivative, the latter will respect the article 41 of the Law of 2010.

The remainder of the assets, i.e. up to 49% of the net assets of the Sub-Fund, may be invested in any kind of eligible assets other than those referred to in the core policy.



The Investment Manager of the Sub-Fund employs a rigorous approach to equity, macro-economic, and market analysis as well as a robust risk management system based on both qualitative and quantitative measurements.

The Investment Manager of the Sub-Fund uses qualitative methods to identify potential investment opportunities and then engages in a vigorous process of analysis, background checking and – but not on a regular basis - interviews of the senior management of target companies before investing in the securities of these companies.

In addition to the qualitative methods the Investment Manager uses also in-house proprietary software and models, as well as Bloomberg tools, as part of its suite of quantitative tools. The investment process begins with the formulation of a top-down macro view that focuses on the macro backdrop. Factors analyzed include the fiscal, interest rate, inflation and growth cycles of each relevant European country. When the top-down analysis is complete, the Investment Manager focuses on constructing the equity portfolio. A short-list of investment opportunities is created through a bottom-up analysis of individual equities in order to construct the final portfolio. Factors considered include general risk analysis (balance sheet, income statement) as well as technical analysis (investor positioning, flows). The Portfolio Manager then determines asset selection based on investments with superior risk/reward characteristics and finally determines the optimal entry price and size for each.

The Sub-Fund may also invest in financial derivative instruments such as futures, forwards and options, without excluding other financial derivative instruments. The Sub-Fund would use such financial derivative instruments for the purpose of investment, hedging risky positions and/or sound portfolio management. The Sub-Fund will calculate its global exposure resulting from the use of financial derivative instruments on a commitment basis. On the basis of this approach, the positions on financial derivative instruments must be converted into equivalent positions on the underlying assets. The global exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, counterparty risk, foreseeable market movements and the time available to liquidate the positions. The Fund shall ensure that the global exposure of the Sub-Fund relating to financial derivative instruments does not exceed the total net assets of that Sub-Fund. The Sub-Fund's global exposure shall consequently not exceed 200% of its total net assets. In addition, this global exposure may not be increased by more than 10% by means of temporary borrowing, so that the Sub-Fund's overall risk exposure may not exceed 210% of its total net assets in any circumstances.

The Sub-Fund will make use of financial derivative instruments in a manner not to materially alter the Sub-Fund's risk profile over what would be the case if financial derivative instruments were not used.

In order to be eligible for investment by UCITS governed by Directive 2009/65/EC, the Sub-Fund may also invest up to 10% of its net assets in units or shares of other UCITS and/or UCIs (including those established as Exchange Traded Funds), within the meaning of Article 1, paragraph (2), sub-paragraphs a) and b), of Directive 2009/65/EC, that are regulated, open and diversified, and have a risk distribution comparable to that of Luxembourg UCIs governed by Part I of the Law of 2010.

Notwithstanding the above provisions and if justified by exceptional market conditions, the Sub-Fund may invest up to 100% of its net assets in cash and cash equivalents, term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, monetary UCITS and UCIs, provided that sufficient diversification (duration, counterparty) is ensured. In general terms, the Sub-Fund will then comply with the applicable investment restrictions and the principle of risk spreading set out in chapter II in Part A of the Prospectus. There is no restriction as to the currency of these securities and instruments. Term deposits and liquid assets may not exceed 49% of the Sub-Fund's

net assets; term deposits and liquid assets held by any counterparty including the Depositary may not exceed 20% of the Sub-Fund's net assets.

The Sub-Fund will make no attempt to replicate some benchmark indices and it is noted that performance of the Sub-Fund may vary significantly from indices from time to time.

The Sub-Fund's assets will notably be denominated in EUR. However, the Sub-Fund may invest in assets denominated in other Continental Europe currencies. The currency exposure may be hedged.

### **Investment Restrictions**

The Sub-Fund is subject to the investment restrictions set out in Part A of the Prospectus under chapter II. In addition, the Sub-Fund may use techniques and instruments as set out in chapter III in Part A of the Prospectus.

### **Risk Profile and Risk Factors**

Investors should note the following specific risk factors in relation to an investment in European Equities:

#### ***Equity Risk***

The equity markets may fluctuate significantly with prices rising and falling sharply, and this will have a direct impact on the Sub-Fund's Net Asset Value. This means that when the equity markets are extremely volatile the Sub-Fund's Net Asset Value may fluctuate substantially.

#### ***Liquidity risk***

Not all securities invested in by the Sub-Fund will be listed or rated and consequently liquidity may be low. Liquidity may also be low for a variety of other reasons, including, among other reasons, lack of market-makers certain securities, given their over-the-counter ("OTC") nature. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Sub-Fund may also encounter difficulties in disposing of assets at their fair market price due to adverse or highly volatile market conditions leading to limited liquidity.

#### ***Currency Risk***

The Sub-Fund holds assets denominated in currencies other than its reference currency. It may be affected by changes in exchange rates between the reference currency and these other currencies or by changes to exchange control regulations. If the currency in which an asset is denominated appreciates against the sub-fund's reference currency, the security's equivalent value in the reference currency will also appreciate. Conversely, a depreciation in the currency will result in a fall in the security's equivalent value in the reference currency.

#### ***Redemption risk and restrictions***

Substantial redemptions of Shares could require the Sub-Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the trading performance of the Sub-Fund and even cause the liquidation of the Sub-Fund. In these and other exceptional circumstances the Board of Directors and/or its delegates may impose restrictions on the redemption of Shares as further described herein.

In certain situations, restrictions on the redemption of Shares in the Sub-Fund may be imposed as a result of which shareholders may not receive their redemption proceeds until after the sale of sufficient investments to meet those redemption requests, or may not be permitted to redeem their shareholding until a later time.

### ***Valuation risk***

The Board of Directors, the Management Company and/or the Investment Manager may be consulted with respect to the valuation of certain investments. There is an inherent conflict of interest between the involvement of these entities in determining the valuation price of the Sub-Fund's investments and their other duties and responsibilities in relation to the Sub-Fund.

### ***Reliability of credit ratings***

The Sub-Fund may, in accordance with its investment policy, be permitted to invest in securities/investments having a range of credit ratings, or none at all. For rated securities, some of these will be investment grade, while others could be considered more speculative. Credit ratings may, however, not be an accurate or reliable measure of the strength or weakness of the securities/investments being invested in. Where such credit ratings prove inaccurate or unreliable losses may be incurred by the Sub-Fund which has invested in such securities/investments.

### ***Conflicts of interest***

The Board of Directors, the Management Company and/or the Investment Manager and their delegates and/or affiliates are engaged in a broad spectrum of activities. In the ordinary course of their businesses, these entities may engage in activities where their interests or the interests of their clients conflict with the interests of the Sub-Fund. In the event of a conflict of interest arising, the relevant entity will ensure that it is resolved fairly in the best interests of the shareholders and that investment opportunities shall be fairly allocated to their respective clients.

### ***Counterparty Risk***

The Sub-Fund may have credit exposure to counterparties by virtue of financial or derivative contracts held by the Sub-Fund. The Sub-Fund may also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments. When a Sub-Fund invests in a security or other instrument which is guaranteed by a bank or other type of financial institution there can be no assurance that such guarantor will not itself be subject to credit difficulties, which may lead to the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments, or payments due on such securities or instruments. Notwithstanding any measures implemented by the Sub-Fund to reduce the aforementioned risks, there can be no assurance that counterparties will not default or that the Sub-Fund will not sustain losses on the transactions as a result.

### ***Risks associated with investment in Rule 144A Securities***

Rule 144A Securities are not registered with the Securities and Exchange Commission (SEC). These securities are considered as recently issued transferable securities and are only deemed for investment by Qualified Institutional Buyers (as defined in the Securities Act).

## ***Warrant Risk***

The investor's attention is drawn to the fact that warrants are complex, volatile, high-risk instruments: the risk of a total loss of the invested capital is great. In addition, one of the principal characteristics of warrants is the "leverage effect", which is seen in the fact that a change in the value of the underlying asset can have a disproportionate effect on the value of the warrant. Finally, there is no guarantee that, in the event of an illiquid market, it will be possible to sell the warrant on a secondary market.

The aforementioned risk factors are by no means exhaustive. The information provided is not intended to, and does not, constitute legal advice. If in doubt, prospective investors should read the Prospectus carefully and consult their own professional adviser(s) as to the implications of subscribing for or otherwise dealing in the Shares of the Sub-Fund.

No guarantee can be given that the Sub-Fund's objectives will be achieved and that investors will recover the amount of their initial investment.

Past performance is not an indicator for future results or performance.

## **Profile of targeted investors**

This Sub-Fund is most suited to investors who want to benefit from the stock market movements through the investment in equities. The investor must be able to accept temporary losses, thus this Sub-Fund is suitable to investors who can afford to set aside the capital for at least 5 years.

## **3. Distribution Policy**

The Sub-Fund's current policy regarding the appropriation of results is to capitalise income for Classes A, C, and E and to distribute a fixed amount to be determined by the Board of Directors for Class B and D.

Dividends will be calculated and accrued annually. Under normal conditions it is anticipated that the dividend amount will represent 85% of net dividends paid in cash to the sub fund over the relevant accounting year. Such dividends are only owned to the shareholders of Classes B and D registered as of the close of business day of the last Business Day of the relevant accounting year.

The Board of Directors intends to pay dividends annually.

## **4. Form of Shares**

Shares in Classes A, B, C, D and E will be issued in registered form only.

## **5. Classes of Shares**

The Sub-Fund will offer 5 Classes which differ according to the type of investors and/or their distribution policy:

Class A	Capitalisation Shares denominated in EUR and intended for institutional investors
Class B (*)	Distribution Shares denominated in EUR and intended for institutional investors
Class C	Capitalisation Shares denominated in EUR and intended for institutional investors
Class D (*)	Distribution Shares denominated in EUR and intended for institutional investors
Class E (*)	Capitalisation Shares denominated in EUR and intended for retail investors

(\*) Shares in Classes B, D and E will be launched at a later date. The initial subscription period will be fixed by the Board of Directors.

## **6. Minimum Investment**

The minimum initial investment and holding requirement per investor in the Classes are the following:

Class A	EUR 100,000
Class B	EUR 100,000
Class C	EUR 100,000
Class D	EUR 100,000
Class E	n/a

The Board of Directors may decide, upon recommendation of the Investment Manager as the case may be, to accept a lesser amount, or even to waive the minimum.

No minimum is required for additional subscriptions from existing shareholders.

## **7. Subscriptions and Subscription Fee**

The subscription price corresponds to the Net Asset Value per Share for the relevant Class on the relevant Valuation Day, which may be increased by a sales charge of a maximum of 3% of the applicable relevant Net Asset Value per Share and which shall revert to the sales agents, if any.

In order to be dealt with on the basis of the relevant Net Asset Value per Share established for any Valuation Day, duly completed and signed subscription forms must be received by the Registrar and Transfer Agent of the Fund in Luxembourg not later than 12.00 noon, Luxembourg time, 3 Business Days preceding such Valuation Day and must be accepted. Subscription forms received after this time and date will take effect on the next following Valuation Day.

Payment shall be received by the Depositary not later than 3 Business Days following such Valuation Day for the account of the Fund referencing the Sub-Fund and the relevant Class.

The corresponding Shares will be issued only upon receipt of the payment.

## **8. Redemptions**

In order to be dealt with on the basis of the relevant Net Asset Value per Share established for any Valuation Day, redemption requests must be received by the Registrar and Transfer Agent of the Fund in Luxembourg not later than 12.00 noon, Luxembourg time, 3 Business Days preceding such Valuation Day. Redemption requests received after this time and date will take effect on the next following Valuation Day.

The redemption price shall be based on the Net Asset Value per Share for the relevant Class on the relevant Valuation Day. No redemption fee will be levied.

The redemption price shall be paid by the Depositary not later than 3 Business Days following the applicable Valuation Day.

## **9. Conversions**

Shares of any Class of the Sub-Fund may be converted into Shares of any other Class of the Sub-Fund according to the procedure described in the Prospectus. No conversion fee shall be levied.

The minimum initial investment and holding requirement per investor in the new selected Class shall then be observed.

The conversion list will be closed under the same terms and conditions as applicable to redemptions in the Sub-Fund.

## **10. Reference Currencies**

The Sub-Fund is consolidated in EUR

## **11. Frequency of the Net Asset Value (NAV) calculation and Valuation Day**

For each Business Day ("Valuation Day"), there is a corresponding Net Asset Value which is dated that Valuation Day and calculated and published on the next Business Day following that Valuation Day ("NAV Calculation Day") on the basis of the prices on that Valuation Day.

## **12. Management Company Fees**

A management fee is payable to the Management Company by the Sub-Fund in remuneration for its services. Such fee is payable quarterly in arrears and calculated on the average of the net assets of the Sub-Fund for the relevant quarter as follows:

0.075% per annum on the average net assets,  
with a minimum of EUR 10,000 per annum.

## **13. Investment Manager**

In accordance with an agreement entered into with the Management Company in the presence of the Fund, terminable by either party giving not less than three months' prior notice to the other parties, TREA ASSET MANAGEMENT, S.G.I.I.C, S.A is acting as Investment Manager.

TREA ASSET MANAGEMENT, S.G.I.I.C, S.A is a company incorporated in the Official Register of the CNMV (Comisión Nacional del Mercado de Valores) with number 217 on 13 April 2007. Its corporate capital amounts to EUR 17,521,500.-. Its registered office is Calle Serrano, N° 66, 5ª Planta – 28001 Madrid (Spain). The principal activity of the company consists of the business of asset management.

## **14. Investment Management Fees**

An investment management fee is payable to the Investment Manager out of the assets of the Sub-Fund, in remuneration for its services. Such fee is set at the annual rate of 1% per annum for Classes A and B, at the annual rate of 1,5% per annum for Classes C and D and at the annual rate of 2% per annum for Class E payable quarterly in arrears and calculated on the average of the net assets of the Sub-Fund for the relevant Class for the relevant quarter.

### **15. Listing on the Luxembourg Stock Exchange**

The Shares of the Sub-Fund may be listed on the Luxembourg Stock Exchange.

### **16. Publication of the NAV**

The Net Asset Value per Share and the issue and redemption prices of the Shares will be available at the registered office of the Fund and will be published on Bloomberg.

### **17. Taxation**

The Sub-Fund is liable to a tax of 0.05% per annum of its Net Asset Value (*taxe d'abonnement*), such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Fund at the end of the relevant calendar quarter. However, this tax is reduced to 0.01% per annum for the net assets attributable to Classes A, B, C and D.

### **18. ISIN codes**

Class A	LU1028505649
Class B (*)	LU1028505995
Class C	LU1028506290
Class D (*)	LU1028506373
Class E (*)	LU1028506530

(\*) Shares in Classes B, D and E will be launched at a later date. The initial subscription period will be fixed by the Board of Directors.

### **III. SUB-FUND TREA IBERIAN EQUITIES**

#### **1. Name**

The name of the Sub-Fund is “Trea Iberian Equities”.

#### **2. Specific Investment Policy, Investment Restrictions and Risk Factors**

##### **Investment Objectives**

The investment objective of the Sub-Fund is to provide superior capital growth through an active management of a portfolio of listed equities and other transferable securities equivalent to equities. The geographic focus will generally be on Iberian countries.

##### **Investment Approach and Policy**

The Investment Manager of the Sub-Fund employs a rigorous approach to equity, macro-economic, and market analysis as well as a robust risk management system based on both qualitative and quantitative measurements.

The Investment Manager of the Sub-Fund uses qualitative methods to identify potential investment opportunities and then engages in a vigorous process of analysis, background checking and – but not on a regular basis - interviews of the senior management of target companies before investing in the securities of these companies.

In addition to the qualitative methods the Investment Manager uses also in-house proprietary software and models, as well as Bloomberg tools, as part of its suite of quantitative tools. The investment process begins with the formulation of a top-down macro view that focuses on the macro backdrop. Factors analyzed include the fiscal, interest rate, inflation and growth cycles of each relevant European country. When the top-down analysis is complete, the Investment Manager focuses on constructing the equity portfolio. A short-list of investment opportunities is created through a bottom-up analysis of individual equities in order to construct the final portfolio. Factors considered include general risk analysis (balance sheet, income statement) as well as technical analysis (investor positioning, flows). The Portfolio Manager then determines asset selection based on investments with superior risk/reward characteristics and finally determines the optimal entry price and size for each.

The Sub-Fund intends to achieve its objective by investing at least 75% in equities of issuers having their principal place of business or carrying out a significant part of their business in Spain, even if they are listed on a stock exchange elsewhere. The remainder of the assets, i.e. up to 25% of the Sub-Fund’s net assets, can be invested in other Iberian countries but also in any other OECD country.

There are no restrictions as to the market capitalization of the companies in which the Sub-Fund invests.

In order to be eligible for investment by UCITS governed by Directive 2009/65/EC, the Sub-Fund may also invest up to 10% of its net assets in units or shares of other UCITS and/or UCIs (including those established as Exchange Traded Funds), within the meaning of Article 1, paragraph (2), sub-paragraphs a) and b), of Directive 2009/65/EC, that are regulated, open and diversified, and have a risk distribution comparable to that of Luxembourg UCIs governed by Part I of the Law of 2010.



The Sub-Fund will however not invest in bonds or convertible bonds.

Notwithstanding the above provisions and if justified by exceptional market conditions, the Sub-Fund may invest up to 100% of its net assets in cash and cash equivalents, term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, monetary UCITS and UCIs, provided that sufficient diversification (duration, counterparty) is ensured. In general terms, the Sub-Fund will then comply with the applicable investment restrictions and the principle of risk spreading set out in chapter II in Part A of the Prospectus. There is no restriction as to the currency of these securities and instruments. Term deposits and liquid assets may not exceed 49% of the Sub-Fund's net assets; term deposits and liquid assets held by any counterparty including the Depositary may not exceed 20% of the Sub-Fund's net assets.

The Sub-Fund will make no attempt to replicate some benchmark indices and it is noted that performance of the Sub-Fund may vary significantly from indices from time to time.

The Sub-Fund's assets will notably be denominated in EUR. However, investments in non-Euro currencies will not exceed 30% of the Sub-Fund's net assets. Currency exposure may be hedged at the Investment Manager's discretion.

### **Investment Restrictions**

The Sub-Fund is subject to the investment restrictions set out in Part A of the Prospectus under chapter II. In addition, the Sub-Fund may use techniques and instruments as set out in chapter III in Part A of the Prospectus.

### **Risk Profile and Risk Factors**

The main investment risks the **TREA IBERIAN EQUITIES** is exposed to are:

- equity risk
- liquidity risk
- currency risk
- redemption risk & restrictions
- valuation risk
- reliability of credit rating risk
- counterparty risk
- Warrants risk

For a detailed analysis of the risks, please refer to section Risk Factors of Part A of the Prospectus.

No guarantee can be given that the Sub-Fund's objective will be achieved and that investors will recover the amount of their initial investment.

Past performance is not an indicator for future results or performance.

### **Profile of targeted investors**

This Sub-Fund is most suited to investors who want to benefit from the stock market movements through the investment in equities. The investor must be able to accept temporary losses, thus this Sub-Fund is suitable to investors who can afford to set aside the capital for at least 5 years.

### **3. Distribution Policy**

The Sub-Fund's current policy regarding the appropriation of results is to capitalise income for Classes A and B.

### **4. Form of Shares**

Shares will be issued in registered form only.

### **5. Classes of Shares**

The Sub-Fund will offer the following Classes which differ according to the type of investors and/or their distribution policy:

Class A	Capitalisation Shares denominated in EUR and intended for institutional investors
Class B	Capitalisation Shares denominated in EUR and intended for retail investors

### **6. Minimum Investment**

The minimum initial investment and holding requirement per investor in the Classes are the following:

Class A	EUR 100,000
Class B	EUR 1,000

The Board of Directors may decide, upon recommendation of the Investment Manager as the case may be, to accept a lesser amount, or even to waive the minimum.

No minimum is required for additional subscriptions from existing shareholders.

### **7. Subscriptions and Subscription Fee**

The subscription price corresponds to the Net Asset Value per Share for the relevant Class on the relevant Valuation Day, which may be increased by a sales charge of a maximum of 3% of the applicable relevant Net Asset Value per Share and which shall revert to the sales agents, if any.

In order to be dealt with on the basis of the relevant Net Asset Value per Share for any Valuation Day, duly completed and signed subscription forms must be received by the Registrar and Transfer Agent of the Fund in Luxembourg not later than 12.00 noon, Luxembourg time, on such Valuation Day and must be accepted. Subscription forms received after this time and date will take effect on the next following Valuation Day.

Payment shall be received by the Depositary not later than 3 Business Days following such Valuation Day for the account of the Fund referencing the Sub-Fund and the relevant Class.

The corresponding Shares will be issued only upon receipt of the payment.

### **8. Redemptions**

In order to be dealt with on the basis of the relevant Net Asset Value per Share for any Valuation Day, redemption requests must be received by the Registrar and Transfer Agent of the Fund in Luxembourg not

later than 12.00 noon, Luxembourg time, 3 Business Days preceding such Valuation Day. Redemption requests received after this time and date will take effect on the next following Valuation Day.

The redemption price shall be based on the Net Asset Value per Share for the relevant Class on the relevant Valuation Day. No redemption fee will be levied.

The redemption price shall be paid by the Depositary not later than 3 Business Days following the applicable Valuation Day.

## **9. Conversions**

Shares of any Class of the Sub-Fund may be converted into Shares of any other Class of the Sub-Fund according to the procedure described in the Prospectus. No conversion fee shall be levied.

The minimum initial investment and holding requirement per investor in the new selected Class shall then be observed.

The conversion list will be closed under the same terms and conditions as applicable to redemptions in the Sub-Fund.

## **10. Reference Currencies**

The Net Asset Value per Share of Classes A and B will be calculated in EUR.  
The Sub-Fund is consolidated in EUR

## **11. Frequency of the Net Asset Value (NAV) calculation and Valuation Day**

For each Business Day ("Valuation Day"), there is a corresponding Net Asset Value which is dated that Valuation Day and calculated and published on the next Business Day following that Valuation Day ("NAV Calculation Day") on the basis of the prices on that Valuation Day.

## **12. Management Company Fees**

A management fee is payable to the Management Company by the Sub-Fund in remuneration for its services. Such fee is payable quarterly in arrears and calculated on the average of the net assets of the Sub-Fund for the relevant quarter as follows:

0.075% per annum on the average net assets,  
with a minimum of EUR 10,000 per annum.

## **13. Investment Manager**

In accordance with an agreement entered into with the Management Company in the presence of the Fund, terminable by either party giving not less than three months' prior notice to the other parties, TREA ASSET MANAGEMENT, S.G.I.I.C, S.A is acting as Investment Manager.

TREA ASSET MANAGEMENT, S.G.I.I.C, S.A is a company incorporated in the Official Register of the CNMV (Comisión Nacional del Mercado de Valores) with number 217 on 13 April 2007. Its corporate capital amounts to EUR 17,521,500 Its registered office is Calle Serrano, N° 66, 5ª Planta – 28001 Madrid (Spain). The principal activity of the company consists of the business of asset management.

#### **14. Investment Management Fees**

An investment management fee is payable to the Investment Manager out of the assets of the Sub-Fund, in remuneration for its services. Such fee is set at the annual rate of 0.95% per annum for Class A, and at the annual rate of 1.90% per annum for Class B, payable quarterly in arrears and calculated on the average of the net assets of the Sub-Fund for the relevant Class for the relevant quarter.

#### **15. Listing on the Luxembourg Stock Exchange**

The Shares of the Sub-Fund may be listed on the Luxembourg Stock Exchange.

#### **16. Publication of the NAV**

The Net Asset Value per Share and the issue and redemption prices of the Shares will be available at the registered office of the Fund and will be published on Bloomberg.

#### **17. Taxation**

The Sub-Fund is liable to a tax of 0.05% per annum of its Net Asset Value (*taxe d'abonnement*), such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Fund at the end of the relevant calendar quarter. However, this tax is reduced to 0.01% per annum for the net assets attributable to Class A.

#### **18. ISIN codes**

Class A	LU1839724306
Class B	LU1839724488

## MISCELLANEOUS

### **Documents available**

Copies of the Prospectus, of the Articles of Incorporation of the Fund and latest reports and accounts referred to under the heading "General Information", sub-section 2) "Meetings of, and Reports to, shareholders" may be obtained during usual business hours on any Business Day in Luxembourg at the registered office of the Fund.

Copies of the Prospectus, KIID and latest published annual and semi-annual reports may also be consulted from the following website <http://funds.degroofpetercam.lu/funds/list> and [www.fundsquare.net](http://www.fundsquare.net).

A brief description of the strategy put in place by the Management Company for determining when and how voting rights attached to instruments held in the Fund's portfolio are to be exercised may also be consulted from the following website [www.dpas.lu](http://www.dpas.lu).

The Management Company applies a remuneration policy (the « Policy ») within the meaning of article 111bis of the 2010 Law and in accordance with the principles laid down in article 111ter of the 2010 Law.

The Policy aims among others to prevent risk taking which is incompatible with a sound and effective risk management, with the business strategy, the objectives, the values and the interests of the Management Company or the Fund, with the interests of the shareholders of the Fund, to avoid potential conflicts of interests and to decorrelate the decisions relating to control operations, from the performances obtained. The Policy includes an assessment of performance set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the long-term performance of the Fund and its investment risks. The variable remuneration component is also based on a number of other qualitative and quantitative factors. The Policy contains an appropriate balance of fixed and variable components of the total remuneration.

This Policy is adopted by the board of directors of the Management Company, who is also responsible for its implementation and supervision. The Policy applies to any kind of benefit paid by the Management Company, as well as to any amount paid directly by the Fund itself, including performance fees (if any), and to any transfer of shares of the Fund, made in favour of a category of staff covered by the Policy.

The general principles of the Policy are reviewed by the board of directors of the Management Company at least annually and are based on the size of the Management Company and/or on the size of the UCITS it manages.

The details of the up-to-date Policy are available on the website [www.dpas.lu](http://www.dpas.lu). A hard copy will be made available free of charge upon request.

### **Subscription Forms**

Subscription forms may be obtained from the Fund's registered office on request.

### **Official language**

The official language of the Prospectus and of the Articles is English. However, the Board of Directors, the Depositary, the Management Company, the Domiciliary and Corporate Agent may, on their own behalf and

on the Fund's behalf, consider it essential that these documents be translated into the languages of the countries in which the Fund's Shares are offered and sold. In case of any discrepancies between the English text and any other language into which the Prospectus is translated, the English text will prevail.