

# CRUX Global Fund (SICAV - UCITS)

**Registered Office:**

49, Avenue J.F. Kennedy, L-1855 Luxembourg  
Grand-Duchy of Luxembourg

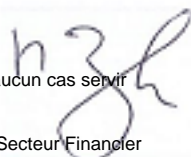
**Luxembourg R.C.S.: B213575**

## Prospectus

**August 23, 2023**

VISA 2023/173834-11083-0-PC

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2023-08-24  
Commission de Surveillance du Secteur Financier



# IMPORTANT INFORMATION

## Registration in Luxembourg

CRUX Global Fund (the “**Fund**”) is registered in the Grand-Duchy of Luxembourg as an undertaking for collective investment pursuant to Part I of the Law of 17<sup>th</sup> December 2010 on undertakings for collective investment (the “**2010 Law**”).

Such registration however does not imply a positive assessment by the Luxembourg financial supervisory authority (*Commission de Surveillance du Secteur Financier*, the “**CSSF**”) of the quality of the shares of the Fund (the “**Shares**”) offered for sale. Any representation to the contrary is unauthorised and unlawful.

The Fund is an undertaking for collective investment in transferable securities (“**UCITS**”) for the purpose of Directive 2009/65/EC of the European Parliament and of the Council of 13th July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended (the “**UCITS Directive**”).

The Fund was incorporated on 16 March 2017 and is registered with the Luxembourg Trade and Companies Register under number B213575. The articles of incorporation of the Fund will be published in the *Recueil électronique des sociétés et associations* (RESA).

The Fund has appointed Carne Global Fund Managers (Luxembourg) S.A. as its management company (the “**Management Company**”).

## Reliance on Prospectus

Shares are offered on the basis of the information contained in the current prospectus (the “**Prospectus**”) and the documents referred to herein.

Subscriptions can be accepted only on the basis of the Prospectus, which is valid only if accompanied by a copy of the latest annual report containing the audited accounts, and of the semi-annual report if such report is published after the latest annual report. These reports form an integral part of the Prospectus.

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

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

This Prospectus was prepared in English and may be translated into other languages. Any such

translation shall only contain the same information and have the same meanings as the English version. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English version shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold, so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

Investors may not treat the content of this Prospectus as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisers concerning the acquisition, holding or disposal of an investment in the Fund referred to in this Prospectus.

Accordingly, prospective investors should inform themselves and take appropriate professional/specialist advice as to (a) the possible legal/tax consequences, (b) the legal/regulatory requirements and (c) any foreign exchange restrictions or exchange control requirements, which they might encounter under the laws of the countries of their nationality, residence or domicile and which might be relevant to the subscription, holding or disposal of the Shares.

The Board has taken all reasonable care to ensure that at the date of this Prospectus the information contained herein is accurate in all material respects and that there are no material facts the omission of which would make misleading any statement herein, whether of facts or opinion. The Board accepts responsibility accordingly. However, the Board does not accept responsibility with regard to the content of the Prospectus or any information relating to the Shares other than to the Shareholders.

Any information given by any person not mentioned in the Prospectus should be regarded as unauthorised. The information contained in the Prospectus is considered to be accurate at the date of its publication. To reflect material changes, this document may be updated from time to time and potential subscribers should enquire of the Fund as to the issue of any later Prospectus.

## **Exercise of Shareholders' Rights**

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

## **Data Protection**

The Fund will use, process and share your personal data in accordance with the Luxembourg applicable data protection law and the General Data Protection Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "Data Protection Law") and the related privacy policy which can be viewed at <http://www.cruxam.com/SICAV-Privacy-Policy>.

## **Restrictions on Distribution**

The Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer, solicitation or sale. The distribution of this Prospectus and the offering of the Shares may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to make application for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions.

In particular, the Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (nor has the Fund been registered under the United States Investment Company Act of 1940, as amended) and may not be offered or sold, directly or indirectly, in the United States of America or its territories or possessions or areas subject to its jurisdiction, or to citizens or residents thereof other than in accordance with the laws of the United States of America.

### **Risk of Investing in the Fund**

Investing in the Fund carries substantial risk. There can be no assurance that the Fund's investment objective will be achieved and investment results may vary substantially over time. Prospective investors should carefully consider whether an investment in Shares is suitable to them in light of their circumstances and financial resources (see further under "**Risk of Investment**").

It should be remembered that the price of the Shares can go down as well as up. An investor may not get back the amount he has invested, particularly if Shares are redeemed soon after they are issued and the Shares have been subject to a subscription charge or transaction charge. Changes in exchange rates may also cause the value of Shares in the investor's base currency to go up or down.

### **Forward Pricing Principle**

The Fund determines the principles of the calculation of the price or net asset value of its Shares, which are implemented by the Management Company and the Administrator on a forward basis. This means that it is not possible to know in advance the Net Asset Value per Share at which Shares will be bought or sold (exclusive of any subscription and redemption fees).

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## DEFINITIONS

The following definitions apply throughout this Prospectus, unless the context requires otherwise, and reference to the singular shall be deemed to include reference to the plural (and *vice versa*):

“1915 Law”	the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time
“1993 Law”	the Luxembourg law of 5 April 1993 relating to the financial sector, as amended from time to time
“2010 Law”	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time
“Accumulation Share”	any Share that accumulates the income arising in respect of such Share so that it is reflected in the NAV of that Share
“Appendix”	an appendix of the Prospectus specifying the terms and conditions of a specific Sub-Fund
“Articles of Incorporation”	the articles of incorporation of the Fund, as the same may be amended, supplemented and modified from time to time
“Auditor”	Deloitte Luxembourg, in its capacity as auditor of the Fund, or such person as may subsequently be appointed to act in such capacity
“Board”	the board of directors of the Fund
“Business Day”	a day upon which banks are open all day for business in Luxembourg
“Administrator”	State Street Bank International GmbH, Luxembourg Branch, in its capacity as administration agent, domiciliary agent, corporate agent and paying agent, of the Fund in Luxembourg, or such other person as may subsequently be appointed to act in such capacity
“Administration Agreement”	the administration agency, domiciliary, corporate and paying agency, agreement entered into between the Administrator, the Management Company and the Fund on 23 August 2023, as the same may be amended from time to time
“CET”	Central European Time
“Class” or “Share Class”	any class ( <i>catégorie</i> ) of Shares in the meaning of the 1915 Law, created by the Board and issued in a Sub-Fund
“CRS”	Common Reporting Standard
“CRS Law”	has the meaning ascribed to it in Section 10.5
“CSSF”	the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority of the financial market
“Cut-off Time”	the time by which the Administrator must receive applications for subscription, conversion or redemption in respect of a Valuation Day for such application to be processed on such Valuation Day. This shall mean 12.30pm CET on a Valuation Day for all Sub-Funds



<b>“Depositary”</b>	State Street Bank International GmbH, Luxembourg Branch, acting in its capacity as the depositary of the Fund, or such other Luxembourg credit institution within the meaning of the 1993 Law as may subsequently be appointed to act in such capacity
<b>“Depositary Agreement”</b>	the depositary agreement entered into between the Depositary and the Fund, as the same may be amended from time to time
<b>“EU”</b>	the European Union
<b>“EUR”</b>	the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty of Lisbon as amending the Treaty on the European Union and the Treaty establishing the European Community
<b>“FATCA”</b>	the provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA) and other regulations promulgated thereunder
<b>“FATCA Law”</b>	the Luxembourg law of 24 July 2015 approving the intergovernmental agreement on FATCA signed between Luxembourg and the US, as amended
<b>“Fund”</b>	CRUX Global Fund, a Luxembourg investment company with variable capital ( <i>société d'investissement à capital variable</i> ) - undertaking for collective investment in transferable securities ( <i>organisme de placement collectif en valeurs mobilières</i> ) established as a public limited company ( <i>société anonyme</i> )
<b>“GBP”</b>	Pound Sterling, the lawful currency of the United Kingdom
<b>“General Meeting”</b>	any extraordinary and/or ordinary general meeting of the Shareholders held in accordance with the provisions of the Articles of Incorporation
<b>“Global Distribution Agreement”</b>	the global distribution agreement entered into between the Management Company, the Fund and the Global Distributor, as the same may be amended from time to time
<b>“Global Distributor”</b>	CRUX Asset Management Limited in its capacity as global distributor in respect of the Fund and the Sub-Funds pursuant to the Global Distribution Agreement
<b>“HIRE Act”</b>	the US law of 18 March 2010 on Hiring Incentives to Restore Employment, as amended
<b>“IGA”</b>	the intergovernmental agreement on FATCA signed between Luxembourg and the US on 28 March 2014
<b>“Income Shares”</b>	any Share that distributes the income arising in respect of such Share to its holder
<b>“Initial Offer”</b>	the first day or period on or during which Shares of any Class(es) or Sub-Class(es), where applicable, will be or were available for subscription
<b>“Initial Offer Price”</b>	the price at which Shares may be subscribed for on or during the Initial Offer

<b>“Institutional Investor”</b>	an institutional investor within the meaning of article 174 of the 2010 Law
<b>“Investment Management Agreement”</b>	the investment management agreement entered into between the Management Company, the Fund and the Investment Manager, as the same may be amended from time to time
<b>“Investment Manager”</b>	CRUX Asset Management Limited in its capacity as investment manager in respect of the Fund and the Sub-Funds pursuant to the Investment Management Agreement
<b>“Key Investor Information Document” or “KIID”</b>	a key investor information document published by the Fund for each Share Class or Sub-Class of each Sub-Fund which contains the information required by the 2010 Law to help investors understand the nature and the risks of investing in the Sub-Fund. A key investor information document must be provided to investors prior to subscribing for Shares so they can make an informed decision about whether to invest
<b>“Management Company”</b>	Carne Global Fund Managers (Luxembourg) S.A. in its capacity as the Fund’s appointed management company within the meaning of chapter 15 of the 2010 Law, or such other Person as may subsequently be appointed to act in such capacity
<b>“Management Company Agreement”</b>	the management company agreement entered into between the Fund and the Management Company, as the same may be amended from time to time
<b>“Member State”</b>	a Member State of the EU
<b>“Net Asset Value” or “NAV”</b>	as the context indicates, the net asset value of the Fund, any Sub-Fund, any each Class, Sub-Class, or any Share, as determined in accordance with the Articles of Incorporation and Section 6 of Part I hereof
<b>“OECD”</b>	Organization for Economic Co-operation and Development
<b>“Operating Costs”</b>	the Fund’s operating costs and expenses as further described under Section 9.2
<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>	with respect to the Fund, the currency of consolidation of the Fund, i.e. the Euro (EUR); with respect to any Sub-Fund, Class or Sub-Class, the currency in which that Sub-Fund, Class or Sub-Class is denominated, as specified in the relevant Appendix
<b>“Registrar and Transfer Agent”</b>	IFS, in its capacity as registrar and transfer agent of the Fund in Luxembourg, or such other person as may subsequently be appointed to act in such capacity
<b>“Registrar and Transfer Agent Agreement”</b>	the registrar and transfer agent agreement entered into between the Fund and the Registrar and Transfer Agent, as the same may be amended from time to time
<b>“Section”</b>	a section of the present Prospectus
<b>“Settlement Date”</b>	has the meaning ascribed to it in Section 5.2.7

<b>“Share”</b>	a share of the Fund
<b>“Shareholder”</b>	a registered owner of one or more Shares
<b>“SICAV”</b>	investment company with variable capital ( <i>société d’investissement à capital variable</i> )
<b>“Sub-Class”</b>	any sub-class within a Class of Shares
<b>“Sub-Fund(s)”</b>	any sub-fund in the Fund, created by the Board from time to time in accordance with this Prospectus and the Articles of Incorporation, the terms of which are described in a dedicated Appendix
<b>“Subscription Form”</b>	the subscription form of the Fund, to be completed and returned by any prospective investor in any Sub-Fund or Class, as may be amended from time to time
<b>“Sustainability Factor”</b>	means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters, as defined in article 2 of SFDR
<b>“Sustainability Risk”</b>	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by a Sub-Fund, in line with the definition thereof established in article 2 of SFDR
<b>“UCI”</b>	undertaking for collective investments
<b>“UCITS”</b>	undertaking for collective investments in transferable securities within the meaning of the UCITS Directive
<b>“UCITS Directive”</b>	the directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 in the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by the directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remuneration policies and sanctions, as may be further amended in the future
<b>“UK”</b>	the United Kingdom
<b>“US”</b>	the United States of America
<b>“Valuation Day”</b>	any day by reference to which the NAV of the Fund, any Sub-Fund, Class or Sub-Class is calculated, as determined by the Board and specified for each Sub-Fund in the relevant Appendix
<b>“VaR”</b>	value at risk

# DIRECTORY

## THE FUND

### CRUX Global Fund

49, Avenue J.F. Kennedy, L-1855 Luxembourg  
Grand-Duchy of Luxembourg

## BOARD OF DIRECTORS OF THE FUND

### Chairman

**Alain Guérard**, Managing Partner, Mont Blanc Consult S.à r.l  
6, Rue Kummert, L-6743, Grevenmacher, Grand-Duchy of Luxembourg

### Members

**Revel Justin Wood**, Independent Non-Executive Director,  
14 rue du Centre, L-3960 Ehlange, Grand-Duchy of Luxembourg

**Karen Zachary**, Chief Executive Officer, CRUX Asset Management Limited  
65 Curzon Street, London, W1J 8PE, United Kingdom

Ashley Dale, Head of Distribution, CRUX Asset Management Limited  
65 Curzon Street, London, W1J 8PE, United Kingdom

## MANAGEMENT COMPANY

### Carne Global Fund Managers (Luxembourg)S.A.

3, Rue Jean Piret. L-2350 Luxembourg  
Grand-Duchy of Luxembourg

### Board of directors of the Management Company

#### Chairman

**John Aldis**, Director, Carne Group

#### Members

##### Veronica Buffoni

Director, Carne Group

**John Donohoe**, Chief Executive Officer  
Carne Group

**Jackie O'Connor**, Independent Director,  
**Anouk Agnes**, Independent Director

### Conducting officers of the Management Company

**Pascal Dufour** - IT, Group Chief Strategy Officer

**Christophe Douche** - Managing Director, Risk Management

**Cord Rodewald** - Compliance & AML/CFT

**Quentin Gabriel** - Portfolio Management **Ankit Jain** - Branch

**Shpresa Miftari** - Valuation

**Pierre-Yves Jahan** - Distribution

**N.J. Whelan** - UCI Administration & Finance, Head of Client Operations

**Richard Marshall** - Director of Business Development

## INVESTMENT MANAGER

**CRUX Asset Management Limited**  
65 Curzon Street, London, W1J 8PE,  
United Kingdom

**DEPOSITARY**

**State Street Bank International GmbH, Luxembourg Branch**  
49, Avenue J.F. Kennedy, L-1855 Luxembourg  
Grand-Duchy of Luxembourg

**DOMICILIARY AND CENTRAL ADMINISTRATION AGENT, PAYING AGENT**

**State Street Bank International GmbH, Luxembourg Branch**  
49, Avenue J.F. Kennedy, L-1855 Luxembourg  
Grand-Duchy of Luxembourg

**REGISTRAR AND TRANSFER AGENT**

**International Financial Data Services (Luxembourg) S.A.**  
47, Avenue J.F. Kennedy, L-1855 Luxembourg  
Grand-Duchy of Luxembourg

**GLOBAL DISTRIBUTOR**

**CRUX Asset Management Limited**  
65 Curzon Street, London, W1J 8PE,  
United Kingdom

**LEGAL ADVISOR**

**Marjac Avocats**

21, rue Glesener, L-1631 Luxembourg  
Grand-Duchy of Luxembourg

**AUDITOR**

**Deloitte Luxembourg**

20 Boulevard de Kockelscheuer, L-1821 Luxembourg  
Grand-Duchy of Luxembourg

# **PART I: GENERAL INFORMATION IN RELATION TO THE FUND**

## **1. STRUCTURE OF THE FUND**

### **1.1. GENERAL INFORMATION**

The Fund is an open-ended investment company with variable capital (SICAV) incorporated as a public limited company (*société anonyme*) under the laws of the Grand-Duchy of Luxembourg on 16 March 2017.

The Fund has been established with an umbrella structure offering the possibility to create multiple fully segregated Sub-Funds. In accordance with article 181 (1) of the 2010 Law, each Sub-Fund corresponds to a separate portfolio of assets and liabilities of the Fund.

Each Sub-Fund may have its own specific investment objective and policy, investment strategy, distribution policy, Reference Currency, duration, costs structure or any other specific features, all of which are detailed in the relevant Appendix.

The Fund is currently comprised of three Sub-Funds, namely the “CRUX (Lux) European Special Situations Fund”, the “CRUX Asia ex-Japan Fund”, and the “CRUX China Fund”. The Board may at any time resolve to set up new Sub-Funds and/or create within each Sub-Fund one or more Share Classes and Sub-Classes and this Prospectus will be updated accordingly.

The Fund was created for an unlimited duration, yet each Sub-Fund may be created for a limited or unlimited duration, as further described with respect to each Sub-Fund in the relevant Appendix.

The assets of each Sub-Fund are ring-fenced. Consequently, the rights of Shareholders and of creditors concerning any Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund.

In each Sub-Fund, Shares of one or more Classes or Sub-Classes may be issued, whose assets will be commonly invested pursuant to the specific investment policy of the relevant Sub-Fund, but where a specific fee structure, currency of denomination or other specific feature may apply to each Class or Sub-Class. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class or Sub-Class. Details of the offered Classes or Sub-Classes of Shares for each Sub-Fund are set in the relevant Appendix.

At the discretion of the Board, Share Classes and Sub-Classes of the Sub-Funds may be listed on any stock exchange. Where applicable, full details on the listing of each Share Class and Sub-Class may be obtained at any time at the registered office of the Fund upon request.

### **1.2. SHARE CAPITAL**

Due to the Fund having a variable capital, the capital of the Fund shall at all times be equal to the Net Asset Value of the Fund, i.e. the total of its assets less the total of its liabilities.

The initial share capital of the Fund at incorporation was thirty thousand Euro (EUR 30,000.-) represented by three hundred (300) shares of no par value. The minimum share capital of the Fund imposed by the 2010 Law is one million two hundred and fifty thousand Euro (EUR 1,250,000.-) or any equivalent amount in any other currency converted into Euro and must be

reached within a period of six (6) months following the authorization of the Fund by the CSSF as a UCITS under the 2010 Law, and at any time thereafter.

### **1.3. REFERENCE CURRENCY**

The Reference Currency of the Fund is the Euro (EUR). The Reference Currency of each Sub-Fund is indicated in the relevant Appendix.

### **1.4. FUND DOCUMENTS**

Copies of the Articles of Incorporation, the Prospectus, the KIIDs and any available financial reports may be obtained upon request, free of charge, from the registered office of the Fund.

The following material contracts are available for inspection during normal business hours on any Business Day, at the registered office of the Fund:

- ▶ the Management Company Agreement;
- ▶ the Depositary Agreement;
- ▶ the Administration Agreement;
- ▶ the Registrar and Transfer Agent Agreement;
- ▶ the Subscription Form;
- ▶ the Global Distribution Agreement;
- ▶ the Investment Management Agreement(s); and
- ▶ any other service agreement(s) material to the Fund or a Sub-Fund.

Investors desiring to receive further information regarding the Fund or the Management Company (including the procedures relating to complaints handling, the strategy followed for the exercise of the voting rights of the Fund, the policy for placing orders to deal on behalf of the Fund with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation with the investment management and administration of the Fund) or wishing to make a complaint about the operation of the Fund should contact the Management Company or the Administrator.

## **2. INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS**

### **2.1 INVESTMENT OBJECTIVE AND POLICY**

The exclusive object of the Fund is to place the funds available to it in transferable securities and/or in other liquid financial assets as indicated in Section 2.2, with the purpose of spreading investment risks and affording its Shareholders the results of the management of its portfolio.

The specific investment objective and policy of each Sub-Fund is described in the relevant Appendix.

The investments of each Sub-Fund shall at all times comply with the investment restrictions set out in Section 2.2, and investors should, prior to any investment being made, take due account of the risks of investments set out in Section 3.

### **2.2 INVESTMENT RESTRICTIONS**

Pursuit of the investment objective and policy of each Sub-Fund must be in compliance with the limits and restrictions as set forth below. Such limits and restrictions are subject at all times to any regulations and guidance issued from time to time by the CSSF or any other appropriate regulatory body.

The Board may impose additional investment guidelines for each Sub-Fund, from time to time, as described in the relevant Appendix, for instance where it is necessary to comply with local laws and regulations in countries where Shares are distributed.

Each Sub-Fund should be regarded as a separate UCITS for the purposes of this Section A.

If an issuer or body is a legal entity with multiple sub-funds or compartments where the assets of each sub-fund or compartment are exclusively reserved to the investors of that sub-fund or compartment and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund or compartment, each sub-fund or compartment is to be considered as a separate issuer or body for the purpose of the risk diversification rules described in this Section A.

#### **A. General Investment Rules**

- 1) The investments of a Sub-Fund must comprise only one or more of the following:
  - a) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;
  - b) transferable securities and money market instruments dealt in on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;
  - c) transferable securities and money market instruments admitted to official listing on a stock exchange in an Other State or dealt in on another market in an Other State Union which is regulated, operates regularly and is recognised and open to the public provided that the choice of the stock exchange or market has been provided for in the Articles of Incorporation;
  - d) recently issued transferable securities and money market instruments, provided that:



- ▶ the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognised and open to the public, provided that the choice of the stock exchange or the market has been provided for in the Articles of Incorporation; and
  - ▶ the admission is secured within one year of issue;
- e) units of UCITS and/or other undertakings for collective investment (“UCI”) within the meaning of Article 1(2)(a) and (b) of the UCITS Directive, whether or not established in a Member State provided that:
- ▶ such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
  - ▶ the level of protection for unitholders in the other UCIs is equivalent to that provided for the Shareholders, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive;
  - ▶ 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;
  - ▶ no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs;
- f) deposits with a credit institution 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 CSSF as equivalent to those laid down in EU law;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in points a), b) and c) above and/or financial derivative instruments dealt in over-the-counter (“**OTC derivatives**”), provided that:
- ▶ the underlying consists of instruments covered by point 1) of this Section, 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 institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, 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;

- h) money market instruments other than those dealt in on a regulated market, if the issuer or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that these investments 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 European Union or the European Investment Bank, an Other State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
  - ▶ issued by an undertaking any securities of which are dealt in on regulated markets referred to in points a), b) or c) above, or
  - ▶ issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
  - ▶ issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in 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 Euro (EUR 10,000,000.-) and which presents and publishes its annual accounts in accordance with Directive 2013/34/EU, is an entity which, within a group of companies (as defined in Directive 2013/34/EU) 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.
- 2) A Sub-Fund shall not, however:
- a) invest more than 10% of its assets in transferable securities or money market instruments other than those referred to in paragraph 1);
  - b) invest more than 10% of its assets in the units of other UCITS or other UCIs;
  - c) acquire commodities or precious metals or certificates representing them or hold any option, right or interest therein. Investments in debt instruments linked to, or backed by the performance of, commodities or precious metals do not fall under this restriction.
  - d) except as set out in paragraph 3) below, invest in real estate or hold any option, right or interest in real estate. Investments in debt instruments linked to or backed by the performance of real estate or interests therein, or shares or debt instruments issued by companies which invest in real estate or interests therein, are not affected by this restriction.
  - e) issue warrants or other instruments giving holders the right to purchase Shares in a Sub-Fund.
- 3) The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business. A Sub-Fund may also hold ancillary liquid assets which are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time and this holding

is limited to 20% of the net assets of the Sub-Fund, except temporarily exceedances due to exceptionally unfavourable market conditions

- 4) A Sub-Fund is authorised to employ techniques and instruments relating to transferable securities and money market instruments under the conditions and within the limits laid down by the CSSF provided that such techniques and instruments are used for the purpose of efficient portfolio management, as further described under Sections 2.2 C), D) and E) below.
- 5) A Sub-Fund may invest no more than 10% of its assets in transferable securities or money market instruments issued by the same body.

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

The risk exposure to a counterparty of the Fund in an OTC derivative transaction and efficient portfolio management techniques (as described below) undertaken with a single body for the benefit of a Sub-Fund may not exceed 10% of its assets when the counterparty is a credit institution referred to in point 1) f), or 5% of its assets in other cases.

- 6) The total value of the transferable securities and money market instruments held by a Sub-Fund in the issuing bodies in each of which it invests more than 5% of its assets shall not exceed 40% of the value of its assets.

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

Notwithstanding the individual limits laid down in paragraph 5), a Sub-Fund shall not combine, where this would lead to investment of more than 20% of its assets in a single body, any of the following:

- ▶ investments in transferable securities or money market instruments issued by that body;
  - ▶ deposits made with that body; or
  - ▶ exposures arising from OTC derivative transactions undertaken with that body.
- 7) The limit laid down in the first sentence of paragraph 5) is raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by an Other State or by public international bodies of which one or more Member States belong.
  - 8) The limit laid down in the first sentence of paragraph 5) is raised to 25% for certain debt securities issued by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect holders of debt securities. In particular, sums deriving from the issue of those debt securities shall be invested in accordance with the law in assets which, during the whole period of validity of the debt securities, are capable of covering claims attaching to the debt securities and which, in case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Where a Sub-Fund invests more than 5% of its assets in the debt securities referred to in the first subparagraph which are issued by a single issuer, the total value of such investments may not exceed 80% of the value of the assets of such Sub-Fund.

- 9) The transferable securities and money market instruments referred to in paragraphs 7) and 8) shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 6).

The limits set out in paragraphs 5), 6), 7) and 8) shall not be combined; thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with paragraphs 5), 6), 7) and 8) shall not exceed in total 35% of the assets of a Sub-Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits contained in paragraphs 5), 6), 7) and 8) of the present Section.

The limit laid down in the first sentence of paragraph 5) is raised to 20% in the case of transferable securities and money market instruments issued by the same group of companies (as defined in Directive 2013/34/EU).

- 10) **By way of derogation from paragraphs 5) to 9), a Sub-Fund may be authorised to invest in accordance with the principle of risk-spreading up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, an Other State accepted by the CSSF (being at the date of this Prospectus, any member state of the Organisation for Economic Cooperation and Development (OECD), any member state of the Group of Twenty (G20), the Hong Kong Special Administrative Region of the People's Republic of China, and the Republic of Singapore) or public international body to which one or more Member States belong.**

**In such an event, the Sub-Fund shall hold securities from at least six different issues, but securities from any single issue shall not account for more than 30% of its total assets.**

- 11) Unless it qualifies as a Feeder under the 2010 law, a Sub-Fund may acquire the units of UCITS and/or other UCIs referred to in point 1) e), provided that no more than 20% of its assets are invested in the units of a single UCITS or other UCI.

Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the assets of a Sub-Fund. When a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraphs 5) to 9).

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

The maximum level of 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 amounts to 1.25% of the Sub-Fund's Net Asset Value.

- 12) The Fund may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 13) Moreover, a Sub-Fund may acquire no more than:
- ▶ 10% of the outstanding non-voting shares of the same issuer;
  - ▶ 10% of the outstanding debt securities of the same issuer;
  - ▶ 25% of the outstanding units of the same UCITS or other UCI;
  - ▶ 10% of the outstanding money market instruments of any single issuer.

The limits laid down in the second, third and fourth indents 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.

- 14) Paragraphs 12) and 13) are waived as regards:
- a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - b) transferable securities and money market instruments issued or guaranteed by an Other State;
  - c) transferable securities and money market instruments issued by public international bodies of which one or more Member States of the European Union are members;
  - d) shares held in the capital of a company incorporated in an Other State which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy such company complies with the limits laid down in paragraphs 5), 6), 7), 8), 9), 11), 12) and 13). Where the limits set in paragraphs 5), 6), 7), 8), 9), and 11) are exceeded, paragraph 15) shall apply *mutatis mutandis*;
  - e) shares held by one or more investment companies in the capital of subsidiary companies which carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the repurchase of units at the request of unitholders exclusively on its or their behalf.
- 15) The Sub-Funds do not need to comply with the limits laid down in this Section when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets.

While ensuring observance of the principle of risk-spreading, a Sub-Fund may derogate from paragraphs 5) to 11) for six months following the date of its launch.

If the limits referred to in paragraph 15) are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, it shall adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.

- 16) The Fund may not borrow. However, a Sub-Fund may acquire foreign currency by means of back-to-back loans.
- 17) By way of derogation from paragraph 16), a Sub-Fund may borrow provided that such a borrowing is:
  - a) on a temporary basis and represents not more than 10% of its assets, or
  - b) to enable the acquisition of immovable property essential for the direct pursuit of its business and represents no more than 10% of its assets.

Where a Sub-Fund is authorised to borrow under points a) and b), that borrowing shall not exceed 15% of its assets in total.

Collateral arrangements to cover exposure to financial derivative instruments are not considered borrowings for the purposes of this restriction.

- 18) Without prejudice to the application of paragraphs 1) to 4), the Fund may not grant loans to or act as guarantor for third parties.
- 19) Paragraph 18) shall not prevent any Sub-Fund from acquiring transferable securities, money market instruments or other financial instruments referred to in paragraph 1)(e), (g) and (h) which are not fully paid.
- 20) The Sub-Funds may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in paragraph 1)(e), (g) and (h).

## **B. Financial Derivative Instruments**

- 1) The Fund is authorised to employ techniques and instruments relating to transferable securities and money market instruments under the conditions and within the limits laid down by the CSSF provided that such techniques and instruments are used for the purpose of efficient portfolio management. When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the 2010 Law.
- 2) Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down in the relevant Appendix.
- 3) The Fund, for 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, future market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.

The Fund may invest, as a part of a Sub-Fund's investment policy and within the limits laid down in paragraph 9) of Section 2.2. (A) in financial derivative instruments, provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraphs 5) to 9) of Section 2.2. (A).

When the Fund invests in index-based financial derivative instruments, those investments are not required to be combined for the purposes of the limits laid down in paragraphs 5) to 9) of Section 2.2. (A).

When a transferable security or a money market instrument embeds a derivative instrument, the derivative instrument shall be taken into account when complying with the requirements of paragraphs 1) to 3) of this Section.

- 4) The risk exposure to a counterparty of the Fund in an OTC derivative transaction and efficient portfolio management techniques (as described below) undertaken with a single body for the benefit of a Sub-Fund authorised in its Appendix to use such techniques and instruments may not exceed 10% of its assets when the counterparty is a credit institution referred to in paragraph 1) f) of Section 2.2. (A), or 5% of its assets in other cases.
- 5) The Fund will not invest in total return swaps.

### **C. Other Financial Techniques and Instruments**

- 1) The Fund will not make use of financial techniques and instruments (such as securities lending, sale with right of repurchase transactions as well as repurchase and reverse repurchase agreements).

### **D. Collateral received in respect of Financial Derivative Instruments**

- 1) Assets received from counterparties in OTC derivative transactions, if any, other than currency forwards constitute collateral.
- 2) The collateral received in connection with such transactions, if any, must meet the criteria set out in the CSSF Circular 08/356 and the CSSF Circular 14/592.
- 3) Where permitted in the Appendix for a given Sub-Fund, the Fund will only enter into such transactions with counterparties which the Management Company believes to be creditworthy. Approved counterparties will typically have a public rating of A- or above. Such counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules. The counterparty will, in such case, not have discretion over the composition or management of a Sub-Fund's portfolio or over the underlying of financial derivative instruments used by that Sub-Fund and its approval will not be required in relation to any investment decisions made by that Sub-Fund.
- 4) Collateral may be offset against gross counterparty exposure provided it meets a range of standards, including those for liquidity, valuation, issuer credit quality, correlation and diversification. In offsetting collateral its value is reduced by a percentage (a "haircut") which provides, inter alia, for short term fluctuations in the value of the exposure and of the collateral. Collateral levels shall be maintained to ensure that net counterparty exposure does not exceed the limits per counterparty as set out in paragraph 5) of Section 2.2.(A), taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. Collateral shall be received in the form of securities and cash. Non-cash collateral received shall not be sold, reinvested or pledged. Collateral shall be valued, on a daily basis, using available market prices and taking into account appropriate discounts for each asset class taking into account the nature of the collateral received, such as the issuer's credit

standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests under normal and exceptional liquidity conditions.

- 5) 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 a Sub-Fund authorised in its Appendix to use such techniques and instruments receives from a counterparty of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the Sub-Fund's Net Asset Value. When a Sub-Fund authorised in its Appendix to use such techniques and instruments 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 paragraph, a Sub-Fund authorised in its Appendix to use such techniques and instruments 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, or by another member state of the OECD, or a public international body to which one or more EU Member States belong. In such case, the Sub-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 Sub-Fund's Net Asset Value.

The reinvestment of cash collateral received shall be restricted to high quality government bonds, deposits, reverse repos and short term money market funds, in order to mitigate the risk of losses on reinvestment. Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above. Re-investment of cash collateral involves certain risks for the Sub-Fund. Exposures arising from the reinvestment of collateral received by a Sub-Fund authorised in its Appendix to use such techniques and instruments shall be taken into account within the diversification limits applicable under the 2010 Law. Sub-Funds which receive collateral for at least 30% of their assets shall have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable an adequate assessment of the liquidity risks attached to the collateral.

- 6) The Fund, for each Sub-Fund authorised in its Appendix to use such techniques and instruments, must make sure that it is able to claim its rights on the guarantee in case of the occurrence of an event requiring the execution thereof. Therefore, the guarantee must be available at all times, in such a manner that the Sub-Fund is able to appropriate or realize the assets given as guarantee, without delay, if the counterparty does not comply with its obligation to return the securities.

## 2.3 POOLING

For the purpose of effective management, and subject to the provisions of the Articles of Incorporation of the Fund and to applicable laws and regulations, the Board may resolve that all or any part of the portfolio of assets established for two or more Sub-Funds (the "**Participating Sub-Funds**") will be invested and managed on a pooled basis. Any such asset pool shall be formed by transferring to it cash or other assets (subject to such assets being appropriate with respect to the investment policy of the pool concerned) from each of the Participating Sub-Funds. Thereafter, the Board may from time to time make further transfers to each asset pool. Assets may also be transferred back to a Participating Sub-Fund up to the amount of the participation of the Class concerned.

The share of a Participating Sub-Fund in an asset pool shall be measured by reference to notional units of equal value in the asset pool. On formation of an asset pool, the Board shall, in its



discretion, determine the initial value of notional units (which shall be expressed in such currency as the Board considers appropriate) and shall allocate to each Participating Sub-Fund units having an aggregate value equal to the amount of cash (or to the value of other assets) contributed. Thereafter, the value of the notional unit shall be determined by dividing the net asset value of the asset pool by the number of notional units subsisting.

When additional cash or assets are contributed to or withdrawn from an asset pool, the allocation of units of the Participating Sub-Fund concerned will be increased or reduced, as the case may be, by a number of units determined by dividing the amounts of cash or the value of assets contributed or withdrawn by the current value of a unit. Where a contribution is made in cash, it will be treated for the purpose of this calculation as reduced by an amount which the Board consider appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of cash withdrawal, a corresponding addition will be made to reflect costs which may be incurred in realizing securities or other assets of the asset pool.

Dividends, interests and other distributions of an income nature received in respect of the assets in an asset pool will be immediately credited to the Participating Sub-Funds in proportion to their respective participation in the asset pool at the time of receipt. Upon the dissolution of the Fund, the assets in an asset pool will be allocated to the Participating Sub-Funds in proportion to their respective participation in the asset pool.

Within any pooling arrangements, the Depositary shall ensure that at all times it is able to identify the assets which are owned by each Participating Sub-Fund.

### **3. RISK MANAGEMENT PROCESS**

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

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

The Management Company may calculate the global exposure for the relevant Sub-Fund using the commitment, relative VaR or absolute VaR approach.

The selection of the appropriate methodology for calculating global exposure is made by the Management Company based upon a consideration of the following factors:

- a) whether the Sub-Fund engages in complex investment strategies which represent a significant part of the Fund's investment policy;
- b) whether the Sub-Fund has a significant exposure to exotic derivatives; and/or
- c) whether the commitment approach adequately captures the market risk of the Sub-Fund's portfolio.

The selection of relative VaR or absolute VaR approach to calculate the global exposure of a Sub-Fund will depend on whether the Sub-Fund has a leverage free reference portfolio which reflects its investment strategy. The reference portfolios adopted by the Sub-Funds are standard, widely-used industry indices. Classification of a Sub-Fund will depend on a consideration of each of these factors and the fact that a Sub-Fund is authorised to use derivative instruments for investment purposes will not automatically, in isolation, mean that the global exposure of that Sub-Fund will be calculated using either relative or absolute VaR approach.

Expected leverage is not a regulatory limit applicable to the Fund and there may be no action as a result of the actual leverage of a Sub-Fund being higher or lower than the disclosed expected leverage.

Derivatives usage is consistent with the investment objective and the risk profile of a Sub-Fund. The 'sum of notionals' calculation does not allow netting or hedging. The expected leverage using the 'sum of notionals' calculation may not reflect the investment risk associated with the derivative positions held in the Sub-Fund. Additional information about the realised range of leverage employed by the relevant Sub-Funds can be found in the annual report.

## 4. GENERAL RISK FACTORS

An investment in any Sub-Fund involves certain risks relating to the particular structure and investment objectives and policy of such Sub-Fund, which investors should evaluate before making a decision to invest.

The investments within each Sub-Fund are subject to market fluctuations and to the risks inherent to all investments; accordingly, no assurance can be given that the investment objectives and policies of the relevant Sub-Fund will be achieved.

Investors should make their own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in investment in a Sub-Fund and its suitability for their own purposes. In evaluating the merits and suitability of an investment in a Sub-Fund, careful consideration should be given to all of the risks attached to investing in a Sub-Fund, and investors should carefully read and make sure to understand the Prospectus and the Articles of Incorporation, as well as the subscription agreement as the case may be.

**Attention should be drawn to the fact that the Net Asset Value can go down as well as up. An investor may not get back the initially invested amount. Changes in foreign exchange rates may also cause the Net Asset Value per Share in the investor's base currency to go up or down. No guarantee as to future performance or future return from the Fund or any Sub-Fund can be given.**

**An investment in a Sub-Fund carries substantial risks and is suitable only for investors who accept those risks, can assume the risk of losing their entire investment and who understand that there is no recourse other than to the assets of the relevant Sub-Fund: the investments to be made by the relevant Sub-Fund are speculative by nature and there is a possibility of partial or total loss of invested capital.**

Investors should not subscribe/commit to subscribe or invest in any Sub-Fund unless they can readily bear the consequences of such loss. In particular they should evaluate the risk factors discussed below which, individually or in aggregate, could have a material adverse effect on the relevant Sub-Fund or its assets and may result in the loss of the contributed capital or lower returns than those discussed herein.

The following is a brief description of certain general factors which should be considered along with other matters discussed elsewhere in this Prospectus. The following however, does not purport to be a comprehensive/exhaustive summary of all the risks associated with investments in any Sub-Fund. In addition to these general risks, which are inherent to all investments, an investment in a given Sub-Fund may entail additional specific risks which are described in the relevant Appendix.

- ▶ **General risk:** Past performance is not a guide to future performance. Investments are subject to market fluctuations and other risks inherent to investing in securities and other financial instruments. The price of the Shares can go down as well as up. An investor may not get back the amount he has invested, particularly if Shares are redeemed soon after they are issued and the Shares have been subject to a subscription fee, as further disclosed in Section 5.2.4.
- ▶ **Investment objective:** There is no guarantee or representation that the investment objective of the Fund will be achieved. Depending on market conditions and the macroeconomic environment, it may become more difficult or even impossible to achieve investment objectives.
- ▶ **Market risk:** Investors may experience losses due to changes in the level of one or more market prices, rates, indices, or other market factors. Market risk cannot be eliminated through diversification, though it can be hedged against. Sources of market risk include, but are not limited to, recessions, political turmoil, changes in monetary policies, etc.

- ▶ **Currency risk:** The Investment Manager may in principle invest on behalf of the Sub-Funds in assets denominated in a wide range of currencies. The Net Asset Value expressed in the Reference Currency would then fluctuate in accordance with the changes in foreign exchange rate between the Reference Currency and the currencies in which the portfolio investments could be denominated. In the event that the relevant Sub-Fund utilizes derivatives to hedge its portfolio against currency fluctuations, there can be no assurance that such portfolio hedging transactions will be effective or beneficial.
- ▶ **Share Class currency:** Certain Share Classes and Sub-Classes of certain Sub-Funds may be denominated in a currency other than the Reference Currency of the relevant Sub-Funds. Therefore changes in foreign currency exchange rates between the Reference Currency and the currency in which these Share Classes are denominated will cause the value of Shares held in such Sub-Funds to differ. In the event that the relevant Sub-Fund utilizes derivatives to hedge its NAV against currency fluctuations, there can be no assurance that such NAV hedging transactions will be effective or beneficial.
- ▶ **Volatility risk:** The volatility of a financial instrument is a measure of the variations in the price of that instrument over time. A higher volatility means that the price of the instrument can change significantly over a short time period in either direction. Each Sub-Fund may make investments in instruments or markets that are likely to experience high levels of volatility. This may cause the Net Asset Value per Share to experience significant increases or decreases in value over short periods of time.
- ▶ **Liquidity risk:** Liquidity risk exists when some of the Sub-Funds' investments may be difficult to sell due to unforeseen economic or market conditions, such as the deterioration in the creditworthiness of an issuer. In case of a large redemption request, the Fund may consequently not be able to sell certain assets on behalf of the relevant Sub-Fund to meet the redemption requirement or may not be able to sell certain assets at levels close to current valuation price.
- ▶ **Counterparty risk:** The Fund may enter on behalf of the Sub-Funds into transactions with counterparties (which could be a company, government or other institution), thereby exposing the relevant Sub-Fund to the counterparties' creditworthiness and their ability to perform and fulfil their financial obligations. There exists a risk that the obligation of such counterparties will not be satisfied. This risk may arise at any time the Sub-Funds' assets are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. The weaker the financial strength of a counterparty, the greater the risk of that party failing to satisfy its obligations. The Net Asset Value of a Sub-Fund could be affected by any actual or anticipated breach of the party's obligations, while the income of the Sub-Fund would be affected only by an actual failure to pay, which is known as a default. In addition, the Fund may enter on behalf of the Sub-Funds into contracts with service providers and other third party contractors (the "**Service Providers**"). This risk means that in certain circumstances (including but not limited to force majeure events) the Service Providers may not be able to perform or fulfil their contractual obligations to the Funds. This could result in periods where the normal trading activity of the Funds may be affected or disrupted.
- ▶ **Operational risk:** Operational risk means the risk of loss for the Fund resulting from inadequate internal processes and failures in relation to people and systems of the Fund, the Management Company and/or its agents and service providers, or from external events, and includes legal and documentation risk and risk resulting from the trading, settlement and valuation procedures operated on behalf of the Fund.

- ▶ **Depository risk:** The Assets of the Fund are entrusted to the Depository for safekeeping and are identified in the Depository's books as belonging to the Fund. Securities held by the Depository are segregated from other assets of the Depository which mitigates but does not exclude the risk of non-restitution in case of bankruptcy of the Depository. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy.
- ▶ **Inflation/deflation risk:** Inflation risk refers to the possibility of a reduction in the value of the income or assets as inflation decreases the value of money. The real value of a Sub-Fund's portfolio could decline as inflation increases. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Sub-Fund's portfolio.
- ▶ **Valuation risk:** Certain Sub-Funds may hold investments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market. In addition, in certain circumstances, investments may become less liquid or illiquid. Such investments will be valued at their probable realization value estimated with care and in good faith by the Board using any valuation method approved by the Board. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or liquidation prices of investments.
- ▶ **Regulatory risk:** The Fund is domiciled in Luxembourg and investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, some of the Sub-Funds may be registered in non-EU jurisdictions for marketing purposes and, as a result, may be subject, without any notice to the Shareholders in the Sub-Funds concerned, to more restrictive regulatory regimes. In such cases the Sub-Funds will abide by these more restrictive requirements. This may prevent the Sub-Funds from making the fullest possible use of the investment limits. Regulators are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Fund or the Sub-Funds could be substantial and adverse.
- ▶ **Suspension of Share Class dealing:** Investors are reminded that in certain circumstances their right to redeem or convert Shares may be suspended (see Section 6.2.).
- ▶ **Currency hedged Share Classes:** The Board may decide from time to time for some or all of the Sub-Funds to issue currency hedged Share Classes. Currency hedged Share Classes employ hedging strategies to seek to limit exposure to currency movements between a Sub-Fund's Reference Currency, investment currencies or index currencies and the currency in which the relevant hedged Share Class is denominated. The hedging strategy of the currency hedged Share Class does not seek to eliminate all currency exposure. Exchange rate risk exists as a result of movements between the currency of denomination of the currency hedged Share Class and the valuation currencies of the assets in which the Fund invests on behalf of the Sub-Funds where these currencies differ from the Reference Currency of the Sub-Fund.

Such hedging strategies may not completely eliminate exposure to such currency movements. There can be no guarantee that hedging strategies will be successful. Mismatches may result between a Sub-Fund's Reference Currency position and the currency of the hedged Share Class issued within that Sub-Fund. Investors should be aware that certain market events or

circumstances could result in the Investment Manager no longer being able to perform hedging transactions or that such strategies may no longer be economically viable.

The use of hedging strategies may substantially limit currency hedged Share Class Shareholders from benefiting if the currency of the currency hedged Share Class falls against a Sub-Fund's Reference Currency, investment currencies or index currencies. The costs of hedging and all gains/losses from hedging transactions are borne separately by the Shareholders of the respective currency hedged Share Classes. Investors should also note that the hedging of currency hedged Share Classes is distinct from any hedging strategies that the Investment Manager may implement at Sub-Fund level.

- ▶ **Financial derivative instruments:** Where permitted in its Appendix, a Sub-Fund may be authorised to use derivative instruments, such as options, futures and swap contracts and enter into forward foreign exchange transactions. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. Participation in the options or futures markets, in swap contracts and in foreign exchange transactions involves investment risks and transaction costs to which a Sub-Fund investing in financial derivative instruments would not be subject if it did not use these strategies. If the Investment Manager's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-Fund investing in financial derivative instruments may leave such Sub-Fund in a less favourable position than if such strategies were not used. Risks inherent in the use of options, foreign currency, swaps and futures contracts and options on futures contracts include, but are not limited to (a) dependence on the Investment Manager's ability to predict correctly movements in the direction of interest rates, securities prices and currency markets; (b) imperfect correlation between the price of options and futures contracts and options thereon and movements in the prices of the securities or currencies being hedged; (c) the fact that skills needed to use these strategies are different from those needed to select portfolio securities; (d) the possible absence of a liquid secondary market for any particular instrument at any time; and (e) the possible inability of a Sub-Fund investing in financial derivative instruments to purchase or sell a portfolio security at a time that otherwise would be favourable for it to do so, or the possible need for such Sub-Fund to sell a portfolio security at a disadvantageous time. Where a Sub-Fund enters into swap transactions it is exposed to a potential counterparty risk. In case of insolvency or default of the swap counterparty, such event would affect the assets of such Sub-Fund. Where permitted in its Appendix, a Sub-Fund may take short positions by way of financial derivative instruments. Short positions through financial derivative instruments involve trading on margin and accordingly can involve greater risk than investments based on a long position.
  
- ▶ **OTC derivative instruments:** Where permitted in its Appendix, a Sub-Fund may be authorised to use OTC derivative instruments. In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house. The principal risk when engaging in OTC derivatives (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives, where permitted in the Appendix for a given Sub-Fund, may expose such Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute

over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of such Sub-Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to such Sub-Fund. Where permitted in relation to a given Sub-Fund, the Fund may enter into OTC derivatives cleared through a clearinghouse that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Fund. There is a risk of loss by such Sub-Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly report to the Sub-Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or "port" its positions to another clearing broker. EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Fund, as the case may be. While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods and certain key issues have not been finalised by the date of this Prospectus. It is as yet unclear how the OTC derivatives market will adapt to the new regulatory regime. ESMA has published an opinion calling for the UCITS Directive to be amended to reflect the requirements of EMIR and in particular the EMIR clearing obligation. However, it is unclear whether, when and in what form such amendments would take effect. Accordingly, it is difficult to predict the full impact of EMIR on the Fund, which may include an increase in the overall costs of entering into and maintaining OTC derivatives. Investors should be aware that the regulatory changes arising from EMIR and other applicable laws requiring central clearing of OTC derivatives may in due course adversely affect the ability of a Sub-Fund using OTC derivatives to adhere to its respective investment policies and achieve their investment objective. Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure. Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association, Inc. (ISDA).

- ▶ **Collateral management:** Counterparty risk arising from investments in OTC financial derivative instruments is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund investing in such instruments. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund investing in such instruments may not be collateralised. If a counterparty defaults, a Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case such Sub-Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of a Sub-Fund to meet redemption requests. A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.
  
- ▶ **Settlement risks in certain emerging markets, frontier markets and other non-developed markets:** In certain emerging markets, frontier markets and other non-developed markets, settlement systems may be less well-organised than in developed markets. Thus there may be a risk that settlement may be delayed and that cash or securities of the Sub-Funds investing in those markets may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased, or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the “**Counterparty**”) through whom the relevant transaction is effected might result in a loss being suffered by the relevant Sub-Funds investing in non-developed market securities. The Fund will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that this risk will be successfully eliminated for the relevant Sub-Funds, particularly as Counterparties operating in emerging markets, frontier markets and other non-developed markets frequently lack the substance or financial resources of those in developed countries.

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the relevant Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Fund’s claims in any of these events.

- ▶ **Taxation:** Investors should note that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to withholding or other taxes imposed by the authorities in that market. Tax and law practice in certain countries into which the Fund invests or may invest in the future on behalf of a Sub-Fund may not be clearly established, may be subject to change or may be subject to change with retrospective effect. It is possible therefore that additional taxation applies in such countries that were not anticipated either at the date of the Prospectus or when investments were made, valued or disposed of.
  
- ▶ **Foreign Account Tax Compliance Act (“FATCA”):** FATCA provisions generally impose a reporting regime and in case of failure to provide the requested information a 30% US withholding tax regime with respect to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends. As a general matter, the rules are designed to require non-US financial institutions that



do not comply with FATCA and US persons' direct and indirect ownership of non-US accounts and non-US entities to be reported to the US Internal Revenue Service.

Capitalised terms used in this section should have the meaning as set forth in the IGA (as defined in Section 10.4 below), unless provided otherwise herein.

FATCA was introduced in Luxembourg by the FATCA Law approving the IGA, which treats the Fund as a Luxembourg Financial Institution and requires that the Fund comply with due diligence identification and documentation obligations and reporting obligations. If the Fund does not comply with its due diligence obligations or its duty to set up the required reporting procedures, it may be subject in Luxembourg to a fine of up to two hundred and fifty thousand Euro (EUR 250,000.-). In case of missing, incomplete, incorrect or late reporting to the Luxembourg tax authorities, the Fund may be subject to a fine of at least one thousand five hundred Euro (EUR 1,500.-) and up to 0.5% of the reportable amounts.

As a Luxembourg Foreign Financial Institution for the purposes of the FATCA Law, the Fund may require all investors to provide documentary evidence of their FATCA status and all other information deemed necessary to comply with the above mentioned regulations.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax and of the Luxembourg fines, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax or fine as a result of the FATCA regime, the value of the Shares held by the investor may suffer material losses.

The Fund and/or the Shareholders may also be indirectly affected by the fact that a non-US financial entity does not comply with FATCA regulations even if the Fund satisfies with its own FATCA obligations.

Therefore and despite anything else herein contained and as far as permitted by Luxembourg law, the Fund shall have the right to:

- ▶ require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data or other data as may be required by the Fund in its discretion in order to comply with applicable laws and regulations and/or to promptly determine the amount of withholding to be retained;
- ▶ divulge any such personal information to any tax authority, as may be required by applicable laws and regulations or requested by such authority;
- ▶ withhold on any payment to investors an amount equal to any taxes or similar charges that it is legally required to withhold, whether by applicable laws and regulations or otherwise, in respect of any shareholding in the Fund; and
- ▶ delay the payment, including dividend or redemption proceeds, to any Shareholder until the Fund holds sufficient information to comply with applicable laws and regulations and/or determine the correct amount to be withheld.

As described in Section 5.2.10, the Board has resolved to prevent the ownership of Shares by any US person.

Each prospective investor should consult its own tax advisers regarding the requirements under FATCA with respect to its own situation.

Please refer to Section 10.4 for further details on FATCA.

- ▶ **Common Reporting Standard (“CRS”):** The Common Reporting Standard is a standard designed by the OECD for the automatic exchange of financial account information between tax authorities, to assist tax authorities in their efforts to ensure correct taxation of taxpayers with respect to their financial accounts held abroad.

The CRS has been endorsed by the G20, adopted in the European Union through Directive 2014/107/EU amending Directive 2011/16/EU on administrative cooperation in tax matters and adopted by CRS participating jurisdictions through the signing of the Multilateral Competent Authority Agreement on automatic exchange of financial account information, signed by Luxembourg 29 October 2014, under the general information exchange provisions of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters.

Capitalised terms used in this section should have the meaning as set forth in the CRS Law (as defined in Section 10.5 below), unless provided otherwise herein.

The CRS was introduced in Luxembourg by the CRS Law, which treats the Fund as a Luxembourg Financial Institution and requires that the Fund comply with due diligence identification and documentation obligations and reporting obligations.

As of 30 June 2017 and without prejudice to other applicable data protection provisions and the Fund’s privacy policy available at [www:/cruxam.com/SICAV-Privacy-Policy](http://www:/cruxam.com/SICAV-Privacy-Policy), the Fund will be required to annually report to the Luxembourg tax authorities personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain investors qualifying as Reportable Persons and (ii) Controlling Persons of certain non-financial entities (“**NFEs**”) which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the “Information”), will include personal data related to the Reportable Persons.

In this regard, the Fund may require all investors to provide documentary evidence of their CRS status and all other information deemed necessary to comply with the above-mentioned regulations.

The Fund’s ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Fund with the Information, along with the required supporting documentary evidence. In this context, as further detailed under the Fund’s privacy policy available at [www:/cruxam.com/SICAV-Privacy-Policy](http://www:/cruxam.com/SICAV-Privacy-Policy), the Shareholders are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law. The Shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

The Shareholders are further informed that the Information related to Reportable Persons will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

Similarly, the Shareholders undertake to inform the Fund within thirty (30) days of receipt of these statements should any included personal data be not accurate. The Shareholders further undertake to inform the Fund within thirty (30) days of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any Shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for fines imposed on the Fund and attributable to such Shareholder's failure to provide the Information and the Fund may in its sole discretion redeem the Shares of such Shareholder.

If the Fund does not comply with its due diligence obligations or its duty to set up the required reporting procedures under the CRS Law, it may be subject in Luxembourg to a fine of up to two hundred and fifty thousand Euro (EUR 250,000.-). In case of missing, incomplete, incorrect or late reporting to the Luxembourg tax authorities, the Fund may be subject to a fine of at least one thousand five hundred Euro (EUR 1,500.-) and up to 0.5% of the amounts reportable.

Although the Fund will attempt to satisfy any obligation imposed on it and to avoid imposition of Luxembourg fines, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to fines as a result of the CRS regime, the value of the Shares held by the investor may suffer material losses.

Therefore and despite anything else herein contained and as far as permitted by Luxembourg law, the Fund shall have the right to:

- ▶ require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data or other data as may be required by the Fund in its discretion in order to comply with applicable laws and regulations;
- ▶ divulge any such personal information to the Luxembourg tax authority, as may be required by law or regulation or requested by such authority; and
- ▶ delay the payment of any dividend or redemption proceeds to a Shareholder until the Fund holds sufficient information to enable it to fulfil its obligations under the CRS Law or any other law.

Each prospective investor should consult its own tax advisers regarding the requirements under the CRS with respect to its own situation.

Please refer to Section 10.5 for further details on CRS.

- ▶ **Potential conflicts of interest:** The Management Company, the Investment Manager, the investment adviser(s), if any, and other affiliates may effect transactions in which they have, directly or indirectly, an interest which may involve a potential conflict with the Management Company's duty to the Fund. Neither the Management Company nor the Investment Manager nor the investment adviser(s) nor other affiliates shall be liable to account to the Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Management Company's fees, unless otherwise provided, be adjusted. The Management Company, the Investment Manager and the investment adviser(s), if any, will ensure that such transactions are effected on terms which are not less favourable to the Fund than if the potential conflict had not existed. Such potential conflicts of interest may arise

because the Management Company, the Investment Manager or the investment adviser(s), if any, may have invested directly or indirectly in the Fund. More specifically, the Management Company, under the rules of conduct applicable to it, must try to avoid conflicts of interests and, when they cannot be avoided, ensure that its clients are fairly treated.

- ▶ **Cyber security:** The Fund and its service providers are susceptible to cyber security risks that include, among other things, theft, unauthorised monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorised access to relevant systems, compromises to networks or devices that the Fund and its service providers use to service the Funds' operations; or operational disruption or failures in the physical infrastructure or operating systems that support the Fund and its service providers. Cyber-attacks against or security breakdowns of the Fund or its service providers may adversely impact the Fund and its Shareholders, potentially resulting in, among other things, financial losses; the inability of Shareholders to transact business and the Fund to process transactions; inability to calculate the Fund's NAV; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs; and/or additional compliance costs. The Fund may incur additional costs for cyber security risk management and remediation purposes. In addition, cyber security risks may also impact issuers of securities in which the Fund invests, which may cause the Fund's investments in such issuers to lose value. There can be no assurance that the Fund or its service providers will not suffer losses relating to cyber-attacks or other information security breaches in the future.
  
- ▶ **Impact of the United Kingdom (UK)'s vote to leave the EU:** On June 23, 2016, the UK voted, via referendum, to exit from the EU, triggering political, economic, tax and legal uncertainty. Following the results of the general election held on 12th December 2019 in the UK, on the UK Parliament voted in favour of the withdrawal agreement bill, thereby approving the UK's exit from the EU on 31st January 2020. On the basis of the agreement for an orderly withdrawal of the UK from the EU, the UK benefited from a transitional period, pursuant to which all EU Treaties and EU legislation still applied to the UK. This transitional period ended on 31 December 2020. Since the end of this transitional period, the UK is considered a third country. An agreement determines the terms of the UK's relationship with the EU, including the terms of trade between the UK and the EU, after such transitional period. In addition, the UK is required to negotiate with other countries with which the UK previously traded on the basis of agreements concluded with the EU (having been members thereof). These events, subsequent developments and future consequences of Brexit lie outside of the control of the Company, the Management Company and the Investment Manager and their impact cannot be reliably predicted.

Further, the vote by the UK to exit the EU may increase the likelihood of similar referenda in other Member States, which could result in additional departures. The uncertainty resulting from any further exits from the EU, or the possibility of such exits, would also be likely to cause market disruption in the EU and more broadly across the global economy, as well as introduce further legal and regulatory uncertainty in the EU.

This will impact the Sub-Funds in a variety of ways, not all of which are readily apparent immediately following the exit vote. It is not clear whether and to what extent EU regulations generally would apply with respect to the Investment Manager in the case of a UK exit, but it could become more difficult for the Investment Manager to access markets, attract and retain employees or enter into agreements on its own behalf or on behalf of the Sub-Funds.

Relevant developments relating to the consequences of the exit vote on the Investment Manager and its ability to perform its duties with respect to the Fund will be monitored and consideration will be given as to whether there may, at some point in the future, be a need to vary any of the arrangements relating to the management of the Sub-Funds' portfolios.

► **China risk:**

Some Sub-Funds may invest, in accordance with their investment policy, in China A shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

Investing in the onshore (domestic) market of the PRC is subject to the risks of investing in emerging markets and other risks of investments applicable to the PRC (as described in this section), as well as to additional risks that are specific to the PRC market.

**PRC political, economic and social risk**

Investments in the People's Republic of China (the "PRC") are subject to certain risks with regards to political changes, social instability and adverse diplomatic developments which may take place in or in relation to the PRC and which can notably conduct to additional restrictions and change in the policies of the government and relevant authorities of the PRC. Investor shall note that risk of expropriation, confiscatory taxes and nationalisation may possibly arise in the PRC market, putting the value of the investment at risk and affect the performance of the Sub-Funds investing in the PRC.

Also, in order to support its economic growth and to control inflation, the PRC government has implemented economic measures and reforms in the last few years. There is no assurance that the PRC government will continue and maintain such economic policies and that the economic growth in PRC will continue. Changes in the economic policies may have an adverse impact on the PRC's economy and therefore affect the performance of the Sub-Funds investing in the PRC.

**PRC legal system risk**

The Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect are subject to regulation by both Mainland China and Hong Kong which are relatively new. These regulations are untested and are subject to change. In addition, there is no certainty as to how they will apply and regarding their enforceability. There can be no assurance that changes in such regulations, their interpretation or their enforcement will not have a material adverse effect on the business operations of PRC companies which may issue securities to be invested by the Sub-Funds.

**PRC accounting and reporting standards risk**

Although accounting, auditing and financial standards and practices applicable to PRC companies should be based on the international accounting and reporting standards. There may be significant differences between financial statements prepared in accordance with the PRC accounting standards and practice and those prepared in accordance with international accounting standards.

**Renminbi currency risk**

Renminbi is currently not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC. Converting foreign currencies into

Renminbi is carried out on the basis of the rate applicable to offshore Renminbi ("**CNH**"). The daily trading price of CNH against other major currencies in the inter-bank foreign exchange market is floating in a band around the central parity published by the People's Bank of China. The value of the CNH may differ, perhaps significantly, from the value of onshore Renminbi ("**CNY**") due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions applied by the Chinese government from time-to-time as well as other external factors and market forces.

If such policies change in the future, the Sub-Funds' position may be adversely affected as the Sub-Funds may hold assets denominated in Renminbi. There is no assurance that Renminbi will not be subject to devaluation, in which case the value of the investments may be adversely affected.

The CNH market is in development and there may be periods in which it is difficult for market participants to obtain or dispose of CNH. Furthermore, government or regulatory intervention in the CNH market may impact the availability and/or convertibility of CNH. In such situations, the exchange rate may fluctuate substantially, and it may not be possible to obtain an exchange rate through any customary channel.

### **Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect risk**

Some of the Sub-Funds may seek exposure to stocks issued by companies listed on Mainland China stock exchanges via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect. The Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect are new trading programs that link the stock markets in Shanghai or Shenzhen and Hong Kong and may be subject to additional risk factors. Investors in Hong Kong and Mainland China can trade and settle shares listed on the other market via the exchange and clearing house in their home market.

Under the Shanghai-Hong Kong Stock Connect (the "**Shanghai Connect**"), the Sub-Funds, through their Hong Kong brokers, may trade certain eligibility shares listed on the Shanghai Stock Exchange (the "**SSE**"). The scope of Shanghai Connect includes all constituent stocks of the SSE 180 Index and the SSE 380 Index and all China A shares dual-listed on the SSE and the Stock Exchange of Hong Kong Limited (the "**SEHK**").

Under the Shenzhen-Hong Kong Stock Connect (the "**Shenzhen Connect**"), the Sub-Funds, through their Hong Kong brokers, may trade certain eligible shares listed on the Shenzhen Stock Exchange (the "**SZSE**"). The scope of Shenzhen Connect includes all constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index and all China A shares dual-listed on the SZSE and SEHK.

Only certain China A shares are eligible to be accessed through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect. Such securities may lose their eligibility at any time and be recalled from the scope of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect. When a stock is recalled from the scope of eligible stocks for trading via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the relevant Sub-Funds.

Furthermore, investors should note that market rules and disclosures requirements apply to companies issuing China A shares, changes of such rules and requirements may affect share prices.

· *Trading restrictions*

Sub-Funds investing in China A shares will be subject to restrictions on trading (including restriction on retention of proceeds) in China A shares as a result of its interest in the China A shares. Under the current Mainland China rules, once an investor holds up to 5% of the shares of a company listed on the SSE or the SZSE, the investor is required to disclose his interest within three working days and during which he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with the Mainland China rules.

· *Beneficial owner of the China A Shares*

The Sub-Funds trade SSE shares and SZSE shares through their brokers affiliated to the Sub-Funds sub-custodian who is SEHK exchange participants. These China A shares will be held following settlement by brokers or custodians as clearing participants in accounts in the Hong Kong Central Clearing and Settlement System ("**CCASS**") maintained by the Hong Kong Securities and Clearing Corporation Limited ("**HKSCC**") as central securities depository in Hong Kong and nominee holder. HKSCC in turn holds the China A shares of all its participants through a "single nominee omnibus securities account" in its name registered with China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), the central securities depository in Mainland China.

China A share in which the Sub-Funds will invest will be held on behalf of the Sub-Funds by the HKSCC and the Sub-Funds should be considered as the beneficial owners of the China A shares. The Sub-Funds are therefore eligible to exercise their rights through the nominee only. The law surrounding such rights and the concept of beneficial ownership are at their early stages in China and the mechanisms that beneficial owners may use to enforce their rights are untested and therefore pose uncertain risks.

Investors should note that according to existing Mainland China practices, the Sub-Funds as a beneficial owner of China A shares traded via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf.

In the event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that China A shares will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under Mainland China law. However, HKSCC will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in China A shares in Mainland China.

The HKSCC is a wholly owned subsidiary of the Hong Kong Exchanges and Clearing Limited and is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A shares traded through the Shanghai- Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect are issued in scripless form, and investors will not hold any physical China A shares. Although HKSCC does not claim proprietary interests in the China A shares held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of China A shares.

· *ChinaClear default risk*

ChinaClear has established a risk management framework and measures that are approved and supervised by the China Securities Regulatory Commission.

In the event of a ChinaClear default, HKSCC's liabilities in China A shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will, in good faith, seek recovery of the outstanding Stock Connect securities and monies from ChinaClear through available legal channels and through ChinaClear's liquidation process, if applicable. HKSCC will in turn distribute the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect securities and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect's authorities.

The chances of China Clear default are considered to be remote.

· *HKSCC default risk*

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement or the loss of China A shares and/or monies in connection with them and the Sub-Funds and their investors may suffer losses as a result.

· *Volatility risk*

The existence of a liquid trading market for China A shares may depend on whether there is supply of, and demand for, China A shares. The price at which securities may be purchased or sold by the Sub-Funds and the Net Asset Value of the Sub-Funds may be affected if trading markets for China A shares are limited or absent.

The China A share market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). Market volatility and settlement difficulties in the China A share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the Sub-Funds investing in China A shares.

Given that the China A share market is considered volatile and unstable (with risk of suspension of a particular stock or governmental intervention), the subscription and redemption of Shares may also be disrupted.

· *Suspension risk*

It is contemplated that the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect have the right to suspend or limit trading in any security traded on the relevant exchange if necessary, for ensuring an orderly and fair market and that risks are managed prudently. In particular, trading band limits are imposed by the stock exchanges on China A shares, where trading in any China A share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit.

A suspension will render it impossible for the relevant Sub-Funds to liquidate positions and could thereby expose the Sub-Funds to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Sub-Funds to liquidate positions at a favourable price, which could thereby expose the affected Sub-Funds to significant losses. Finally, where a



suspension is effected, the relevant Sub-Funds' ability to access the PRC market will be adversely affected.

· *Quota and other limitations risk*

The Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect allow non-Chinese investors to trade Chinese equities without a license, purchases of securities through such programmes are subject to market-wide quota limitations issued from time to time which may restrict a Sub-Fund's ability to deal via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect on a timely basis.

Trading under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect is initially subject to a maximum cross-boundary investment quota together with a daily quota. Quota limitations may prevent the Sub-Funds from purchasing China A shares when it is otherwise advantageous to do so. In particular, once the quota is reached, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). This may impact that Sub-Fund's ability to implement its investment strategy effectively.

· *Differences in trading day risk*

Because the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect trades are routed through Hong Kong brokers and the SEHK, the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore, it may happen that during a normal trading day for the PRC market, the Sub-Funds cannot carry out any China A shares trading via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect. As a result, prices of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect may fluctuate at times when the Sub-Funds are unable to add to or exit its position.

Additionally, an investor cannot purchase and sell the same security on the same trading day, which may restrict the Sub-Funds' ability to invest in China A shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and to enter into or exit trades where it is advantageous to do so on the same trading day.

· *Lack of investor protection risk*

The Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect transactions are not covered by investor protection programs of either the Hong Kong, the SSE or the SZSE. Investment in SSE or SZSE shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect is conducted through brokers and is subject to the risks of default by such brokers' in their obligations. Investments of the Sub-Funds are not covered by the Hong Kong's Investor Compensation Fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in respect of SSE or SZSE shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Hong Kong's Investor Compensation Fund. Therefore, the Sub-Funds are exposed to the risks of default of the

broker(s) it engages in its trading in China A shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

· *Costs risk*

In addition to paying trading fees, levies and stamp duties in connection with trading in China A shares, Sub-Funds investing via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect may be subject to new fees arising from trading of China A shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect which are yet to be determined and announced by the relevant authorities.

**China tax risk**

With the uncertainty over whether and how certain gains on PRC securities are to be taxed, coupled with the possibility of the tax laws, regulations and practice in the PRC changing, and/or the current interpretation or understanding and also the possibility of taxes being applied retrospectively, any provision for taxation may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities.

The interpretation and applicability of existing PRC tax laws may not be as consistent and transparent as those of more developed nations and may vary from region to region. There is a possibility that the current tax laws, regulations, and practice in the PRC may be changed with retrospective effect in the future. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any of these changes may reduce the income from, and/or value of, the Shares in the Sub-Funds investing in China A shares.

There can be no guarantee that new tax laws, regulations, and practice in the PRC that may be promulgated in the future will not adversely impact the tax exposure of the Sub-Funds investing in China A shares and/or its Shareholders.

► **Sustainability Risk**

Such risk is principally linked to climate-related events resulting from climate change (also known as physical risks) or to the society's response to climate change (also known as transition risks), which may result in unanticipated losses that could affect the Sub-Funds' investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.

## **5. SUBSCRIPTION, REDEMPTION, TRANSFER AND CONVERSION OF SHARES**

### **5.1 SHARES, SHARE CLASSES AND SHARES SUB-CLASSES**

Shares will be issued fully paid-up and in registered form only. Subject to Section 5.2.8 (Delivery into Clearstream/Euroclear), fractions of Shares may be issued up to 2 decimal places. Fractional entitlements to Shares will be rounded downwards to 2 decimal places.

The share register is conclusive evidence of ownership. The Fund treats the registered owner of a Share as the absolute and beneficial owner thereof.

Shares are issued in uncertificated form. The uncertificated form enables the Registrar and Transfer Agent to effect redemption instructions without undue delay.

The Board may decide to create within each Sub-Fund different Classes and Sub-Classes of Shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Sub-Fund.

Each Class or Sub-Class may differ from the others by its specific target audience, currency of denomination, minimum initial subscription and subsequent holding amount, fee structure, distribution policy, hedging policy or other features.

A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class and Sub-Class. Details of the Classes and Sub-Classes of Shares offered in each Sub-Fund are given in the relevant Appendix.

The Board is authorised without limitation to issue fully paid up Shares of any Class or Sub-Class at any time.

Any request for subscription, redemption or conversion shall be irrevocable except in the event of a suspension of the calculation of the Net Asset Value per Share of the relevant Class or Sub-Class.

### **5.2 SUBSCRIPTION AND ISSUE OF SHARES**

#### **5.2.1 Key Investor Information Document**

Investors must receive and read the relevant KIID prior to subscribing to any Shares. Where applicable, financial intermediaries or advisers are responsible for providing investors with the appropriate KIID. Please always contact your financial intermediary or adviser before subscribing to any Shares. If you do not have a financial intermediary or adviser, you should contact the Administrator and/or the Investment Manager and/or the Fund in order to receive a copy of the KIID.

#### **5.2.2 Subscription Procedure**

Shares may be subscribed on each Valuation Day of the relevant Sub-Fund.

Investors desiring to subscribe for Shares for the first time will be required to execute and return a Subscription Form and make certain representations and warranties to the Sub-Fund. The Subscription Form will indicate the Sub-Fund, Share Class and where applicable Sub-Class in which the investor wishes to invest as well as the amount of the subscription of the investor. Subsequent applications may be made in writing or by fax.

Subscription Forms must be forwarded to the Registrar and Transfer Agent in Luxembourg, or to any distributor indicated on the Subscription Form.

The Fund or the Registrar and Transfer Agent may request an investor to provide additional information to substantiate any representation made by the investor in its application. The Board reserves in any case the right to reject any application for Shares, in whole or in part.

Applicants are allocated a Shareholder number on acceptance of their application and this together with the Shareholder's personal details are proof of identity. This Shareholder number should be used for all future dealings by the Shareholder with the Fund.

Any changes to the Shareholder's personal details or loss of Shareholder number must be notified immediately to the Registrar and Transfer Agent in writing. Failure to do so may result in delay upon redemption. The Registrar and Transfer Agent on behalf of the Fund reserves the right to require an indemnity or verification countersigned by a bank, stockbroker or other party acceptable to it before accepting such instructions.

If any application is not accepted in whole or in part the application monies or the balance outstanding will be returned to the applicant by post or bank transfer at the applicant's risk.

All applications are made subject to this Prospectus, the latest annual report and semi-annual report, if available, the Articles of Incorporation and the Subscription Form.

Joint applicants must each sign the Subscription Form unless an acceptable power of attorney or other written authority is provided.

Unless otherwise specified in the relevant Appendix, Subscription Forms received by the Administrator not later than by the Cut-off Time on any Valuation Day will be processed on such Valuation Day on the basis of the Net Asset Value per Share determined for that Valuation Day. Applications received after the Cut-off Time will be processed on the following Valuation Day on the basis of the Net Asset Value per Share determined for that following Valuation Day.

Subscriptions for Income Shares shall begin accruing dividends on the Valuation Day on which such subscriptions are processed.

### **5.2.3 Initial Offer**

The Initial Offer of each Class or Sub-Class in any Sub-Fund is detailed in the relevant Appendix.

The Fund may decide to reschedule the launch of a Sub-Fund, a Class or a Sub-Class before the end of the Initial Offer where that Sub-Fund, Class or Sub-Class, as the case may be, has not reached the minimum or expected level of subscriptions for such Sub-Fund, Class or Sub-Class, as the case may be, to be operated in an economically efficient manner.

### **5.2.4 Initial Offer Price**

On or during the Initial Offer of each Class or Sub-Class, Shares may be subscribed for at the relevant Initial Offer Price of such Class or Sub-Class as specified in the relevant Appendix.

After the Initial Offer of a Class or Sub-Class, Shares in such Class or Sub-Class will be issued at an issue price corresponding to the Net Asset Value per Share of the relevant Class or Sub-Class adjusted, where applicable, to reflect the Swing Factor and any Dilution Levy (see Section 5.8 below).

A subscription fee of up to 5% of the amount of each individual subscription may be levied by the Fund in favour of the Global Distributor or any sub-distributor. This subscription fee is an initial charge levied on subscription amounts, which is not contained within the price at which the Shares are issued.

### 5.2.5 Subscriptions in-kind

The Fund retains the right to accept or refuse, in its sole and absolute discretion, applications for payment for Shares in whole or in part by an in kind subscription of suitable investments. The transaction costs incurred in connection with the acceptance by the Fund of an in-kind subscription will be borne directly by the incoming Shareholder. Any applicable subscription fee or charge will be deducted before investment commences. The investments forming the in-kind subscription will be valued and a report will be issued by the Auditor following their review of the methods of the valuation used by the Fund for accepting the in-kind subscription.

Such review will be conducted in accordance with the professional recommendations of the Luxembourg *Institut des Réviseurs d'Entreprises*. The value determined, together with the Net Asset Value per Share calculated for the Class of Shares concerned in the relevant Sub-Fund, will determine the number of Shares to be issued to the incoming Shareholder. The purpose of the foregoing policy is to ensure that the existing Shareholders in a Sub-Fund do not bear the transaction costs of acquiring additional assets for a large incoming Shareholder.

### 5.2.6 Minimum Initial and Minimum Subsequent Holding Amount

The Board will set a minimum initial subscription amount and a minimum subsequent holding amount per Share Class and/or Sub-Class where applicable in each Sub-Fund, to be specified in the relevant Appendix.

These minima may be waived or varied, in any particular case or generally, by the Board or by the Investment Manager, in their respective discretion.

### 5.2.7 Subscription Payment

Unless otherwise specified in the relevant Appendix, the payment for subscription is to be received in the Reference Currency of the relevant Sub-Fund, Class and, where applicable Sub-Class, for good value no later than four (4) Business Days after the relevant Valuation Day (the “**Settlement Date**”). The Shares of the relevant Sub-Fund Class and, where applicable, Sub-Class, shall be issued to the relevant subscribers and so registered in the Fund’s register of Shareholders within ten (10) calendar days after the relevant Valuation Day. Issuance of such Shares shall be conditional upon receipt of payment for subscription. In the event of a late payment, the Fund or the Registrar and Transfer Agent may either rescind the subscription or charge interest at the then current rate for overdraft for the Reference Currency of the relevant Sub-Fund from the day immediately following the Settlement Date.

### 5.2.8 Delivery into Clearstream/Euroclear

Arrangements can be made for Shares to be held in accounts maintained with either Clearstream or Euroclear. For further information about the procedures involved, please contact the Administrator. Investors should note that Clearstream will accept deliveries of fractional Shares to two decimal places, whereas Euroclear shall only accept deliveries for whole numbers of Shares. Please refer also to Section 12 (Distributions).

### 5.2.9 Anti-Money Laundering Procedures

Pursuant to international rules and Luxembourg laws and regulations including without limitation the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, CSSF Regulation 12-02 and CSSF circulars issued from time to time, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes.

As a result of such provisions, the Registrar and Transfer Agent must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Fund nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

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

## 5.2.10 Restrictions on Subscriptions

The Fund and/or the Registrar and Transfer Agent reserves the right to accept or refuse any subscription in whole or in part and for any reason, in which case subscription monies paid (if any), or the balance thereof, as appropriate, will be returned to the applicant as soon as practicable.

In particular, the Fund and/or the Registrar and Transfer Agent will, in principle, not accept any subscription from or for the benefit of or holding by a “US Person” being defined as:

- ▶ any individual person in the US;
- ▶ any partnership, trust or corporation organised or incorporated under the laws of the US;
- ▶ any agency or branch of a non-US entity located in the US;
- ▶ any discretionary account or similar account (other than an estate or trust) held by a dealer; or
- ▶ other fiduciary organised, incorporated, or, if an individual, resident in the US.

A US Person would also include:

- ▶ any estate of which any executor or administrator is a US Person;
- ▶ any trust of which any trustee is a US Person;
- ▶ any discretionary account or similar account (other than an estate or trust) held by a dealer or
- ▶ other fiduciary for the benefit or account of a US Person;
- ▶ any partnership of which any partner is a US Person.

In addition, the Fund and/or the Registrar and Transfer Agent will, in principle, not accept any direct subscription from or direct holding by any individual who is a US citizen or a US tax resident or any non-US partnership, non-US trust or similar tax transparent non-US entity that has any partner, beneficiary or owner that is a US Person, US citizen or US tax resident.

Should a Shareholder become a (i) US Person, (ii) US citizen, (iii) US tax resident or (iv) specified US person for purposes of the US Foreign Account Tax Compliance Act (FATCA), he may be subject to US withholding taxes and tax reporting to any relevant tax authority, including the US Internal Revenue Service and he is required to notify the Registrar and Transfer Agent immediately.

The Fund does not permit market timing and late trading within the meaning of CSSF Circular 04/146. The Fund and/or the Registrar and Transfer Agent have the right to reject any request for the subscription of Shares from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as it may deem appropriate or necessary.

### 5.2.11 Suspension of subscriptions

The Fund and/or the Registrar and Transfer Agent may further suspend the issue of Shares of any Class and Sub-Class in any Sub-Fund, at any time and without prior notice.

In the event of a suspension, the Fund and/or the Registrar and Transfer Agent will process the subscription requests on the first applicable Valuation Day following the end of the suspension period. Furthermore, the Board may at their discretion, taking due account of the principle of fair treatment between investors and the interest of the relevant Sub-Fund, decide to accept any withdrawal of an application for subscription.

## 5.3 REDEMPTION OF SHARES

### 5.3.1 Redemption Procedure

Redemptions can be requested with respect to each Valuation Day (each a “Redemption Day”).

Unless otherwise specified in the relevant Appendix, to be processed on any Redemption Day, redemption requests must be received by the Registrar and Transfer Agent before the Cut-off Time on such Redemption Day. Redemption requests received after the Cut-off Time will be processed on the following Redemption Day.

The Fund and/or the Registrar and Transfer Agent may limit the total number of Shares which may be redeemed on any Redemption Day to a number representing 10% of the NAV of the Sub-Fund, as further described in Section 5.7 hereunder. The limitation will be applied pro rata to all Shareholders who have requested redemptions to be effected on such Redemption Day so that the proportion redeemed of each redemption request that is effectively redeemed is the same for all redeeming shareholders. Any Shares which, by virtue of this limitation, are not redeemed on any particular Redemption Day shall be carried forward for redemption on the next following Redemption Day, in priority to any redemption requests received subsequently.

Alternatively, the Fund in its sole and absolute discretion, may propose a payment in whole or in part by an in-kind distribution of securities in lieu of cash to such relevant Shareholders. In proposing or accepting a request for a redemption in-kind at any given time, the Fund shall take into account the interests of other Shareholders in the Sub-Fund and the principle of fair treatment. To the extent required by applicable laws and regulations, the securities forming the in-kind distribution will be valued independently in a special report issued by the Auditor in connection with the in-kind distribution. The Fund and the redeeming Shareholder will agree on specific settlement procedures. Shareholders who receive securities in lieu of cash upon redemption should note that they may incur brokerage and/or local tax charges on the sale of the securities. In addition, the net proceeds from the sale by the redeeming Shareholder of the securities may be more or less than the Redemption Price due to market conditions and/or the difference between the prices used to calculate the Net Asset Value per Share and bid prices received on the sale of the securities. No Shareholder can be required to accept an in-kind distribution against their will. To the extent that a Shareholder refuses payment in whole or in part by an in-kind distribution of securities in lieu of cash, such redemption will be paid in cash.

Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, shall be borne by the redeeming Shareholder or by such other third party as agreed by the Fund or in any other way which the Board considers fair to all Shareholders of the Sub-Fund.

Without prejudice to the above, redemption requests accepted on any Redemption Day shall be processed on the basis of the NAV per Share of the relevant Class and Sub-Class determined as of such Redemption Day, where applicable adjusted to reflect the Swing Factor (see Section 5.8 below), less a redemption fee of up to 1% of the NAV per Share.

Such redemption fee may be levied in favour of the Global Distributor or any sub-distributor. Where specifically provided in the relevant Sub-Fund Appendix for a specific Sub-Fund, a redemption fee may be charged in favour of the relevant Sub-Fund.

The Board may in its discretion decide to charge lower redemption fees or no redemption fees at all taking due account of the principle of fair treatment between investors.

Unless otherwise specified in the relevant Appendix, redemption proceeds shall be paid in the Reference Currency of the relevant Class within five (5) Business Days from the relevant Redemption Day.

### 5.3.2 Temporary suspension of redemption

The redemption of Shares of the Fund will be suspended during any period when the calculation of the Net Asset value per Share of the relevant Class is suspended in accordance with Section 6.2. Any Shareholder tendering Shares for redemption will be notified of such period of suspension. The Shares in question will be redeemed on the first Valuation Day following the end of the suspension period.

During period of suspension, the redemption request may be cancelled by the Shareholder by notice in writing to a distributor or to the Management Company, provided that the notice is received by the distributor or the Management Company prior to any relevant deadline notified to the Shareholder on the last Valuation Day of the suspension period.

## 5.4 TRANSFER OF SHARES

Issued Shares are freely transferable, subject however to the transferee complying with the eligibility and minimum holding requirements applicable to the relevant Class. Restrictions on subscriptions of Shares also apply to transfer of Shares to a (i) US Person, (ii) US citizen, (iii) US tax resident (Please refer to Section 5.2.10. above).

The transfer of Shares may normally be effected by delivery to the Global Distributor, a sub-distributor or the Registrar and Transfer Agent of an instrument of transfer in appropriate form, and all documentation required for the identification of the transferee. On the receipt of the transfer request and relevant documentation, and after reviewing the endorsement(s), signature(s) may be required to be certified/notarised.

Shareholders are advised to contact the Global Distributor or the Registrar and Transfer Agent prior to requesting a transfer to ensure that they have the correct documentation for the transaction.

## 5.5 CONVERSION OF SHARES

Shareholders may request the conversion of their Shares of any Class (the "**Original Class**") into shares of another Class within the Sub-Fund or from the Sub-Fund to another Sub-Fund of the Fund (the "**New Class**") subject however to meeting the eligibility and minimum holding requirements of the New Class.

Conversions can be requested with respect to each Valuation Day (each a "**Conversion Day**").

Unless otherwise specified in the relevant Appendix, to be processed on any Conversion Day, conversion requests must be received by the Registrar and Transfer Agent before the Cut-off Time. Applications received after the Cut-off Time will be processed on the following Conversion Day. The conversion request must state the number of Shares of the relevant Class(es), which the Shareholder wishes to convert.

The Fund and/or the Management Company may limit the total number of Shares of any Sub-Fund which may be converted into Shares of another Sub-Fund on any Conversion Day to a number representing 10% of the NAV of the relevant Sub-Funds. The limitation will be applied pro



rata to all Shareholders who have requested conversions to be effected on or as at such Conversion Day so that the proportion converted of each holding so requested is the same for all such Shareholders. Any Shares which, by virtue of this limitation, are not converted on any particular Conversion Day shall be carried forward for conversion on the next following Conversion Day.

A conversion fee of up to 1% of the NAV of the Shares of the relevant New Class to be issued may be levied to cover conversion costs.

The Board may in its discretion decide to charge lower conversion fee or no conversion fee at all taking due account of the principle of fair treatment between investors.

Subject to any currency conversion (if applicable) the proceeds resulting from the redemption of the original Shares will be applied immediately as the subscription monies for the Shares in the New Class into which the original Shares are converted.

Where Shares denominated in one currency are converted into Shares denominated in another currency, the number of such Shares to be issued will be calculated by converting the proceeds resulting from the redemption of the Shares into the currency in which the Shares to be issued are denominated.

The rate at which all or part of the Shares of the Original Class are converted into Shares of the New Class, is determined in accordance with the following formula:

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

Where:

A is the number of Shares to be allocated in the New Class;

B is the number of Shares of the Original Class which is to be converted;

C is the Net Asset Value per Share (minus any applicable conversion fee) of the Original Class at the relevant valuation point;

D is the Net Asset Value per Share of the New Class at the relevant valuation point; and

E is the actual rate of exchange on the day concerned applied to conversions between Share Classes denominated in different currencies, and is equal to 1 in relation to conversions between Share Classes denominated in the same currency.

After conversion of the Shares, the Administrator will inform the Shareholder of the number of Shares of the New Class obtained by conversion and the price thereof. A confirmation note will be sent to the Shareholder by ordinary post (or by fax, electronic or other means) on the Conversion Day, providing full details of the transaction.

It is recommended that applicants check confirmation notes on receipt.

Requests for conversions will be accepted upon verification by the Global Distributor or relevant distributor that the relevant shareholders have received the KIID of the Class or Sub-Class of Share into which they intend to convert.

Restrictions on subscriptions of Shares apply to conversion requests from any investor engaging in or suspected of engaging in market timing and/or late trading practices (Please refer to Section 5.6 below).

## 5.6 MARKET TIMING AND LATE TRADING

The Fund determines the principles of the calculation of the price or Net Asset Value of its Shares, which are implemented by the Management Company and the Administrator on a forward basis. This means that it is not possible to know in advance the Net Asset Value per Share at which Shares will be bought or sold (exclusive of any subscription fee).

The Net Asset Value per Share is calculated at the valuation point following the Cut-Off Time.

The Sub-Funds are not designed for investors with short term investment horizons. Activities which may adversely affect the interests of the Shareholders (for example that disrupt investment strategies or impact expenses) are not permitted.

Specifically, market timing is not permitted.

No distributor is permitted to withhold subscription orders to benefit themselves by a price change.

Whilst recognizing that Shareholders may have legitimate needs to adjust their investments from time to time, the Fund and/or the Management Company in its discretion may, if deems such activities adversely affect the interests of the Fund's Shareholders, take action as appropriate to deter such activities.

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

## **5.7 PROCEDURES FOR REDEMPTIONS AND CONVERSIONS REPRESENTING TEN PERCENT OR MORE OF ANY SUB-FUND**

If any application for redemption or conversion is received in respect of any one Valuation Day (the "**First Valuation Day**") which either singly or when aggregated with other applications so received, is more than 10% of the Net Asset Value of any one Sub-Fund, the Fund reserves the right in its sole and absolute discretion (and acting in the best interests of the remaining Shareholders) to scale down pro rata each application with respect to such First Valuation Day so that no more than 10% of the Net Asset Value of the relevant Sub-Fund be redeemed or converted on such First Valuation Day.

To the extent that any application is not given full effect on such First Valuation Day by virtue of the exercise of the power to pro-rate applications, it shall be treated with respect to the unsatisfied balance thereof as if a further request had been made by the Shareholder in respect of the next Valuation Day and, if necessary, subsequent Valuation Days, until such application shall have been satisfied in full. With respect to any application received in respect of the First Valuation Day, to the extent that subsequent applications shall be received in respect of the following Valuation Days, such later applications shall be postponed until after the satisfaction of applications relating to the First Valuation Day, but subject thereto shall be dealt with as set out in the preceding sentence.

## **5.8 ANTI-DILUTION MEASURES**

To the extent that the Management Company considers it to be in the best interests of Shareholders, taking into account factors including the prevailing market conditions, the level of subscriptions and redemptions in a particular Sub-Fund and the size of the Sub-Fund, the Management Company may take one or both of the following steps:

- (i) adjust the Net Asset Value of a Fund ("**Swing Pricing**") to reflect the estimated dealing spreads, costs and charges to be incurred by the Sub-Fund in liquidating or purchasing investments ("**Swing Factor**") to satisfy the net transactions received in respect of a particular Valuation Day. Under normal market circumstances, the Swing Factor shall not exceed 1% of the Net Asset Value of the relevant Sub-Fund on the relevant Valuation Day. When net subscriptions in a Sub-Fund exceed a certain threshold on a given Valuation Day, the Net Asset Value is adjusted upwards by the Swing Factor. Similarly, when net redemptions in a Sub-Fund exceed a certain threshold on a given Valuation Day, the Net

Asset Value of the Sub-Fund is adjusted downwards by the Swing Factor. This method of valuation is intended to pass the estimated costs of underlying investment activity of the Fund to the active Shareholders by adjusting the net asset value of the relevant Share and thus to protect the Fund's existing Shareholders from costs associated with ongoing subscription and redemption activity; and

- (ii) a dilution levy (the "**Dilution Levy**") of up to 1% of the amount of an individual subscription or redemption may be applied to reflect the estimated dealing spreads, costs and charges to be incurred by the Sub-Fund in liquidating or purchasing investments, which the Management Company in its discretion may apply where it does not consider it appropriate to adjust the Net Asset Value of a Sub-Fund through Swing Pricing or does not consider Swing Pricing alone to be an adequate solution, e.g. where a particular investor or group of investors has been the main cause of the dilution effect.

## 6. NET ASSET VALUE

### 6.1 CALCULATION OF NET ASSET VALUE

The Board determines the principles of the calculation of the price or Net Asset Value of the Shares, which are implemented by the Management Company and the Administrator on a forward basis. This means that it is not possible to know in advance the Net Asset Value per Share at which Shares will be bought or sold (exclusive of any subscription fee).

The Net Asset Value per Share of each Share Class and Sub-Class in each Sub-Fund will be calculated by the Administrator as of each Valuation Day at the valuation point following the Cut-Off Time in accordance with the Articles of Incorporation and the provisions of this Section 6. It will be calculated by dividing the Net Asset Value attributable to each Share Class in each Sub-Fund, being the proportionate value of its assets less its liabilities, on each Valuation Day by the number of Shares of such Share Class then in issue on such Valuation Day. The resulting sum shall be rounded down to the nearest two decimal places.

The Net Asset Value per Share of each Share Class in each Sub-Fund will be calculated in the currency of denomination of the relevant Share Class. The Net Asset Value of each Sub-Fund shall be calculated and expressed in the Reference Currency of such Sub-Fund.

The Net Asset Value per Share of each Sub-Fund, Class and, where applicable, Sub-Class will be determined on the basis of the last available prices at the valuation point from the markets on which the investments of such Sub-Fund are principally traded. The last available price and valuation point for collective investment schemes in which a Sub-Fund invest may vary and may include prior valuation days of those collective investment schemes.

Events may occur between the determination of an investment's last available price and the determination of the Net Asset Value per Share of any Sub-Fund or Class at the valuation point that may, in the opinion of the Board, mean that the last available price does not truly reflect the fair market value of the investment. In such circumstances, the price of such investment shall be adjusted in accordance with the procedures adopted from time to time by the Board in accordance with the Fund's fair valuation policy.

To the extent that the Board considers that it is in the best interests of the Shareholders, taking into account factors including the prevailing market conditions, the level of subscriptions and redemptions in a particular Sub-Fund and the size of the Sub-Fund, the Net Asset Value per Share of a Sub-Fund may be adjusted to reflect the estimated dealing spreads, costs and charges to be incurred by such Sub-Fund in liquidating or purchasing investments to satisfy the net transactions for a particular Valuation Day. The adjustments shall not exceed 1% of the Net Asset Value per Share of the relevant Sub-Fund on the relevant Valuation Day.

The Net Asset Value per Share for Sub-Funds may be determined using an amortised cost method for those investments with a known short term maturity date. This involves valuing an investment at its costs and thereafter assuming a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the investments.

While this method provides certainty in valuation, it may result in periods during which value, as determined by amortised costs, is higher or lower than the price the relevant Sub-Fund would receive if it sold the investments. If it is used, the Board will continually assess this method of valuation and recommend changes, where necessary, to ensure that the Sub-Fund's investments will be valued at their fair market value. If the Board believes that a deviation from the amortised cost per Share may result in material dilution or other unfair results to Shareholders, the Board shall take such corrective action, if any, as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.

The Board reserves the right to allow the Net Asset Value per Share of each Share Class to be calculated more frequently than once daily, or to otherwise alter dealing arrangements on a

permanent or a temporary basis, for example, where the Board considers that a material change to the market value of the investments in one or more Sub-Funds so demands. The Prospectus will be amended, following any such permanent alteration, and Shareholders will be informed accordingly.

In valuing total assets, the following rules will apply:

- a) The value of securities and/or financial derivative instruments is determined on the basis of the last quoted price on the relevant stock exchange or over-the-counter market or any other regulated market on which these securities are traded or admitted for trading. Where such securities are quoted or dealt on more than one stock exchange or regulated market, the Management Company in agreement with the Board or any agent appointed by them for this purpose may, at its own discretion, select the stock exchanges or regulated markets where such securities are primarily traded to determine the applicable value. If a security is not traded or admitted on any official stock exchange or any regulated market or, in the case of securities so traded or admitted, if the last quoted price does not reflect their true value, the Management Company in agreement with the Board or any agent appointed for this purpose will proceed with a valuation on the basis of the expected sale price, which shall be valued with prudence and in good faith.
- b) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and in accordance with market practice and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Board's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction.
- c) Units or shares in open-ended UCIs and/or UCITS shall be valued on the basis of their last official net asset value, or at their last unofficial net asset values (i.e. estimates of net asset values) if more recent than their last official net asset values, provided that due diligence has been carried out by the Investment Manager, in accordance with instructions and under the overall control and responsibility of the Board, as to the reliability of such unofficial net asset values as reported by such undertakings.
- d) Units or shares in closed-ended undertakings for collective investment listed or dealt in on a regulated market shall be valued on the basis of their last available market price.
- e) Cash, bills payable on demand and other receivables and prepaid expenses will be valued at their nominal amount, unless it appears unlikely that such nominal amount is obtainable.
- f) Any assets or liabilities in currencies other than the currency of the relevant Sub-Fund will be valued using the relevant spot rate quoted by any commercial bank or other responsible financial institution.
- g) Any asset or liability which cannot be considered as being attributable to a particular Sub-Fund, shall be allocated pro rata to the Net Asset Value of each Sub-Fund. All liabilities attributable to a particular Sub-Fund shall be binding solely upon that Sub-Fund. For the purpose of the relations as between Shareholders, each Sub-Fund will be deemed to be a separate entity.

- h) Interest rate swaps will be valued on the basis of their market value established by reference to the applicable interest rate curve.
- i) Liquid assets and money market instruments may be valued at nominal value plus any interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.

The value of assets denominated in a currency other than the Reference Currency of a Sub-Fund shall be determined by taking into account the rate of exchange prevailing at the time of the determination of the net asset value.

The Board is authorised to apply other appropriate valuation principles for the assets of any Sub-Fund if the aforesaid valuation principles appear impossible or inappropriate due to extraordinary circumstances or events.

## **6.2 SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE**

The Board may suspend the calculation of the Net Asset Value of any Share Class in any Sub-Fund and the issue and redemption of Shares of any Share Class in such Sub-Fund, as well as the right to convert Shares of any Share Class in any Sub-Fund into Shares of another Share Class of the same Sub-Fund or any other Sub-Fund:

- a) during any period when any of the principal stock exchanges or any other regulated market on which any substantial portion of the Fund's investments of the relevant Sub-Fund for the time being are quoted, is closed other than for ordinary holidays, or during which dealings are restricted or suspended; or
- b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Fund by the Fund is impracticable; or
- c) in the case of the suspension of the calculation of the Net Asset Value of one or several of the Sub-Funds in which the Fund has invested a substantial portion of its assets; or
- d) during any breakdown in the means of communication normally employed in determining the price or value of any of the Fund's investments or the current prices or values on any market or stock exchange; or
- e) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board be effected at normal rates of exchange; or
- f) if the Fund or a Sub-Fund is being or may be wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Fund or a Sub-Fund is proposed; or
- g) if the Board has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Fund attributable to a particular Sub-Fund in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or

- h) during any other circumstance or circumstances where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Fund or its Shareholders might so otherwise have suffered; or
- i) following the suspension of the net asset value calculation and/or the issue, redemption and conversion at the level of a master fund (within the meaning of the 2010 Law) in which a Sub-Fund invests as a feeder (within the meaning of the 2010 Law).

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

During a period of suspension, a Shareholder may withdraw his request in respect of any Shares not redeemed or converted, by notice in writing received by the Registrar and Transfer Agent before the end of such period.

Shareholders will be informed of any suspension as appropriate. Notice of the beginning and of the end of any period of suspension will be published in a Luxembourg daily newspaper and in any other newspaper(s) selected by the Registrar and Transfer Agent . Notice will likewise be given to any applicant or Shareholder as the case may be applying for purchase, conversion or redemption of Shares in the Sub-Fund(s) concerned.

## 7. CONFLICTS OF INTEREST

In the event of a conflict of interests as described below, such conflict will be fully disclosed to the Board.

In the conduct of their respective business, the Management Company, the Investment Manager and/or any duly appointed investment advisor from time to time shall identify, manage and where necessary prohibit any action or transaction that may pose a conflict between their respective various business activities and the Fund or its investors. The Management Company, the Investment Manager and/or any duly appointed investment advisor from time to time, shall strive to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, the Management Company, the Investment Manager and/or any duly appointed investment advisor from time to time have implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its Shareholders, are carried out with an appropriate level of independence and that any conflicts are resolved fairly.

Subject to policies established by the Management Company, the Investment Manager is primarily responsible for the execution of each Sub-Fund's investment transactions and the allocation of the brokerage commissions. Neither the Fund nor the Management Company has any obligation to deal with any broker or group of brokers in execution of transactions in portfolio securities. However, the Management Company contemplates that a substantial amount of its transactions will be conducted through the Investment Manager, the Global Distributor, any sub-investment manager or any of their affiliates or through certain of the distributors appointed by the Global Distributor. Such transactions may be subject to a commission or dealer mark-up which may not be the lowest commission or spread available.

To the extent permitted under applicable laws and regulations, brokers who provide supplemental investment research and research related services to the Investment Manager may receive order for transactions by the Management Company. Information so received will be in addition to and not in lieu of the services required to be performed by the Investment Manager under the Investment Manager Agreement and the expenses of the Investment Manager will not necessarily be reduced as a result of the receipt of such supplemental information. Although each and every service rendered may not be used for the benefit of all of the Sub-Funds, the Investment Manager believes that those services are, in aggregate, of significant assistance in fulfilling its investment responsibilities to the Fund.

Securities held by a Sub-Fund also may be held by another Sub-Fund or by other sub-funds or investment advisory clients for which the Investment Manager or its affiliate act as advisor. Securities may be held by, or be an appropriate investment for, a Sub-Fund as well as other clients of the Investment Manager or their affiliates. Similarly, a Sub-Fund may hold units of other investment companies which are also managed by the same Investment Manager or its affiliates as the case may be.

Because of different objectives or other factors, a particular security may be bought for one or more such clients when one or more clients are selling the same security. If purchase or sales of securities for a Sub-Fund or other clients for which the relevant Investment Manager acts as investment manager arise for consideration at or about the same time, transactions in such securities will be made, insofar as feasible, for the respective funds and clients in a manner deemed equitable to all.

Because the Investment Manager or its affiliates may manage assets for other investment companies, pooled investment vehicles and/or other accounts (including institutional clients, pension plans and certain high net worth individuals), there may be an incentive to favour one of their clients over another resulting in potential conflicts of interest. For instance, the Investment



Manager may receive fees from certain accounts that are higher than the fee it receives for a particular Fund, or it may receive a performance based fee on certain accounts. In those instances, the Investment Manager may have an incentive to favour the higher and/or performance -based fee accounts over a particular Sub-Fund. In addition, a potential conflict of interests could exist to the extent such Investment Manager or its affiliates has proprietary investments in certain accounts or when certain accounts are investment options in the Investment Manager's and/or its affiliate employee benefits and/or deferred compensation plans. The Management Company as well as the Investment Manager and/or their affiliates have adopted trade allocation and other policies and procedures that it believes are reasonably designed to address these and other potential conflict of interests.

## 8. GOVERNANCE AND ADMINISTRATION OF THE FUND

### 8.1 THE BOARD

The Board has the sole exclusive power to administer and manage the Fund and to determine the investment objective, investment policy and investment powers and restrictions and the course of conduct of the management and business affairs of the Fund and of the Sub-Funds, in compliance with the Articles of Incorporation and the Prospectus, and applicable laws and regulations.

Pursuant to the Articles of Incorporation, the Board shall be vested with the broadest powers to perform all acts of administration and disposition in the Fund's interest. All powers not expressly reserved by law or the Articles of Incorporation to the General Meeting of the Shareholders will fall within the competence of the Board.

The Board is also responsible for the selection and appointment of the Management Company and the Depositary, and, together with the Management Company as the case may be, for the selection and appointment of the Administrator, the Global Distributor and any Investment Manager(s).

The Board will at all times be comprised of a minimum of 3 directors (each a “**Director**”).

As of the date of the present Prospectus, the Board is comprised of the following persons:

- ▶ Director: **Mr. Revel Wood**, Independent Non-Executive Director, 14 rue du Centre, L-3960 Ehlange, Grand-Duchy of Luxembourg;
- ▶ Director and Chairman: **Mr. Alain Guérard**, Managing Partner, Mont Blanc Consult S.à r.l., 6, Rue Kummert, L-6743, Grevenmacher, Grand-Duchy of Luxembourg;
- ▶ Director: **Ms. Karen Zachary**, Chief Executing Officer, CRUX Asset Management Limited, 65 Curzon Street, London, W1J 8PE, United Kingdom; and
- ▶ Director: **Mr. Ashley Dale**, Head of Distribution, CRUX Asset Management Limited 65 Curzon Street, London, W1J 8PE, the United Kingdom.

Each of the Directors shall be entitled to remuneration for his/ her directorship services at a rate determined by the Shareholders from time to time in the General Meetings. In addition, each Director may be reimbursed for his/ her reasonable expenses incurred while attending meetings of the Board or General Meetings of the Fund.

### 8.2 THE MANAGEMENT COMPANY

The Board has appointed Carne Global Fund Managers (Luxembourg) S.A. as the Management Company of the Fund within the meaning of the 2010 Law, pursuant to a management company agreement entered into between the Fund and the Management Company on 23 August 2023, as may be amended from time to time (the “**Management Company Agreement**”).

The Management Company was established on 17 September 2009 and is organised under the laws of the Grand-Duchy of Luxembourg as a public limited company. It is authorised by the CSSF to act as Chapter 15 Management Company pursuant to the 2010 Law.

The Management Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B 148.258.

In accordance with the 2010 Law, the Management Company designated by the Fund shall, under the supervision of the Board, carry out the following functions:

- ▶ Investment management
- ▶ Administration, and
- ▶ Marketing and Distribution.

The Management Company shall be entitled to delegate all or part of the above duties to any person or entity, which it will consider appropriate, as further detailed below.

In consideration for the services rendered by the Management Company to the benefit of the relevant Sub-Fund, the Management Company shall be entitled to those management company fees as detailed in the relevant Appendix of each Sub-Fund.

The Management Company Agreement may be terminated by either party with or without cause at any time subject to giving the other party at least three (3) months' prior written notice of termination.

The Management Company has established and applies a remuneration policy in accordance with principles laid out under the UCITS Directive and any related legal and regulatory provisions applicable in Luxembourg.

The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the investors in such UCITS, and which includes, inter alia, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Management Company manages.

The remuneration policy sets out principles applicable to the remuneration of senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions.

In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of the Management Company:

- i. it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or articles of incorporation;
- ii. if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- iii. it is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of the Shareholders, and includes measures to avoid conflicts of interest;
- iv. fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The remuneration policy is determined and reviewed at least on an annual basis by a remuneration committee.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the

persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website <http://www.carnegroup.com/policies-and-procedures/>, a paper copy will be made available free of charge upon request.

The variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the applicable legislation and regulatory requirements. In consideration for its services, the Management Company is entitled to receive fees from the Fund for each Sub-Fund as stipulated in this Prospectus and in accordance with the Management Company Agreement.

Additional information which the Management Company must make available to investors in accordance with Luxembourg laws and regulations including, but not limited to, shareholder complaints handling procedures, the management of activities giving rise to actual or potential conflicts of interest and the voting rights policy of the Management Company, shall be available at the registered office of the Management Company.

The Management Company acts also as management company for other investment funds and will in the future be appointed to act for other investment funds as management company. The list of the funds managed by the Management Company may be obtained, on simple request, at the registered office of the Management Company.

### 8.3 THE INVESTMENT MANAGER

Upon recommendation and with the Fund's consent, the Management Company has appointed CRUX Asset Management Limited as the Investment Manager in respect of the Fund and the Sub-Fund(s) pursuant to a tri-partite investment management agreement entered into between the Management Company, the Fund and the Investment Manager on 23 August 2023, as amended from time to time (the "**Investment Management Agreement**").

The Investment Manager is organised under the laws of England and Wales as a private limited company. It is authorised by the UK Financial Conduct Authority (the "**FCA**") with the necessary scope of permissions to act as investment manager pursuant to the Financial Services and Markets Act 2000. In particular, the Investment Manager has authorization for the following activities:

- ▶ Advising on investments (except on Pension Transfers and Pension Opt Outs);
- ▶ Arranging (bringing about deals in investments);
- ▶ Making arrangements with a view to transactions in investments; and
- ▶ Managing investments

The Investment Manager has exercised its right under the Markets in Financial Instruments Directive to passport by way of services into Luxembourg the following activities:

- ▶ Reception and transmission of orders in relation to one or more financial instruments;
- ▶ Investment management; and
- ▶ Investment advice.

The Investment Manager is registered with the FCA under number 623757.

The share capital of the Investment Manager currently amounts to four hundred fifty thousand and ten Pound Sterling (GBP 450,010.-), all fully subscribed and paid-up.

The Investment Manager will provide day-to-day management in respect of the investment and

re-investment of the net assets of all Sub-Funds.

Pursuant to the Investment Management Agreement, the Investment Manager is entitled to delegate all or part of the performance of its duties to one or more sub-investment managers, under its ultimate responsibility, and/ or to appoint one or more investment advisors in respect of any Sub-Fund.

In consideration for the services rendered by the Investment Manager to the benefit of the relevant Sub-Fund(s), the Investment Manager shall be entitled to those fees as detailed in the relevant Appendix of each Sub-Fund. Fees payable to the Investment Manager may include an annual investment management fee calculated as a percentage of the Net Asset Value of the relevant Sub-Fund and / or a performance fee based on the appreciation of the Net Asset Value per Share.

The Investment Management Agreement may be terminated by the Management Company or the Investment Manager at any time, subject to giving the other party at least three (3) months' prior written notice of termination.

#### **8.4 THE DOMICILIARY AND ADMINISTRATION AGENT, PAYING AGENT**

With the consent of the Fund, the Management Company has appointed State Street Bank International GmbH acting through its Luxembourg Branch as administrative and as domiciliary and paying agent of the Fund (the "**Administrator**") pursuant to the administration agreement entered into between the Management Company, the Fund and the Administrator on 23 August 2023, as may be amended from time to time (the "**Administration Agreement**").

The relationship between the Fund, the Management Company and the Administrator is subject to the terms of the Administration Agreement. Under the terms of the Administration Agreement, the Administrator will carry out all general administrative duties related to the administration of the Fund required by Luxembourg law, calculate the Net Asset Value per Share and maintain the accounting records of the Fund

The Administrator is not responsible for any investment decisions of the Fund or the effect of such investment decisions on the performance of the Fund.

The Administration Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Administration Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of a material clause of the Administration Agreement. The Administration Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors. The Administration Agreement contains provisions exempting the Administrator from liability and indemnifying the Administrator in certain circumstances. However, the liability of the Administrator towards the Management Company and the Fund will not be affected by any delegation of functions by the Administrator.

The Administrator is entitled to those fees, charges and commissions detailed in a fee schedule, which shall be borne by the Fund in accordance with common practice in Luxembourg. They will be comprised of a monthly fee calculated as a percentage of the relevant Sub-Fund's net assets (not exceeding 0.12% p.a.) and of transaction-based commissions payable on a monthly basis.

#### **8.5 REGISTRAR AND TRANSFER AGENT**

With the consent of the Fund, the Management Company has appointed International Financial Data Services (Luxembourg) S.A. as registrar and transfer of the Fund pursuant to a registrar and transfer agent agreement entered into between the Fund and the Registrar and Transfer Agent on 23 August 2023, as may be amended from time to time (the "**Registrar and Transfer Agent Agreement**").

The relationship between the Fund, the Management Company and the Registrar and Transfer Agent is subject to the terms of the Registrar and Transfer Agent Agreement. Under the terms of the Registrar and Transfer Agent Agreement, the Registrar and Transfer Agent will process all subscriptions, redemptions, conversions, and transfers of Shares, and register these transactions in the register of Shareholders. In addition, the Registrar and Transfer Agent is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

The Registrar and Transfer Agent Agreement has a fixed duration of five years and thereafter each party may, in principle, terminate the agreement on not less than twelve (12) months prior written notice. The Registrar and Transfer Agent Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of a material clause of the Registrar and Transfer Agent Agreement. The Registrar and Transfer Agent Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors.

The Registrar and Transfer Agent is entitled to those fees, charges and commissions detailed in a fee schedule, which shall be borne by the Fund in accordance with common practice in Luxembourg. They will be comprised of a monthly fee calculated as a percentage of the relevant Sub-Fund's net assets (not exceeding 0.12% p.a.) and of transaction-based commissions payable on a monthly basis.

## 8.6 THE DEPOSITARY

The Fund has appointed State Street Bank International GmbH acting through its Luxembourg Branch to act as Depositary within the meaning of the 2010 Law, pursuant to a depositary agreement entered into between the Fund and the Depositary on 23 August 2023, as may be amended from time to time (the "**Depositary Agreement**").

State Street Bank International GmbH is a limited liability company organized under the laws of Germany, having its registered office at Brienner Str. 59, 80333 München, Germany and registered with the commercial register court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch is authorized by the CSSF in Luxembourg to act as depositary and is specialized in depositary, fund administration, and related services. State Street Bank International GmbH, Luxembourg Branch is registered in the Luxembourg Commercial and Companies' Register (RCS) under number B 148 186. State Street Bank International GmbH is a member of the State Street group of companies having as their ultimate parent State Street Corporation, a US publicly listed company.

The Depositary shall assume its functions and responsibilities as depositary in accordance with the provisions of the Depositary Agreement, the 2010 Law, as amended, the European Commission Delegated Regulation (EU) 2016/438 (the "**UCITS Regulations**") and all applicable Luxembourg law, rules and regulations regarding (i) the safekeeping of financial instruments of the Fund and record keeping and verification of ownership of other assets of the Fund and (ii) the effective and proper monitoring of the Fund's cash flows.

### Depositary's functions

Under the terms of the Depositary Agreement, the Depositary is entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles of Incorporation.
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles of Incorporation.

- carrying out the instructions of the Fund unless they conflict with applicable law and the Articles of Incorporation.
- ensuring that in transactions involving the assets of the Fund any consideration is remitted within the usual time limits.
- ensuring that the income of the Fund is applied in accordance with applicable law and the Articles of Incorporation.
- monitoring of the Fund's cash and cash flows.
- safe-keeping of the Fund's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

### **Depository's liability**

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the UCITS Regulation, the Depository shall return financial instruments of identical type or the corresponding amount to the Fund without undue delay.

The Depository shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depository directly or indirectly through the Fund provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depository will be liable to the Fund for all other losses suffered by the Fund as a result of the Depository's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depository shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depository of its duties and obligations.

### **Delegation**

The Depository has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depository's liability shall not be affected by any delegation of its safe-keeping functions under the Depository Agreement.

The Depository has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Lincoln Street, Boston, Massachusetts 02111, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the Fund or at the following internet site: <http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>.

### **Conflicts of Interest**

The Depository is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depository or its affiliates engage in activities under the depository agreement or under separate contractual or other arrangements. Such activities may include:

- i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Fund;

- ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Fund either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depository or its affiliates:

- i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Fund, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Fund;
- iv) may provide the same or similar services to other clients including competitors of the Fund;
- v) may be granted creditors' rights by the Fund which it may exercise.

The Fund may use an affiliate of the Depository to execute foreign exchange, spot or swap transactions for the account of the Fund. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Fund. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Fund. The affiliate shall enter into such transactions on the terms and conditions agreed with the Fund.

Where cash belonging to the Fund is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager and the Management Company may also be a client or counterparty of the Depository or its affiliates.

Potential conflicts that may arise in the Depository's use of sub-custodians include four broad categories:

- i) conflicts from sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depository may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- ii) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;
- iii) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depository as its counterparty, which might create incentive for the Depository to act in its self-interest, or other clients' interests to the detriment of clients; and
- iv) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depository shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and its Shareholders.

The Depository has functionally and hierarchically separated the performance of its depository tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depository issues to be properly identified, managed and monitored. Additionally, in the context of the Depository's use of sub-custodians, the Depository imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depository further



provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depositary internally separates the performance of its custodial tasks from its proprietary activity and follows a standard of conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

### **Fees**

The fees and charges of the Depositary will be borne by the Fund in accordance with common practice in Luxembourg. They will be comprised of a monthly fee calculated as a percentage of the relevant Sub-Fund's net assets (not exceeding 0.04% p.a.) and of transaction-based commissions payable on a monthly basis.

### **Termination**

The Depositary Bank Agreement may be terminated by either the Fund or the Depositary at any time, subject to giving the other party at least three (3) months' prior written notice of termination. A new depositary must be designated within two (2) months of the termination of the Depositary's contract to carry out the duties and assume the responsibilities of the Depositary.

## **8.7 THE GLOBAL DISTRIBUTOR**

Upon recommendation and with the Fund's consent, the Management Company has appointed CRUX Asset Management Limited to act as Global Distributor in respect of the Fund and the Sub-Fund(s) pursuant to a tri-partite global distribution agreement entered into between the Management Company, the Fund and the Global Distributor on 23 August 2023, as may be amended from time to time (the "**Global Distribution Agreement**").

The Global Distributor may act as nominee for investors subscribing for Shares through their facilities. In such capacity, the Global Distributor shall effect subscriptions, redemptions and conversions in nominee name on behalf of individual investors, and request the registration of such operations on the Share records of the Fund in such investors' names. The Global Distributor shall maintain its own records and shall provide the investor with individualised information with regard to its shareholdings in the Fund. Except where local law or custom prescribes the practice, investors may invest directly in the Fund and not avail themselves of a nominee service. Unless otherwise provided by local law, any Shareholders holding Shares in a nominee account with the Global Distributor has a direct claim to the particular Shares subscribed for on its behalf by its nominee.

The Global Distribution Agreement shall be subject to the provisions of anti-money laundering as further detailed in Section 5.2.9.

Pursuant to, and in accordance with, the Global Distribution Agreement, the Global Distributor may delegate all or part of the performance of its duties to one or more sub-distributors and/ or placement agents, under its ultimate responsibility and at its own costs.

The Board 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 Meetings of Shareholders, if the investor is registered himself and in his own name in the register of Shareholders for the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

## 9. CHARGES AND EXPENSES OF THE FUND

### 9.1 FUND SET-UP COSTS

All costs and expenses related to the structuring, regulatory approval and launch of the Fund amounting to one hundred fifty thousand Euro (EUR 150,000.-) were borne by the Fund and split equally between the 2 initial Sub-Funds, namely “CRUX (Lux) Pan-European Growth Fund” and “CRUX (Lux) European Special Situations Fund” (formerly named “CRUX European Special Situations Feeder Fund”), and will be amortised over a period of maximum five (5) years.

Each new Sub-Fund created subsequently will bear its own set-up costs and expenses.

### 9.2 FUND OPERATING COSTS

The Fund’s operating expenses (“**Operating Costs**”) include, among other things, taxes, expenses for legal and auditing services, costs of printing proxies, stock certificates, Shareholders’ reports and notices, prospectuses and KIIDs and other promotional expenses, fees and charges of the Depositary and its correspondents, of the Administrator and of any paying agent, expenses of the issue and redemption of Shares, registration fees and expenses in various jurisdictions, listing fees, fees of unaffiliated directors of the Fund, expenses of the Directors and officers of the Fund relating to attendance at meetings of the Board and of the Shareholders of the Fund, translation costs, accounting and pricing costs (including the calculation of NAV per share), insurance (such as D&O insurance cover), litigation and other extraordinary or non-recurring expenses, and all other expenses properly payable by the Fund. The Operating Costs also include the service fee payable to the Management Company and the Investment Manager, and the fees and expenses incurred in obtaining investment research, as applicable.

Certain Sub-Funds and Share Classes may also pay specific additional costs including, without limitation, *taxe d’abonnement*, additional custody fees applicable to investment in emerging markets, hedging expenses and the costs relating to subsidiaries, as further described in the relevant Appendix for each Sub-Fund.

The Management Company may pay an amount of the fees and charges it receives to distributors, dealers or other entities that assist the Management Company in the performance of its duties or provide services, directly or indirectly to the Sub-Fund(s) or their Shareholders, provided such distributors, dealers or other entities are not prohibited from receiving any fees and commissions under applicable laws and regulations. Subject to the same conditions, as applicable, the Management Company may instruct the Fund to pay a proportion of any fee, charge or cost directly out of the assets of the Fund to any service providers. In such case the fee, charge or cost is reduced accordingly. Where required by applicable laws and regulations, (sub-)distributors shall inform their clients and any other applicable party about the nature and amount of any remuneration received.

To the extent permitted by applicable laws and regulations, the Management Company, the Investment Manager and/or the Global Distributor may choose to waive or rebate all of their fees and charges with respect to any Sub-Fund or Share Class or any portion thereof at their absolute discretion for an indefinite period.

All fees, charges and costs are payable calculated on the average daily net assets (before the deduction of any fees, charges and costs).

Each Sub-Fund bears its own costs and expenses of buying and selling portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction related expenses. These transaction fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable. Transaction fees are allocated across each Sub-Fund’s Share Classes.

The Fund bears any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge and any unforeseen charges imposed in the fund or its assets.

The Fund is subject to charges and expenses. These charges and expenses may vary depending on, among other factors, the size of the assets of a Sub-Fund, the location where the investments are made, and the volume of investment transactions. In certain cases, these charges are calculated based on a reducing scale as the size of the assets increases and may be subject to temporary waivers, maximum limits or, in limited circumstances where the assets of a Sub-Fund are below a certain minimum threshold, minimum limits. Charges and expenses reduce the potential growth of your investment. Further details regarding such charges can be found in sections 8 and 9 of this Prospectus. Where applicable, the amounts of any minimum fees can be obtained at the registered office of the Fund.

## 10. TAXATION

### 10.1 GENERAL

The following is a summary of certain material Luxembourg tax consequences of purchasing, owning and disposing of Shares. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell Shares. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. This summary does not allow any conclusion to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based on the Luxembourg law and regulations in effect and as interpreted by the Luxembourg tax authorities on the date of the Prospectus. These laws and interpretations are subject to change that may occur after such date, even with retroactive or retrospective effect.

Prospective purchasers of the Shares should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing of the Shares, including the application and effect of any federal, state or local taxes under the tax laws of the Grand Duchy of Luxembourg and each country of which they are residents or citizens.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), personal income tax (*impôt sur le revenu des personnes physiques*) as well as a temporary equalisation tax (*impôt d'équilibrage budgétaire temporaire*). Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies and taxes. Corporate income tax, municipal business tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, solidarity surcharge and temporary equalisation tax, it being noted that such temporary equalisation tax should, in principle, be abolished as from 2017. Under certain circumstances, where individual taxpayers act in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

### 10.2 TAXATION OF THE FUND

#### **Income tax**

Under current law and practice, the Fund is not liable to any Luxembourg income tax.

#### **Subscription tax**

The Fund is subject to a subscription tax (*taxe d'abonnement*) of 0.05% per annum levied on the Net Asset Value at the last day of each calendar quarter in accordance with the 2010 Law. A reduced tax rate of 0.01% per annum of the net assets however applies to:

- (a) undertakings whose exclusive object is the collective investment in money market instruments and the placing of deposits with credit institutions;
- (b) undertakings whose exclusive object is the collective investment in deposits with credit institutions; and
- (c) individuals compartments of UCIs with multiple compartments referred to in the 2010 Law as well as to individual classes of securities issued within a UCI or within a compartment of a UCI with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Are further exempt from the subscription tax:

- (a) the value of the assets represented by units held in other UCIs, provided such units have already been subject to the subscription tax provided for in Article 174 of the 2010 Law or in Article 68 of the Luxembourg law of 13 February 2007 on specialised investment funds (“SIFs”), as amended, or in Article 46 of the Luxembourg law of 23 July 2016 on reserved alternative investment funds (“RAIFs”);
- (b) UCIs as well as individual compartments of UCIs with multiple compartments:
  - (i) whose securities are reserved for institutional investors, and
  - (ii) whose exclusive object is the collective investment in money market instruments and the placing of deposits with credit institutions, and
  - (iii) whose weighted residual portfolio maturity does not exceed ninety (90) days, and
  - (iv) which have obtained the highest possible rating from a recognised rating agency.

Where several classes of securities exist within the UCI or the compartment, the exemption only applies to classes whose securities are reserved for institutional investors;

- (c) UCIs whose securities are reserved for (i) institutions for occupational retirement pension or similar investments vehicles, set up on one or more employers' initiative for the benefit of their employees and (ii) companies of one or more employers investing funds they hold, to provide retirement benefits to their employees;
- (d) UCIs as well as individual compartments of UCIs with multiple compartments whose main objective is the investment in microfinance institutions;
- (e) UCIs as well as individual compartments of UCIs with multiple compartments:
  - (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public; and
  - (ii) whose exclusive object is to replicate the performance of one or more indices.

If several classes of securities exist within the UCI or the compartment, the exemption only applies to classes fulfilling the condition of sub-point (i).

For the avoidance of doubt, this subscription tax forms part of the Operating Costs.

#### **Value added tax**

The Fund is considered in Luxembourg as a taxable person for value added tax (“VAT”) purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg. As a result of such VAT registration, the Fund will be in a position to fulfil its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Shareholders, to the extent such payments are linked to their subscription of the Shares and do, therefore, not constitute the consideration received for taxable services supplied.

#### **Other taxes**

No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the Fund against cash, except a fixed registration duty of EUR 75 which is paid upon the incorporation of the Fund and any subsequent modification of its articles of incorporation.

The Fund is exempt from net wealth tax.

The Fund may be subject to withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments. As the Fund itself is exempt from income tax, withholding tax levied at source, if any, is not refundable in Luxembourg. It is not certain whether the Fund itself would be able to benefit from Luxembourg's double tax treaties network. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be analysed on a case-by-case basis. Indeed, as the Fund is structured as an investment company (as opposed to a mere co-ownership of assets), certain double tax treaties signed by Luxembourg may directly apply to the Fund.

### **10.3 TAXATION OF THE SHAREHOLDERS**

#### **Luxembourg tax residency of the Shareholders**

A Shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of the Shares or the execution, performance or enforcement of his/her rights thereunder.

#### **Luxembourg resident Shareholders**

A Luxembourg resident Shareholder is not liable to any Luxembourg income tax on reimbursement of the share capital contributed to the Fund.

#### *Luxembourg resident individual Shareholders*

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

Capital gains realised upon the sale, disposal or redemption of Shares by Luxembourg resident individual Shareholders acting in the course of the management of their private wealth are not subject to Luxembourg income tax unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the Shares are disposed of within 6 months of their acquisition, or if their disposal precedes their acquisition. A shareholding is considered as substantial shareholding in limited cases, in particular if (i) the shareholder has held, either alone or together with his/her spouse or partner and/or his/her minor children, either directly or indirectly, at any time within the 5 years preceding the realisation of the gain, more than 10% of the share capital of the Fund or (ii) the taxpayer acquired free of charge, within the 5 years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same 5-year period). Capital gains realised on a substantial participation more than 6 months after the acquisition thereof are subject to income tax according to the half-global rate method, (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

Capital gains realised on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to

income tax at ordinary rates. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

#### *Luxembourg resident corporate Shareholders*

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

#### *Luxembourg resident Shareholders benefiting from a special tax regime*

Luxembourg resident Shareholders which benefit from a special tax regime, such as (i) UCIs governed by the 2010 Law (ii) SIFs governed by the law of 13 February 2007, as amended (iii) family wealth management companies governed by the law of 11 May 2007 as amended, and (iv) RAIFs treated as SIFs for Luxembourg tax purposes governed by the law of 23 July 2016, are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg income tax.

#### **Luxembourg non-residents Shareholders**

Shareholders, who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are generally not subject to any Luxembourg income tax on income received and capital gains realised upon the sale, disposal or redemption of the Shares.

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

Shareholders should consult their professional advisors regarding the possible tax or other consequences of buying, holding, transferring or selling Shares under the laws of their countries of citizenship, residence or domicile.

#### **Net wealth tax**

A Luxembourg resident Shareholder, as well as a non-resident Shareholder having a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, except if the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) a UCI governed by the 2010 Law, (iii) a securitization company governed by the law of 22 March 2004 on securitization, as amended, (iv) a company governed by the law of 15 June 2004 on venture capital vehicles, as amended, (v) a SIF governed by the law of 13 February 2007, as amended, (vi) a family wealth management company governed by the law of 11 May 2007, as amended, (vii) a professional pension institution governed by the law of 13 July 2005, as amended, or (viii) a RAIF governed by the law of 23 July 2016.

However, (i) a securitization company governed by the law of 22 March 2004 on securitization, as amended, (ii) a company governed by the law of 15 June 2004 on venture capital vehicles, as amended, (iii) a professional pension institution governed by the law of 13 July 2005, as amended, and (iv) a RAIF treated as a venture capital vehicle for Luxembourg tax purposes and governed by the law of 23 July 2016 remain subject to the minimum net wealth tax.

#### **Other taxes**

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his/her death, the Shares are included in his/her taxable basis for inheritance tax purposes. On the contrary, no estate or inheritance tax is levied on the transfer of the Shares upon death of an individual Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his/her death.

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

#### **10.4 FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)**

Capitalised terms used in this section should have the meaning as set forth in the IGA (as defined below), unless provided otherwise herein.

As part of the process of implementing FATCA, Luxembourg entered into a Model 1 Intergovernmental Agreement with the US on 28 March 2014 (the “IGA”) implemented by the Luxembourg Law of 24 July 2015 (the “FATCA Law”) which requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by US Specified Persons and non-US financial institutions that do not comply with FATCA and, if any, to the competent authorities.

Being established in Luxembourg, the Fund will be treated as a Foreign Financial Institution.

This status includes the obligation of the Fund to regularly obtain and verify information on all of its Shareholders. Upon request of the Fund, each Shareholder shall agree to provide certain information, including, in case of a passive Non-Financial Foreign Entity (“NFFE”), the direct or indirect owners above a certain threshold of ownership of such NFFE, along with the required supporting documentation. Similarly, each Shareholder shall agree to actively provide to the Fund within thirty days any information that would affect its status, as for instance a new mailing address or a new residency address.

Under the IGA, the Fund is required to report to the Luxembourg tax authorities certain direct holdings of equity or debt interests in the Fund by and payments made to a) US investors that are Specified US Persons, b) certain US controlled foreign entity investors, i.e. entities that are to be treated as Passive NFFEs that have one or more Controlling Persons who is/are Specified US Persons, and c) non-US financial institutional investors that comply neither with the terms of an applicable IGA nor with the US Treasury FATCA Regulations (Nonparticipating Financial Institutions).

The information to be reported with respect to the above reportable holders of equity or debt interests in the Fund and persons who control a passive NFFE that is a holder of an equity or debt interest in the Fund, would include the name, address, country (or countries) of tax residence, US and other tax identification number(s) of such persons, their date and place of birth in the case of individuals, the aggregate year-end value of the equity and/or debt interest held in the Fund (or the fact that it was disposed of during the year) and the aggregate amount paid by the Fund, during the year being reported, to each such holder with respect to the equity and/or debt interest in the Fund. Under the IGA, such information will be onward reported by the Luxembourg tax authorities to the US Internal Revenue Service under the general information exchange provisions of the multilateral Convention on Mutual Administrative Assistance in Tax Matters, to which both the US and Luxembourg are parties.

Additionally, as further detailed under Fund’s privacy policy available at <http://cruxam.com/SICAV-Privacy-Policy>, the Fund is responsible for the processing of personal data and each Shareholder has notably a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the Data Protection Law.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax and of the Luxembourg fines, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax or fine as result

of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses. A failure for the Fund to obtain such information from each Shareholder and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of US source income and on proceeds from the sale of property or other assets that could give rise to US source interest and dividends as well as fines.

Any Shareholder that fails to comply with the Fund's documentation requests may be charged with any taxes and/or fines imposed on the Fund and attributable to such Shareholder's failure to provide the information and the Fund may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this US withholding tax and reporting regime.

The scope and application of FATCA withholding and information reporting pursuant to the terms of FATCA and the intergovernmental agreements concluded by the US are subject to review by the US, Luxembourg and other governments having concluded an intergovernmental agreement with the US, and rules may change. Investors should contact their own tax advisers regarding the application of FATCA to their particular circumstances.

The Fund intends, within its rules as included within this Prospectus, to be fully compliant with the terms of the IGA.

## 10.5 COMMON REPORTING STANDARD ("CRS")

Capitalised terms used in this section should have the meaning as set forth in the CRS Law as defined below, unless provided otherwise herein.

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU Member States ("**DAC Directive**"). The adoption of the aforementioned directive implements CRS and generalizes the automatic exchange of information within the European Union as of 1 January 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The Luxembourg law of 18 December 2015 implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law (the "**CRS Law**").

Under the CRS Law, the Fund may qualify as a Luxembourg Financial Institution and be required to apply due diligence procedures to determine the identity, country or countries of tax residence and CRS status of each investor (holder of a direct equity interest or of a direct debt interest, if any, in the Fund) and of Controlling Persons of passive non-financial entities ("**NFES**") and to report annually to the Luxembourg tax authorities, as of 30 June 2017 and without prejudice to other applicable data protection provisions, information with respect to investors qualifying as Reportable Persons and Controlling Persons of certain NFEs which are themselves Reportable Persons.

The information to be reported with respect to such Reportable Persons (, would include the name, address, country (or countries) of tax residence, tax identification number(s) of such persons, their date and place of birth in the case of individuals, the aggregate year-end value of the equity and/or debt interest held in the Fund (or the fact that it was disposed of during the year) and the aggregate amount paid by the Fund, during the year being reported, to each such person with respect to the equity and/or debt interest held in the Fund. This information, as exhaustively set out in Annex I of the CRS Law (the "**Information**"), will include personal data related to the Reportable Persons.



The Luxembourg tax authorities will forward such information to the competent authorities of the relevant CRS participating jurisdictions in accordance with the DAC Directive or the Multilateral Agreement, under the general information exchange provisions of the multilateral Convention on Mutual Administrative Assistance in Tax Matters.

Additionally, the Fund is responsible for the processing of personal data and each Shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the Data Protection Law.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Fund with the Information, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the Fund, each Shareholder shall agree to provide the Fund such information.

Although the Fund will attempt to satisfy any obligation imposed on it and to avoid imposition of Luxembourg fines, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a fine as result of the CRS Law, the value of the Shares held by the Shareholders may suffer material losses.

Any Shareholder that fails to comply with the Fund's documentation requests may be held liable for fines imposed on the Fund and attributable to such Shareholder's failure to provide the Information and the Fund may, in its sole discretion, redeem the Shares of such Shareholder.

Investors should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

## 10.6 EU MANDATORY DISCLOSURE REGIME: DAC6

On 25 May 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning ("**DAC6**"). DAC6 has been implemented in Luxembourg by the law of 25 March 2020 (the "**DAC6 Law**").

More specifically, the reporting obligation will apply to cross-border arrangements that, among others, meet one or more "hallmarks" provided for in the DAC6 Law that is coupled in certain cases, with the main benefit test (the "**Reportable Arrangements**").

In the case of a Reportable Arrangement, the information that must be reported includes inter-alia the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement.

The reporting obligation rests in principle with the persons that design, market or organise the Reportable Arrangement or provide assistance or advice in relation thereto (the so-called "**Intermediaries**"). However, in certain cases, the taxpayer him/her/it-self can be subject to the reporting obligation.

Intermediaries (or the case maybe, the taxpayer) may be required to report a Reportable Arrangement as soon as 30 January 2021.

The information reported will be automatically exchanged between the tax authorities of all Member States.

In light of the broad scope of the DAC6 Law, transactions carried out by the Fund may fall within the scope of the DAC6 Law and thus be reportable.

## 11. FINANCIAL YEAR, GENERAL MEETINGS AND FINANCIAL REPORTS

### 11.1 FINANCIAL YEAR

The first financial year of the Fund starts on the Fund's date of incorporation and ends on 30 September 2017.

Any subsequent financial year of the Fund starts on 1 October of each calendar year and ends on 30 September in the following calendar year.

### 11.2 GENERAL MEETINGS

The annual General Meeting of the Fund is held in Luxembourg each year and for the first time in 2018, on the third Wednesday of January at the time and place indicated in the relevant convening notices or, if such day is not a Business Day in Luxembourg, on the next Business Day.

General Meetings shall be called by the Board, or by Shareholders holding a minimum of ten percent (10%) of the Fund's share capital, subject to the provisions of the Articles of Incorporation.

Notices of all General Meetings are sent by mail to all registered Shareholders at their registered address at least eight days prior to the meeting or, if the Shareholders have individually accepted to receive the convening notices by another means of communication ensuring access to the information, by such other means of communication. Such notice will indicate the time and place of the meeting, the conditions of admission thereto, will contain the agenda and refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities at the meeting. To the extent required by law, further notices will be published in the *Recueil électronique des sociétés et associations* (RESA) and in Luxembourg newspaper(s) and in any such other newspaper as the Directors may decide.

The legal requirements as to notice, quorum and voting at all General Meetings of Shareholders of the Fund, a Sub-Fund or a Class are included in the Articles of Incorporation. General Meetings of Shareholders of any given Sub-Fund or Class shall decide upon matters relating to that Sub-Fund or Share Class only.

### 11.3 FINANCIAL REPORTS

The Fund will issue audited annual reports and unaudited semi-annual reports. Those reports will be prepared in accordance with Luxembourg General Accepted Accounting Principles (GAAP).

Audited annual reports shall be published within four (4) months following the end of the accounting year and unaudited semi-annual reports shall be published within two (2) months following the period to which they refer.

Copies of annual reports and semi-annual reports can be downloaded from the Investment Manager's website at <https://www.cruxam.com>, or may be obtained, free of charge, on request at the registered office of the Fund or the Management Company. Such reports form an integral part of this Prospectus.

The Net Asset Value per Share of each Class within each Sub-Fund is made public at the registered office of the Fund. The Fund will arrange for the Net Asset Value per Share of each Class within each Sub-Fund to be published as required. Neither the Fund nor the Management Company can accept any responsibility for any error or delay in publication or for inaccurate or non-publication of prices. Shareholders may view the Net Asset Value per Share on the Investment Manager's web-site at <https://www.cruxam.com>.

## 12. DISTRIBUTIONS

The distribution rights attached to the Shares available within each Sub-Fund are specified in the relevant Appendix.

For any Sub-Fund or Class entitled to distribution, the General Meeting of Shareholders of the relevant Sub-Fund or Class issued in respect of any Sub-Fund shall, upon proposal from the Board and within the limits provided by law, determine how the results of a Sub-Fund or Class shall be disposed of, and may from time to time declare, or authorise the Board to declare, distributions.

For any Sub-Fund or Class entitled to distributions, the Board may furthermore decide at any time to pay interim dividends in compliance with the conditions set forth by law.

Where Shareholders hold their Shares through Clearstream or Euroclear, reinvestment of distributions will not be possible and distributions (if any) regardless of the value will be paid to Shareholders. Shares are calculated to two decimal places and the resulting cash fraction remainder (whose value is less than two decimals of a Share) is returned to the relevant Fund for inclusion in subsequent distributions.

In any case, distributions may only be made provided that, after the distribution, the net assets of the Fund do not fall below the minimum set forth by law, i.e. one million two hundred fifty thousand Euro (EUR 1,250,000.-) or any then equivalent amount in any other currency converted into Euro.

Distributions will be made in cash, in the Reference Currency of the relevant Class or, where applicable, Sub-Class, and at such time and place that the Board shall determine from time to time.

All distributions will be made net of any income, withholding and similar taxes payable by the Fund, including, for example, any withholding taxes on interest or dividends received by the Fund and capital gains taxes.

Dividends which are not claimed within five (5) years of their payment date will be forfeited for their respective beneficiaries and will return to the relevant Sub-Fund, Class and, where applicable, Sub-Class.

## 13. DISSOLUTION - LIQUIDATION - MERGERS

### 13.1 DISSOLUTION

The Fund has been established for an unlimited period of time. The duration of each Sub-Fund is specified in the relevant Appendix.

The Fund may at any time be dissolved by a resolution taken by the General Meeting of Shareholders subject to the quorum and majority requirements as defined in the Articles of Incorporation of the Fund.

Whenever the capital falls below two thirds of the legal minimum capital, the Board must submit the question of the dissolution of the Fund to the General Meeting of Shareholders. The General Meeting, for which no quorum shall be required, shall decide on simple majority of the votes of the Shares present and represented at the meeting.

The question of the dissolution of the Fund shall also be referred to the General Meeting of Shareholders whenever the capital falls below one quarter of the minimum capital. In such event, the General Meeting shall be held without quorum requirements, and the dissolution may be decided by the Shareholders holding one quarter of the votes present and represented at that meeting.

The meeting must be convened so that it is held within a period of forty (40) days from when it is ascertained that the net assets of the Fund have fallen below two thirds or one quarter of the legal minimum as the case may be.

In the event that for any reason the value of the total net assets in any Sub-Fund or the value of the net assets of any Class of Shares within a Sub-Fund has decreased to, or has not reached, an amount determined by the Board to be the minimum level for such Sub-Fund to be operated in an economically efficient manner, or in case of substantial modification in the political, economic or monetary situation or as a matter of economic rationalization, the Board may decide to compulsorily redeem all the Shares of the relevant Classes issued in such Sub-Fund at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses), calculated at the valuation point at which such decision shall take effect. The Fund shall serve a notice to the holders of the relevant Classes of Shares in writing prior to the effective date for the compulsory redemption, which will indicate the reasons for, and the procedure of, the redemption operations.

In addition, the General Meeting of Shareholders of the Classes of Shares issued in any Sub-Fund may, upon proposal from the Board, redeem all the Shares of the relevant Classes issued in such Sub-Fund and refund to the Shareholders the net asset value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated at the valuation point at which such decision shall take effect.

There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented.

All redeemed Shares shall be cancelled.

### 13.2 LIQUIDATION

In the event of dissolution, one or more liquidators, approved by the CSSF, shall be appointed by the General Meeting of Shareholders to realize the assets of the Fund, subject to the supervision of the relevant supervisory authority in the best interests of the Shareholders. The proceeds of the liquidation of each Sub-Fund, net of all liabilities and liquidation expenses, shall be distributed by the Depositary upon instruction given by the liquidator(s) among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by Shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignation* in Luxembourg until the statutory limitation period has lapsed. If an event requiring liquidation arises, issue, redemption, exchange or conversion of the Shares is void.

### 13.3 MERGERS

Any merger of a Sub-Fund with another Sub-Fund of the Fund or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board unless the Board decides to submit the decision for such merger to the General Meeting of Shareholders of the relevant Sub-Fund. In the latter case, no quorum is required for such meeting and the decision for such merger is taken by a simple majority of the votes cast. In case of a merger of a Sub-Fund where, as a result, the Fund ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a General Meeting of Shareholders resolving in accordance with the quorum and majority requirements for the amendment of the Articles of Incorporation.

Under the same circumstances as for the liquidation of Sub-Funds or Classes as described above, the Board may also decide (i) upon the reorganization of any Sub-Fund by means of a division into two or more separate Sub-Funds or (ii) to reorganize the Shares of a Sub-Fund into two or more Classes or combine two or more Classes into a single Class providing in each case it is in the interests of the Shareholders of the relevant Sub-Fund. The publication or notification of reorganization of any Sub-Fund by means of a division into two or more separate Sub-Funds will, in addition, contain information in relation to the two or more separate Sub-Funds resulting from the reorganization.

Where the Board does not have the authority to do so or where the Board determines that the decision should be put for Shareholders' approval, the decision to reorganize a Sub-Fund or to merge a Class may be taken at a General Meeting of Shareholders of the Sub-Fund or Class to be merged or reorganised instead of being taken by the Board. At such general Class meeting, no quorum shall be required and the decision to merge or reorganize must be approved by Shareholders holding at least a simple majority of the Shares present or represented.

These merger and reorganization events will be notified to the relevant Shareholders or published, as required by applicable laws and regulations, at least thirty (30) days before the last date for requesting the redemption or conversion free of charge in order to enable the Shareholders to request redemption or conversion of their Shares, free of charge, before the merger or reorganization becomes effective.

## 14. SUSTAINABLE FINANCE

Pursuant to EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the “SFDR”), the Sub-Funds are required to disclose the manner in which Sustainability Risks (as defined in section 4 of this Prospectus) are integrated into the investment decision and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Sub-Funds.

Unless specified in the relevant investment policy, the Sub-Funds are considered as falling within the scope of Article 6 of the SFDR as they do not promote Sustainability Factors (as defined below) and do not maximize portfolio alignment with Sustainability Factors. The Sub-Funds however remain exposed to Sustainability Risks. Such Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns.

The impacts following the occurrence of a Sustainability Risk, as defined in article 2 of SFDR, may be numerous and vary depending on the specific risk, region and asset class. The Sustainability Risks generally revolve around the following themes:

- corporate governance malpractices (e.g. board structure, executive remuneration);
- shareholder rights (e.g. election of directors, capital amendments);
- changes to regulation (e.g. greenhouse gas emissions restrictions, governance codes);
- physical threats (e.g. extreme weather, climate change, water shortages);
- brand and reputational issues (e.g. poor health & safety records, cyber security breaches);
- supply chain management (e.g. increase in fatalities, lost time injury rates, labour relations); and
- work practices (e.g. observation of health, safety and human rights provisions).

In general, where a sustainability risk occurs in respect of an asset, there will be a negative impact on, or entire loss of, its value. As such, for a company in which a Sub-Fund invests, this may be because of damage to its reputation resulting in a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. A company may also suffer the impact of fines and other regulatory sanctions. The time and resources of the company’s management team may be diverted from furthering its business into dealing with the Sustainability Risk event, including changes to business practices and dealing with investigations and litigation. Sustainability Risks events may also give rise to loss of assets and/or physical loss including damage to real estate and infrastructure. The utility and value of assets held by companies to which the relevant Sub-Fund is exposed may also be adversely impacted by a Sustainability Risk event.

A Sustainability Risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country. Sector and geographic Sustainability Risk events may have an impact on the investment value of the exposure of a Sub-Fund.

At the date of this Prospectus, the Management Company continues to review and consider its obligations with respect to whether it considers principal adverse impacts of investment decisions on sustainability factors as set out in Article 4 of the SFDR. In particular, the Management Company awaits the further consultation and/or guidance on the Level 2 regulatory technical standards (the “RTS”), and the finalisation of the RTS, which is expected to enter into force during 2022. The decisions and disclosures in relation to Articles 4 and 7 will be made taking into account the deadlines of the SFDR and similarly any disclosures will be included in a future version of the Prospectus and/or published on the Investment Manager’s website at <https://www.cruxam.com> as required.

Principal adverse impacts of investment decisions on sustainability factors are not currently considered due to the lack of available and reliable data. The situation will however be reviewed going forward.

At the date of this Prospectus, the sub-funds and their underlying investments do not take into account the EU criteria for environmentally sustainable economic activities.

## **PART II: APPENDICES - SPECIFIC INFORMATION IN RELATION TO THE SUB-FUND(S)**

As of the date of the present Prospectus, the following Sub-Funds have been created within the Fund:

- 1. CRUX (Lux) European Special Situations Fund**
- 2. CRUX Asia ex-Japan Fund**
- 3. CRUX China Fund**



## APPENDIX I - CRUX (Lux) European Special Situations Fund

### 1. Duration

The Sub-Fund is created for an unlimited duration.

### 2. Investment Objective and Policy

#### 2.1 Investment Objective

The investment objective of the Sub-Fund is to achieve long term capital growth by investing in European (excluding the UK) equities of companies in special situations (as defined below). The Sub-Fund has no benchmark index and is not managed in reference to a benchmark index.

#### 2.2 Investment Policy

The Sub-Fund is actively managed. This means the Investment Manager is taking investment decisions with the intention of achieving the Sub-Fund's investment objective; this will include decisions regarding asset selection, regional allocation, sector views and overall level of exposure to the market.

The Sub-Fund will seek to achieve its investment objective by investing in European (excluding the UK) equities of companies in special situations, where it believes the company is considered undervalued. The Sub-Fund will also invest in other European (excluding the UK) equities to mitigate the volatility of the Sub-Fund. The Sub-Fund's portfolio will be managed on a concentrated basis. The Sub-Fund will be able to invest without restriction by market cap or sector. The Sub-Fund may also invest in other transferable securities, units or shares in collective investment schemes, money market instruments, and cash and near cash, and deposits.

If the Investment Manager believes it to be beneficial to the Sub-Fund, some limited exposure to transferable securities outside Europe may be undertaken.

The use of derivatives is permitted by the Sub-Fund for efficient portfolio management purposes (including hedging), and borrowing will be permitted under the terms of the 2010 Law. It is not intended that the use of derivatives in this way will change the risk profile of the Sub-Fund.

In addition, the Sub-Fund may hold up to 10% of its assets in ancillary liquid assets which are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time and this holding is limited to 10% of the net assets of the Sub-Fund, except temporarily exceedances due to exceptionally unfavourable market conditions.

The Sub-Fund will not invest in OTC derivatives.

For the purpose of this Sub-Fund, "special situations" includes, but is not limited to:

- companies that have high barriers to entry and strong pricing power, enabling them to generate robust earnings with growth potential;
- businesses that are not highly capital intensive where the return on capital employed exceeds the cost of capital;
- companies with strong free cash flow and higher dividend yields than usual;
- businesses that have relatively conservative valuations against their peer group and the market, because if valuations are high, it is considerably harder to exceed expectation; and
- businesses where management has its own money invested.

### 3. Methodology for Calculating the Global Exposure

In accordance with Section 3 of Part I the Management Company has selected, and will calculate the global exposure of the Sub-Fund according to the commitment approach in compliance with requirements set out by the 2010 Law.

### 4. Reference Currency

The Reference Currency of the Sub-Fund is the Euro (EUR).

### 5. Share Classes and Sub-Classes

As of the date of the present Prospectus, the Sub-Fund offers Shares in the following 4 Share Classes, which differentiate from each other by their eligible investors, currency of denomination and fee structure:

Share Class	Eligible investors	Currency of denomination	Distribution policy	Currency Hedging Policy
I Acc EUR	Institutional Investors	EUR	Accumulation	Unhedged
A Acc EUR	All investors	EUR	Accumulation	Unhedged
I Acc GBP	Institutional Investors	GBP	Accumulation	Unhedged
A Acc GBP	All investors	GBP	Accumulation	Unhedged

Share Classes with the attribute “I” are reserved to Institutional Investors and have a minimum initial subscription of one thousand Euro (EUR 1,000.-) and subsequent minimum holding amount of one hundred Euro (EUR 100.-) (or an equivalent amount in the Share Class denomination currency).

Share Classes with the attribute “A” are offered to all investors and have a minimum initial subscription of one thousand Euro (EUR 1,000.-) and subsequent minimum holding amount of one hundred Euro (EUR 100.-) (or an equivalent amount in the Share Class denomination currency).

As described under Section 5.2.6 of the Prospectus, these minima may be waived or varied, in any particular case or generally, by the Board or by the Investment Manager, in their respective discretion.

Share Classes with the attribute “Acc” issue Accumulation Shares only.

Share Class with the attribute “EUR” are denominated in EUR.

Share Class with the attribute “GBP” are denominated in GBP.

Where the Management Company and/or the Board in its absolute discretion determines that an investor does not qualify as an Institutional Investor, including where an investor has ceased to qualify as an Institutional Investor after its initial subscription, the Management Company and/or the Board may, upon providing such investor with one month’s written notice, elect to either compulsorily redeem their holding or convert their holding into another Share Class of the Sub-Fund that is not restricted to Institutional Investors.

If the Net Asset Value of an investor’s holding of a Share Class falls below the minimum holding amount applicable to such Class, the Management Company and/or the Board may, upon providing such investor with one month’s written notice, elect to either compulsorily redeem their holding or convert their holding into another Share Class of the Sub-Fund with a lower minimum holding requirement, if available.

The Management Company and/or the Board may, in its discretion, create additional Share Classes with different eligible investors, denomination currencies, distribution policies, hedging policies, and/or other features. This Appendix will be updated as new Share Classes or Sub-Classes become available.

## **6. Subscriptions, Redemption and Conversions**

Unless otherwise specified below, subscriptions, redemptions and conversions of Shares shall be made in accordance with Section 5 of Part I.

Investors may only subscribe by indicating in the Subscription Form the amount they are subscribing for.

Redemption proceeds shall be paid in a Reference Currency of the relevant Class within four (4) Business Days from the relevant Redemption Day.

## **7. Valuation Day and Net Asset Value Calculation**

The Net Asset Value per Share of each Class and Sub-Class of the Sub-Fund will be determined as of each Business Day after the Cut-off time (each a “**Valuation Day**”) by the Administrator in accordance with the Articles of Incorporation and the provisions of Section 6.1 of Part I.

The Management Company may decide to perform additional Net Asset Value calculations.

## **8. Distribution**

Accumulation Shares are not entitled to distributions. Instead, the income due to them will be rolled up to enhance their value.

## **9. Investor Profile**

This is an equity Sub-Fund designed to give broad market exposure to European stock markets.

Because the Sub-Fund is diversified across a number of markets, an investment in the Sub-Fund may be suitable for investors who are looking for an equity investment to sit at the heart of their portfolio, or as a standalone investment aimed at producing long-term capital growth. Investors in the Sub-Fund should therefore also have at least a five (5) year investment horizon.

## **10. Specific Risk Factors**

In addition to the general risk factors set out in Section 4 of Part I, the following specific risk factors should be taken into account when considering an investment into the CRUX (Lux) European Special Situations Fund:

- ▶ As the Sub-Fund will invest in equity or equity related instruments of companies that are located in Europe, such concentration in a particular geographical region may lead to higher volatility than more diversified funds. The value of the assets of the Sub-Fund may also be affected by uncertainties such as changes in government policies, taxation, fluctuations in foreign exchange rates, political, economic or other developments in the law or regulations of Europe which could adversely impact the Sub-Fund and/or the interests of investors.
- ▶ The increasing regulatory requirements in Europe that results, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy may result in significant Sustainability Risks that might impede the Sub-Fund’s assets business models, revenues and overall value. Such financial loss may be due to, for example, the changes in the regulatory framework like carbon pricing mechanisms, stricter energy efficiency standards, or policy and legal risks related to litigation claims or the

transition to a low-carbon economy which may also negatively impact organizations via technological evolutions leading to the substitution of existing products and services by lower emissions options or the potential unsuccessful investment in companies made by the Sub-Fund. In Europe the raising awareness of sustainability issues exposes the Sub-Fund to reputational risk linked to Sustainability that can affect the Sub-Fund's assets, for examples through name and shame campaigns by NGOs or consumer organizations. Stigmatization of an industry sector, shift in consumer preferences and increased shareholder concern/negative feedback resulting from growing concerns over climate change may negatively impact the Sub-Fund and the value of its investments. However, the Sub-Fund's investment process assesses Sustainability Risks and avoids investing in companies where the business model or profitability may be at risk from changes to regulations. The Sub-Fund's investment process usually avoids capital-intensive, energy-intensive or high polluting industries and this further mitigates Sustainability Risks.

## 11. Fees and Cost Structure of the Sub-Fund

### 11.1 Management Company Fee

In consideration for the services rendered by the Management Company for the benefit of the Fund, the Management Company is entitled to receive annual fees from the Fund in accordance with the terms of the Management Company Agreement (the "**Management Company Fee**"), in an amount not exceeding 0.05% p.a. of the Sub-Fund's NAV.

The Management Company Fee will be payable monthly and calculated on the last NAV of the month of the Sub-Fund.

In addition, the Management Company will be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses and disbursements in the performance of its duties towards the Fund.

### 11.2 Investment Management Fee

In consideration for its services for the benefit of the Sub-Fund under the Investment Management Agreement, the Investment Manager is entitled to the payment of an annual investment management fee (the "**Investment Management Fee**") equal to:

Share Class	Annual Investment Management Fee (as a % of the relevant Share Class NAV)
I Acc EUR	0.75% p.a.
A Acc EUR	1.5% p.a.
I Acc GBP	0.75% p.a.
A Acc GBP	1.5% p.a.

The Investment Management Fee shall accrue on a daily basis based on the relevant Share Class's NAV and will be payable on a monthly basis by the relevant Sub-Fund, out of the assets of the relevant Share Class.

In addition, the Investment Manager will be entitled to be reimbursed out of the assets of the Sub-Fund for the reasonable out-of-pocket expenses and disbursements incurred by it in relation to the performance of its services to the Sub-Fund.

For the avoidance of doubt, the Investment Manager will not be entitled to any performance fee.

### 11.3 Other charges of the Sub-Fund

#### *Structuring and Operating costs*

In accordance with Section 9.1 of Part I, all costs and expenses related to the structuring, regulatory approval and launch of the Fund and the Sub-Funds up to a maximum amount of one hundred fifty thousand Euro (EUR 150,000.-) will be borne equally by each of the Sub-Funds and will be amortised over a period of maximum 5 years.

The Sub-Fund will bear all customary operating fees and expenses (central administration, auditor, legal and tax advisers) as further in Section 9.2 of Part I.

#### *Transaction fees*

Each Sub-Fund bears the costs and expenses of buying and selling portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction related expenses. These transaction fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable. Transaction fees are allocated across each Sub-Fund's Share Classes.

#### *Taxe d'abonnement*

<b>Share Sub-Class</b>	<b>Taxe d'abonnement</b>
I Acc EUR	0.01% p.a. of NAV
A Acc EUR	0.05% p.a. of NAV
I Acc GBP	0.01% p.a. of NAV
A Acc GBP	0.05% p.a. of NAV

## APPENDIX II - CRUX Asia ex-Japan Fund

### 1. Duration

The Sub-Fund is created for an unlimited duration.

### 2. Investment Objective and Policy

#### 2.1 Investment Objective

In accordance with the general investment objective of the Fund, the investment objective of the Sub-Fund is to produce returns and achieve long term capital growth through investment primarily in equity securities in Asia (excluding Japan) and Australasia. The Sub-Fund will not concentrate its investments in any country, market or sector.

**Benchmark** : MSCI All country Asia ex Japan Index

The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.

The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the Fund. The Fund's holdings may deviate significantly from the benchmark's constituents.

The benchmark is shown in the share class currency.

#### 2.2 Investment Policy

The Sub-Fund seeks to achieve its investment objective by investing at least 90% of its net assets directly or indirectly in equity securities and equity related instruments of companies that are listed and/or domiciled in Asia (excluding Japan) and Australasia or derive the majority of their revenues from business activities in this region. The Sub-Fund investments in the Asian region also include investments in China through Stock Connect, representing up to 70% of the total investments, if the manager considers it opportune. Investments in China may include investment in China A shares and in depositary receipts.

The Sub-Fund is actively managed and will invest of companies of any size and in any sector. This means that the Investment Manager is taking investment decisions with the intention of achieving long term capital growth without focussing on a particular asset selection, regional allocation, sector views and overall level of exposure to the market.

The indirect investment will be made through investments in collective investment schemes.

If the Investment Manager believes it to be beneficial to the Sub-Fund, some limited exposure to transferable securities outside Asia may be undertaken up to 10% of its net asset value.

On an ancillary basis or pending investment or reinvestment, the Sub-Fund may furthermore hold cash or cash equivalents as well as other liquid financial assets, including inter alia bank deposits, time deposits, liquid money market instruments or investment grade debt securities issued by governments or supra-national organizations, and shares/units of money market funds, for distribution, redemption and for cash management purposes consistent with the investment objective and investment policy of the Sub-Fund.

The Sub-Fund may use exchange-traded financial derivative instruments for efficient portfolio management purposes (including hedging).

The Sub-Fund will not invest in OTC derivatives.

Investors should note that while the investment objective of the Sub-Fund is to achieve long term capital growth there might be situations in which an income return is also achieved.

## 2.3 Investment Strategy

The Sub-Fund will follow an investment strategy based on the Investment Manager's analysis of fundamentals of companies and their future earnings and cash-flows. The Investment Manager aims to identify rapidly growing companies that will outperform over a 3 to 5 years' time horizon or more.

The Investment Manager is focusing its management on growth by selecting what he believes provide the best long-term Asian (excluding Japan) and Australasian investments for the Sub-Fund irrespective of their country or sector.

The Sub-Fund will have a diversified portfolio of exposures concentrated in the Asia (excluding Japan) and the Australasia regions.

## 3. Methodology for Calculating the Global Exposure

In accordance with Section 3 of Part I, the Management Company has selected, and will calculate the global exposure of the Sub-Fund according to the commitment approach.

## 4. Reference Currency

The Reference Currency of the Sub-Fund is the GBP.

## 5. Share Classes and Sub-Classes

As of the date of the present Prospectus, the Sub-Fund offers Shares in the following Share Classes, which differentiate from each other by their eligible investors, currency of denomination, distribution policy, and fee structure:

Share Class	Eligible investors	Currency of denomination	Distribution policy	Currency Hedging Policy
A Acc USD	All investors	USD	Accumulation	Unhedged
B Acc USD	Institutional investors	USD	Accumulation	Unhedged
B Inc USD	Institutional investors	USD	Income	Unhedged
F Acc USD	Institutional investors	USD	Accumulation	Unhedged
F Inc USD	Institutional investors	USD	Income	Unhedged
A Acc EUR	All investors	EUR	Accumulation	Unhedged
B Acc EUR	Institutional investors	EUR	Accumulation	Unhedged
B Inc EUR	Institutional investors	EUR	Income	Unhedged
F Acc EUR	Institutional investors	EUR	Accumulation	Unhedged
F Inc EUR	Institutional investors	EUR	Income	Unhedged
A Acc GBP	All investors	GBP	Accumulation	Unhedged
B Acc GBP	Institutional investors	GBP	Accumulation	Unhedged

B Inc GBP	Institutional investors	GBP	Income	Unhedged
F Acc GBP	Institutional investors	GBP	Accumulation	Unhedged
F Inc GBP	Institutional investors	GBP	Income	Unhedged

### Share Classes Characteristics

	Share Classes with attribute "A"	Share Classes with attribute "B"	Share Classes with attribute "F"
Type of investor	All	Institutional	Institutional
Minimum initial subscription	EUR 1,000. -	EUR 1,000. -	EUR 8,000,000. -
Subscription deadline	/	/	Subscriptions orders must be received on or before 17 December 2021 If no subscriptions have been received as of 17 December, 2021, the F Class will be removed from the offering.
Minimum redemption amounts	EUR 500.-	/	/
Minimum holding	EUR 1,000. -	EUR 1,000. -	EUR 8,000,000. -

As described under Section 5.2.6 of the Prospectus, these minima may be waived or varied, in any particular case or generally, by the Board or by the Investment Manager, in their respective discretion.

Share Classes with the attribute "Acc" issue Accumulation Shares only.

Share Classes with attribute "Inc" issue Income Shares only.

Share Classes with the attribute "USD" are denominated in USD.

Share Class with the attribute "EUR" are denominated in EUR.

Share Class with the attribute "GBP" are denominated in GBP.

Share Class with the attribute "F" will only be available to subscription from new investors until 17 December 2021. After 17 December 2021, only investors already invested in the F Class will be able to apply for new subscriptions.

Where the Management Company in its absolute discretion determines that an investor does not qualify as an Institutional Investor, including where an investor has ceased to qualify as an Institutional Investor after its initial subscription, the Management Company and/or the Board may, upon providing such investor with one month's written notice, elect to either compulsorily redeem their holding or convert their holding into another Share Class of the Sub-Fund that is not restricted to Institutional Investors.

If the Net Asset Value of an investor's holding of a Share Class falls below the minimum holding amount applicable to such Class, the Management Company and/or the Board may, upon providing such investor with one month's written notice, elect to either compulsorily redeem their holding or convert their holding into another Share Class of the Sub-Fund with a lower minimum holding requirement, if available.



The Management Company and/or the Board may, in its discretion, create additional Share Classes with different eligible investors, denomination currencies, distribution policies, hedging policies, and/or other features. This Appendix will be updated as new Share Classes or Sub-Classes become available.

## 6. Subscriptions, Redemptions and Conversions

Subscriptions, redemptions and conversions of Shares shall be made in accordance with Section 5 of Part I.

Payment for subscriptions is to be received in the Reference Currency of the relevant Class for good value no later than two (2) Business Days after the relevant Valuation Day.

Redemption proceeds shall be paid in the Reference Currency of the relevant Class within two (2) Business Days from the relevant Redemption Day.

## 7. Valuation Day and Net Asset Value Calculation

The Net Asset Value per Share of each Class and Sub-Class of the Sub-Fund will be determined as of each Business Day after the Cut-off Time (each a “**Valuation Day**”) by the Administrator in accordance with the Articles of Incorporation and the provisions of Section 6.1 of Part I.

The Management Company may decide to perform additional Net Asset Value calculations.

## 8. Investor Profile

This is an equity Sub-Fund designed to give broad market exposure to Asian (excluding Japan) and Australasian stock markets.

Because the Sub-Fund is diversified across a number of markets, it may be suitable for investors who are looking for an equity investment to sit at the heart of their portfolio, or as a standalone investment aimed at producing long-term capital growth. Investors in this Sub-Fund should also have at least a five (5) year investment horizon.

## 9. Specific Risk Factors

In addition to the general risk factors set out in Section 4 of Part I, the following specific risk factors should be taken into account when considering investment into the CRUX Asian ex-Japan Fund:

- ▶ **Geographic concentration.** As the Sub-Fund will invest in equity or equity related instruments of companies that are listed and/or domiciled in Asia, such concentration in a particular geographical region may lead to higher volatility than more diversified funds. The value of the assets of the Sub-Fund may also be affected by uncertainties such as changes in government policies, taxation, fluctuations in foreign exchange rates, political, economic or other developments in the law or regulations of Europe which could adversely impact the Sub-Fund and/or the interests of investors.
- ▶ **Emerging markets.** Investments in emerging markets may involve a risk that is higher than average. An investor should consider whether or not investment in the Sub-Fund is either suitable for or should constitute a substantial part of his portfolio. As the Sub-Fund is investing in emerging markets these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities. Prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) may expose the Sub-Fund to credit and other risks. Similarly, the reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets which may result in problems in realising investments.

- ▶ **Participation notes.** When the Sub-Fund is unable to invest directly in securities (for example as a result of regulatory constraints in a particular jurisdiction), the Sub-Fund may invest in participation notes (“**P-Notes**”) to gain exposure to those securities. The Sub-Fund may only invest in P-Notes that are classified as transferable securities for the purposes of the 2010 Law.
- ▶ **China risk.** Several risks are linked to investments in Chinese equities and are further detailed under Part I of the Prospectus, General Risks Section. Those risks include PRC political, economic and social risk, PRC legal system risk, PRC accounting and reporting standards risk, RMB currency risk, Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect risk and China tax risk.

## 10. Fees and Cost Structure

### 10.1 Management Company Fee

In consideration for the services rendered by the Management Company for the benefit of the Fund, the Management Company is entitled to receive annual fees from the Fund in accordance with the terms of the Management Company Agreement (the “**Management Company Fee**”) in an amount not exceeding 0.05% p.a. of the Sub-Fund’s NAV.

The Management Company Fee will be payable monthly and calculated on the last NAV of the month of the Sub-Fund.

In addition, the Management Company will be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses and disbursements in the performance of its duties towards the Fund.

### 10.2 Investment Management Fee

In consideration for its services for the benefit of the Sub-Fund under the Investment Management Agreement, the Investment Manager is entitled to the payment of an annual investment management fee (the “**Investment Management Fee**”) equal to:

Share Class	Annual Investment Management Fee for the first 24 months after the launch	Annual Investment Management Fee after the 24 months period following the launch
Attribute “A” Shares	1% p.a.	1% p.a.
Attribute “B” Shares	0.45% p.a.	0.65% p.a.
Attribute “F” Shares	0.35% p.a.	0.35% p.a.

The Investment Management Fee is calculated as a percentage of the relevant Share Class NAV.

The Investment Management Fee shall accrue on a daily basis based on the relevant Share Class’s NAV and will be payable on a monthly basis by the relevant Sub-Fund, out of the assets of the relevant Share Class.

In addition, the Investment Manager will be entitled to be reimbursed out of the assets of the Sub-Fund for the reasonable out-of-pocket expenses and disbursements incurred by it in relation to the performance of its services to the Sub-Fund.

For the avoidance of doubt, the Investment Manager will not be entitled to any performance fee.

### 10.3 Other charges

### ***Structuring and Operating costs***

The Sub-Fund will bear all expenses related to its structuring, regulatory approval and launch. It will also bear all customary operating fees and expenses (central administration, auditor, legal and tax advisers) as described in Section 9.2 of Part I.

### ***Transaction fees***

Each Sub-Fund bears the costs and expenses of buying and selling portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction related expenses. These transaction fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable. Transaction fees are allocated across each Sub-Fund's Share Classes.

### ***Taxe d'abonnement***

<b>Share Sub-Class</b>	<b>Taxe d'abonnement</b>
Attribute "A" Shares	0.05% p.a. of NAV
Attribute "B" Shares	0.01% p.a. of NAV
Attribute "F" Shares	0.01% p.a. of NAV

## APPENDIX III - CRUX China Fund

### 1. Duration

The Sub-Fund is created for an unlimited duration.

### 2. Investment Objective and Policy

#### 2.1 Investment Objective

In accordance with the general investment objective of the Fund, the investment objective of the Sub-Fund is to produce returns comprising capital growth over the long term through investment primarily in equity securities in China.

**Benchmark** : MSCI China All Share Index

The benchmark is a comparator against which the Fund's performance can be measured. The index has been chosen as the Fund's benchmark as it best reflects the scope of the Fund's investment policy. The benchmark is used solely to measure the Fund's performance and does not constrain the Fund's portfolio construction.

The Fund is actively managed. The Investment Manager has complete freedom in choosing which investments to buy, hold and sell in the Fund. The Fund's holdings may deviate significantly from the benchmark's constituents.

The benchmark is shown in the share class currency.

#### 2.2 Investment Policy

The Sub-Fund is actively managed. This means the Investment Manager is taking investment decisions with the intention of achieving the Sub-Fund's investment objective; this will include decisions regarding asset selection, regional allocation, sector views and overall level of exposure to the market.

The Sub-Fund seeks to achieve its objective primarily through investment in a diversified portfolio of equity securities of, or depositary receipts representing the shares of Chinese companies which are listed, traded or quoted on regulated markets worldwide with the aim of seeking exposure to growth investments over the long term. These investments include China A shares and transactions through Stock Connect. Chinese companies are companies that have their headquarters or a significant part of their operations in China. The Sub-Fund may also invest up to 10% of its net assets in cash and cash equivalents as well as other liquid financial assets, including inter alia bank deposits, time deposits, liquid money market instruments or investment grade debt securities issued by governments or supra-national organizations, and shares/units of money market funds, for distribution, redemption and for cash management purposes consistent with the investment objective and investment policy of the Sub-Fund. The Sub-Fund may, under exceptional circumstances (for example in an uncertain market environment), hold cash or cash equivalent in excess of 10%.

If the Investment Manager believes it to be beneficial to the Sub-Fund, some limited exposure to transferable securities other than Chinese companies may be undertaken up to 10% of its net asset value.

The Sub-Fund will have exposure to permissible People's Republic of China ("PRC") shares directly via the Stock Connect and/or through the FII Scheme or indirectly via investments in eligible undertakings for collective investment that invest primarily in permissible PRC shares and similar financial instruments where the underlying assets consist of securities issued by companies quoted on regulated markets in China, and/or the performance of which is linked to

the performance of securities issued by companies quoted on regulated markets in China and/or securities issued by companies which in the Investment Manager's opinion have significant assets, business, production activities, trading or other business interests in China or the majority of whose value or income is linked to their Chinese business.

The Sub-Fund will not invest more than 10% of its net assets in units or shares of a single eligible undertakings for collective investment (including exchange trading funds).

The Sub-Fund may use exchange-traded financial derivative instruments for efficient portfolio management purposes (including hedging).

The Sub-Fund will not invest in OTC derivatives.

### 2.3 Investment Strategy

The Sub-Fund will follow an investment strategy based on the Investment Manager's analysis of fundamentals of companies and their future earnings and cash-flows. The Investment Manager aims to identify rapidly growing companies that will outperform over a 3 to-5-year time horizon or more.

The Investment Manager is focusing its management on growth by selecting what he believes provide the best long-term Chinese investments for the Sub-Fund.

### 3. Methodology for Calculating the Global Exposure

In accordance with Section 3 of Part I, the Management Company has selected, and will calculate the global exposure of the Sub-Fund according to the commitment approach.

### 4. Reference Currency

The Reference Currency of the Sub-Fund is the GBP.

### 5. Share Classes and Sub-Classes

As of the date of the present Prospectus, the Sub-Fund offers Shares in the following Share Classes, which differentiate from each other by their eligible investors, currency of denomination, distribution policy, and fee structure:

Share Class	Eligible investors	Currency of denomination	Distribution policy	Currency Hedging Policy
A Acc USD	All investors	USD	Accumulation	Unhedged
B Acc USD	Institutional investors	USD	Accumulation	Unhedged
B Inc USD	Institutional investors	USD	Income	Unhedged
F Acc USD	Institutional investors	USD	Accumulation	Unhedged
F Inc USD	Institutional investors	USD	Income	Unhedged
A Acc EUR	All investors	EUR	Accumulation	Unhedged
B Acc EUR	Institutional investors	EUR	Accumulation	Unhedged
B Inc EUR	Institutional investors	EUR	Income	Unhedged
F Acc EUR	Institutional investors	EUR	Accumulation	Unhedged

F Inc EUR	Institutional investors	EUR	Income	Unhedged
A Acc GBP	All investors	GBP	Accumulation	Unhedged
B Acc GBP	Institutional investors	GBP	Accumulation	Unhedged
B Inc GBP	Institutional investors	GBP	Income	Unhedged
F Acc GBP	Institutional investors	GBP	Accumulation	Unhedged
F Inc GBP	Institutional investors	GBP	Income	Unhedged

### Share Classes Characteristics

	Share Classes with attribute "A"	Share Classes with attribute "B"	Share Classes with attribute "F"
Type of investor	All	Institutional	Institutional
Minimum initial subscription	EUR 1,000. -	EUR 1,000. -	EUR 8,000,000. -
Subscription deadline	/	/	Subscriptions orders must be received on or before 30 September 2022
Minimum redemption amounts	EUR 500.-	/	/
Minimum holding	EUR 1,000. -	EUR 1,000. -	EUR 8,000,000. -

As described under Section 5.2.6 of the Prospectus, these minima may be waived or varied, in any particular case or generally, by the Board or by the Investment Manager, in their respective discretion.

Share Classes with the attribute "Acc" issue Accumulation Shares only.

Share Classes with attribute "Inc" issue Income Shares only.

Share Classes with the attribute "USD" are denominated in USD.

Share Class with the attribute "EUR" are denominated in EUR.

Share Class with the attribute "GBP" are denominated in GBP.

Share Class with the attribute "F" will only be available to subscription from new investor until 30 September 2022. After 30 September 2022, only investors already invested in the F Class will be able to apply for new subscriptions.

Where the Management Company in its absolute discretion determines that an investor does not qualify as an Institutional Investor, including where an investor has ceased to qualify as an Institutional Investor after its initial subscription, the Management Company and/or the Board may, upon providing such investor with one month's written notice, elect to either compulsorily redeem their holding or convert their holding into another Share Class of the Sub-Fund that is not restricted to Institutional Investors.

If the Net Asset Value of an investor's holding of a Share Class falls below the minimum holding amount applicable to such Class, the Management Company and/or the Board may, upon providing such investor with one month's written notice, elect to either compulsorily redeem their

holding or convert their holding into another Share Class of the Sub-Fund with a lower minimum holding requirement, if available.

The Management Company and/or the Board may, in its discretion, create additional Share Classes with different eligible investors, denomination currencies, distribution policies, hedging policies, and/or other features. This Appendix will be updated as new Share Classes or Sub-Classes become available.

## 6. Subscriptions, Redemptions and Conversions

Subscriptions, redemptions and conversions of Shares shall be made in accordance with Section 5 of Part I.

Payment for subscriptions is to be received in the Reference Currency of the relevant Class for good value no later than two (2) Business Days after the relevant Valuation Day.

Redemption proceeds shall be paid in the Reference Currency of the relevant Class within two (2) Business Days from the relevant Redemption Day.

## 7. Valuation Day and Net Asset Value Calculation

The Net Asset Value per Share of each Class and Sub-Class of the Sub-Fund will be determined as of each Business Day after the Cut-off Time (each a “**Valuation Day**”) by the Administrator in accordance with the Articles of Incorporation and the provisions of Section 6.1 of Part I.

The Management Company may decide to perform additional Net Asset Value calculations.

## 8. Investor Profile

This Sub-Fund is suitable for investors seeking an investment that aims to deliver capital growth over a long-term investment horizon. Investors should be prepared to bear losses. The Sub-Fund may not be suitable for investors who are concerned about short-term volatility and performance, seeking a regular source of income and investing for less than five years. The Sub-Fund does not offer capital protection and investors may lose all or part of their investment.

## 9. Specific Risk Factors

In addition to the general risk factors set out in Section 4 of Part I, the following specific risk factors should be taken into account when considering investment into the CRUX China Fund:

- ▶ **Emerging markets.** Investments in emerging markets may involve a risk that is higher than average. An investor should consider whether or not investment in the Sub-fund is either suitable for, or should constitute a substantial part of, his portfolio. As the Sub-fund is investing in emerging markets these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities. Prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) may expose the Sub-fund to credit and other risks. Similarly, the reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets which may result in problems in realising investments.
- ▶ **Participation notes.** When the Sub-fund is unable to invest directly in securities (for example as a result of regulatory constraints in a particular jurisdiction), the Sub-fund may invest in participation notes (“**P-Notes**”) to gain exposure to those securities. The Sub-fund may only invest in P-Notes that are classified as transferable securities for the purposes of the 2010 Law.
- ▶ **Single country.** The Sub-fund is invested in a single country and should be considered as higher risk than funds that are invested more widely as the Sub-Fund is exposed to the fluctuations of a single market and currency. In addition, shares of companies in a single

country may become less liquid in certain market conditions which only apply to the single country. As a result, share price fluctuations may be greater.

- ▶ **Use of Derivatives for Hedging (including Efficient Portfolio Management).** Derivatives and forwards may be used for the purposes of hedging (including EPM). This may include reducing risk and in a rising market, there is a risk that potential gains may be restricted. The use of any derivative includes several risks, one of which is counterparty credit risk. This risk arises following the selection of a counterparty with whom a derivative transaction will be undertaken. However, there are specific risk management arrangements in place, some of which are required by regulations, to appropriately manage counterparty credit risk exposures. This includes measures such as the payment or receipt of collateral or margin. In addition, the Board exercises due care and diligence in the selection of counterparties, with arrangements in place to monitor their capital strength. When selecting counterparties, consideration is given to the credit ratings published by external credit rating agencies. There is, however, the possibility, no matter how remote, of counterparty default occurring and that sums due to a Sub-fund will not be paid.
- ▶ **China risk.** Several risks are linked to investments in Chinese equities and are further detailed under Part I of the Prospectus, General Risks Section. Those risks include PRC political, economic and social risk, PRC legal system risk, PRC accounting and reporting standards risk, RMB currency risk, Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect risk and China tax risk.

## 10. Fees and Cost Structure

### 10.1 Management Company Fee

In consideration for the services rendered by the Management Company for the benefit of the Fund, the Management Company is entitled to receive annual fees from the Fund in accordance with the terms of the Management Company Agreement (the “**Management Company Fee**”) in an amount not exceeding 0.05% p.a. of the Sub-Fund’s NAV.

The Management Company Fee will be payable monthly and calculated on the last NAV of the month of the Sub-Fund.

In addition, the Management Company will be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses and disbursements in the performance of its duties towards the Fund.

### 10.2 Investment Management Fee

In consideration for its services for the benefit of the Sub-Fund under the Investment Management Agreement, the Investment Manager is entitled to the payment of an annual investment management fee (the “**Investment Management Fee**”) equal to:

Share Class	Annual Investment Management Fee for the first 24 months after the launch	Annual Investment Management Fee after the 24 months period following the launch
Attribute “A” Shares	1.00% p.a.	1% p.a.
Attribute “B” Shares	0.50% p.a.	0.70% p.a.
Attribute “F” Shares	0.45% p.a.	0.45% p.a.



The Investment Management Fee is calculated as a percentage of the relevant Share Class NAV.

The Investment Management Fee shall accrue on a daily basis based on the relevant Share Class's NAV and will be payable on a monthly basis by the relevant Sub-Fund, out of the assets of the relevant Share Class.

In addition, the Investment Manager will be entitled to be reimbursed out of the assets of the Sub-Fund for the reasonable out-of-pocket expenses and disbursements incurred by it in relation to the performance of its services to the Sub-Fund.

For the avoidance of doubt, the Investment Manager will not be entitled to any performance fee.

### 10.3 Other charges

#### *Structuring and Operating costs*

The Sub-Fund will bear all expenses related to its structuring, regulatory approval and launch. It will also bear all customary operating fees and expenses (central administration, auditor, legal and tax advisers) as described in Section 9.2 of Part I.

#### *Transaction fees*

Each Sub-Fund bears the costs and expenses of buying and selling portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction related expenses. These transaction fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable. Transaction fees are allocated across each Sub-Fund's Share Classes.

#### *Taxe d'abonnement*

<b>Share Sub-Class</b>	<b>Taxe d'abonnement</b>
Attribute "A" Shares	0.05% p.a. of NAV
Attribute "B" Shares	0.01% p.a. of NAV
Attribute "F" Shares	0.01% p.a. of NAV