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L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité

Luxembourg, le 2021-12-30

Commission de Surveillance du Secteur Financier

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## **KYRON UCITS SICAV**

*Société d'Investissement à Capital Variable*

**Prospectus**

**December 2021**

KYRON UCITS SICAV (the "**Company**") is registered under part I of the Luxembourg law of 17 December 2010 concerning undertakings for collective investment, as may be amended from time to time (the "**Law**") and it is registered at 5, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg. The Company qualifies as an Undertaking for Collective Investment in Transferable Securities under the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The Company has appointed Alpha Investor Services Management ("**AISM**"), a Luxembourg management company authorised under chapter 15 of the Law, to act as its Management Company.

Neither the delivery of this Prospectus nor the offer, issue or sale of Shares in the Company shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date of this Prospectus.

The Shares of the Company have not been registered under the United States Securities Act of 1933 (the "**1933 Act**"), nor under the United States Investment Company Act of 1940 (the "**1940 Act**"). The Shares may not be offered directly or indirectly in the United States of America (including its territories and possessions) to or for the benefit of a "U.S. Investor" as defined in Section 1 of this Prospectus.

More generally, the attention of investors is drawn on the fact that an investment in the Company is made subject to certain restrictions and/or conditions that they need to meet/ demonstrate in order to be able to subscribe and/ or continue to hold Shares in the Company. Potential investors are invited in particular to refer to Section 6 (Issue, Redemption and Conversion of Shares) in order to assess their eligibility to an investment in the Company.

Any information or representation given or made by any person, which is not contained herein or in any other document which may be available for inspection by the public should be regarded as unauthorised and should accordingly not be relied upon.

Shareholders are informed that their personal data or information given in the subscription documents or otherwise in connection with an application to subscribe for Shares, as well as details of their shareholding, will be stored in digital form and processed in compliance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR) Confidential information concerning the investors will not be divulged unless required to do so by law or regulation. Investors agree that personal details contained in the application form and arising from the business relationship with the Company may be stored, modified or used in any other way, in compliance with the provisions of the Luxembourg law of 2 August 2002 on data protection, as amended, on behalf of the Company for the purpose of administering and developing the business relationship with the investor. To this end, investors accept that data may be transmitted to AISM, Luxembourg, *Société de Gestion Indépendante*, the Management Company, financial advisers working with the Company, as well as to other companies being appointed to support the business relationship.

In accordance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (GDPR), investors are entitled to request information about their personal data at any time as well as to request their correction.

### **Register of beneficial owners**

The Luxembourg Law of 13 January 2019 creating a Register of Beneficial Owners (the "Law of 13 January 2019") entered into force on 1 March 2019 (with a 6 month grandfathering period). The Law of 13 January 2019 requires all companies registered with the Luxembourg Company Register, including the Company, to obtain and hold information on their beneficial owners ("Beneficial Owners") at their registered office. The

Company must register certain Beneficial Owner-related information with the Luxembourg Register of Beneficial Owners, which is established under the authority of the Luxembourg Ministry of Justice.

The Law of 13 January 2019 broadly defines a Beneficial Owner, in the case of corporate entities such as the Company, as any natural person(s) who ultimately owns or controls the Company through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in the Company, including through bearer shareholders, or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.

A shareholding or ownership interest of more than 25 % in the Company held by a natural person shall be an indication of direct ownership. A shareholding or ownership interest of more than 25% in the Company held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect ownership.

In case the aforementioned Beneficial Owner criteria are fulfilled by an investor with regard to the Company, this investor is obliged by law to inform the Company in due course and to provide the required supporting documentation and information which is necessary for the Company to fulfil its obligation under the Law of 13 January 2019. Failure by the Company and the relevant Beneficial Owners to comply with their respective obligations deriving from the Law of 13 January 2019 will be subject to criminal fines. Should an investor be unable to verify whether they qualify as a Beneficial Owner, the investor may approach the Company for clarification.

**Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”)**

The Management Company identifies and analyses sustainability risk (i.e. an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of an investment) as part of its risk management process.

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

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

The Management Company believes that the integration of this risk analysis could help to enhance long-term risk adjusted returns for investors, in accordance with the investment objectives of the Compartments. The basis for such a strategy considers that investors can concomitantly reach a competitive financial return and make a positive impact on society and the environment.

Where Compartments promote environmental or social characteristics, or have as objective sustainable investment (as provided by SFDR) this is specified in the relevant appendix. For Compartments that do not promote environmental or social characteristics, or have as objective sustainable investment (as provided by SFDR), the investments underlying these Compartments do not take into account the EU criteria for environmentally sustainable economic activities.

The Management Company does not currently consider principal adverse impacts of investment decisions on sustainability factors, as per the SFDR, due to the lack of available data, to the size, nature and scale of the activities and type of financial products the Management Company makes available to the market.

## DIRECTORY

### Board of Directors of the Company:

- **Mr Vincent Decalf**, (*board member and conducting officer of the Management Company*)

Mr. Decalf, has over 30 years' experience in the banking and financial services industry, including audit and banking positions in France, Spain, Belgium and Luxembourg.

Mr. Decalf spent 19 years, from 1989 to 2008, within France, Spain and Luxembourg, where he rose to the position of Chief Executive Officer of Société Générale Bank & Trust between 2006 and 2008, leading the bank's corporate and private banking, fund administration and custodian activities there. In 2008, he joined Groupe Foyer, Luxembourg's first insurance company as a member of its executive committee. Since 2012, Mr. Decalf has been an independent director of commercial companies, listed and non-listed as well as not-for-profit companies and associations, including the Luxembourg Stock Exchange, the Luxembourg Institute of Administrators and the French Chamber of Commerce in Luxembourg. He began his career with KPMG in 1986.

Mr. Decalf hold an MBA from ESSEC ("*Ecole des Sciences Economiques et Commerciales*") in 1984 and completed the INSEAD International Directors Programme in 2014. The Luxembourg Institute of Directors also certifies him.

Mr Vincent Decalf will be acting as Chairman of the Board of Directors unless otherwise decided by the Board of Directors from time to time. Mr Decalf will be responsible for the risk management oversight of the Management Company.

- **Mr Andrea Millacci** (*CEO of LFG Family Office SA*)

From 1998 to 2015 he worked exclusively for Swiss Banking Institution (BSI, BUC, Julius Baer SA). Starting from 2015, he moved into LFG Family Office SA as Chief Executive Officer. CFA Charter holder since 2004. He has large experience in top-level private banking, functions as executive and he dealt with Institutional and UHNWI clients. With a solid capital markets, financial and management background, he proved to be a strongly experienced person in Portfolio Management and Advisory, Multi Asset Class Strategies definition, Financial Instruments selection, governance matters and Business Management.

- **Mr Enrico Berardo** (*CEO of BerHaus SA*)

Mr Enrico Berardo has been employed in the banking industry since 1987 in UBS Group (Banco di Lugano) up until 2008 in Bank Julius Baer as Managing Director Senior Advisor.

During his career he gathered experience as Head of Treasury, Head of Controlling & Accounting and Head of Advisory Department to institutional and UHNWI clients.

In 2011 Mr Enrico Berardo founded BerHaus SA where he is also CEO engaged in financial and corporate advisory, with particular emphasis on responsible investments and ethical financial behaviours.

Mr. Berardo has a long managerial experience in the financial industry with strong background in the investment business, portfolio management, Treasury and Accounting.

**Management Company:**

Alpha Investor Services Management (AISM), Luxembourg, Société de Gestion Indépendante  
21 rue Aldringen, L-1118 Luxembourg, Grand Duchy of Luxembourg  
The current share capital of the management company is EUR 750,000.

**Board of Directors of the Management Company:**

- Mr Rodolfo Alemanni, Board Member
- Mr Pietro Invernizzi, Board Member
- Mr Charles Hamer, Independent Board Member
- Mr Vincent Decalf Independent Board Member and Conducting Officer

**Conducting Officers:**

- C. Pecchinotti
- V. Massué
- V. Decalf
- G. Abraïni

**Depositary and Paying Agent:**

CACEIS Bank, Luxembourg Branch  
5, allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg

**Administration Agent, Transfer Agent and Domiciliary Agent:**

CACEIS Bank, Luxembourg Branch  
5, allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg

**Global distributor:**

Alpha Investor Services Management (AISM), Luxembourg, Société de Gestion Indépendante  
21, rue Aldringen, L-1118 Luxembourg, Grand Duchy of Luxembourg

**Auditors:**

Mazars  
10A, rue Henri Schnadt, L-2530 Luxembourg, Grand Duchy of Luxembourg

**Legal Advisor:**

Elvinger Hoss Prussen  
2, Place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg

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## DEFINITIONS

<b>Articles</b>	the articles of association of the Company.
<b>AML Regulations</b>	the Luxembourg law dated 12 November 2004 as amended in particular the Luxembourg law of 27 October 2010, and the law dated 13 February 2018 and all the implementing measures, regulations, circulars or positions (issued in particular by the CSSF) made thereunder (as may be amended or supplemented from time to time and/or any other anti-money laundering or counter terrorist financing laws or regulations which may be applicable).
<b>Appendix</b>	an appendix to this Prospectus describing the features of a Compartment.
<b>Base Currency</b>	the currency in which a Compartment maintains its primary Net Asset Value.
<b>Benchmark Regulation</b>	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
<b>Board of Directors</b>	the board of directors of the Company.
<b>Business Day</b>	a full business day on which banks are opened in Luxembourg.
<b>Calculation Day</b>	the Business Day on which the Net Asset Value of a Class is calculated.
<b>Class(es)</b>	within each Compartment, a separate classes of Share whose assets will be commonly invested with other class of Shares of the same Compartment, but where a specific sales or redemption charge structure, fee structure, minimum investment amount, taxation, distribution policy or other feature may apply.
<b>Compartments</b>	a specific portfolio of assets and liabilities subject to a given investment policy within the Company, issuing its own Share Classes and having its own Net Asset Value. The specifications of each Compartment are described in the Appendices.
<b>Conversion Price</b>	price per Share at which a given Class can be converted into another in the same Compartment or in a different Compartment of the Company.
<b>CSSF</b>	the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg authority supervising the financial sector.
<b>Cut-off Time</b>	a deadline further determined in each Compartment Appendix, before which applications for subscription, redemption, or conversion of Shares must be received by the Administration Agent in relation to each Valuation Day.
<b>Currency Hedged Class(es)</b>	a Class of Shares whose Net Asset Value is calculated in a currency that is different to the Base Currency of a Compartment (Valuation Currency), which permits the Base Currency exposure of a Compartment to be hedged against the currency of that Class in a range included between 95% and 100%. The hedging costs of the Currency Hedged Class of Shares will be borne directly by such Class of Shares.



<b><i>Developed Markets</i></b>	Canada, United States of America, Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Israel, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, Australia, Hong Kong, Japan, New Zealand, Singapore.
<b><i>Distressed Securities</i></b>	securities which are either in default or deemed to be at high risk of default as determined by the Company.
<b><i>Eligible Asset Directive</i></b>	Commission Directive 2007/16/EC implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.
<b><i>Eligible Investor</i></b>	an investor who is authorised to invest in a given Class of Shares according to the eligibility criteria defined below in the Prospectus and in each Compartment Appendix and subject to the veto right of the Board of Directors.
<b><i>Eligible Market</i></b>	a market that is regulated; operates regularly; is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator; is open to the public; is adequately liquid; and has adequate arrangements for unimpeded transmission of income and capital to or to the order of investors.
<b><i>Efficient Portfolio Management</i></b>	the fact of taking position in Financial Derivative Instruments and in other Techniques and Instruments with the aim to allow cost reduction, or cash management, the orderly maintenance of liquidity and related practices (for instance, maintaining 100% investment exposure while also keeping a portion of assets liquid to handle redemptions of shares and the buying and selling of investments).
<b><i>EU</i></b>	the European Union.
<b><i>EU Taxonomy Regulation</i></b>	<i>Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.</i>
<b><i>FATCA Rules</i></b>	the regulations relating to Information Reporting by Foreign Financial Institutions and Other Foreign Entities released by the IRS on 28th January 2013 (the " <b>FATCA Regulations</b> "), all subsequently published FATCA announcements and as the case may be, the provisions of the intergovernmental agreement (IGA) entered between Luxembourg and the United States and/or between the country of each investor and the US.
<b><i>FATF</i></b>	Financial Action Task Force (also referred to as <i>Groupe d'Action Financière</i> ).
<b><i>HWM or High Water Mark</i></b>	for each Share Class, the highest official Net Asset Value that the Share Class has ever reached, subject to a periodic reset as detailed in each Compartment Appendix.
<b><i>Institutional Investor</i></b>	according to CSSF interpretation and parliamentary documents relating to laws using this concept, the main characteristic any institutional investor must exhibit is to have a business purpose that requires the management of substantial assets. Insurance companies, social security institutions, credit institutions, UCIs, local authorities, unregulated investment companies (such as, for example, holding companies) under certain conditions, commercial companies with substantial assets under management, pension funds or other professionals of the financial sector are considered to be institutional investors.

Credit institutions and other professionals of the financial sector investing in institutional funds in their own name but on behalf of another party on the basis of a discretionary management relationship are also considered as institutional investors, even if the third party on behalf of which the investment is undertaken is not itself an institutional investor.

<b><i>KIID</i></b>	the key investor information document as defined by the 2010 Law and which must be made available to all investors.
<b><i>2010 Law</i></b>	the law of 17 December 2010 concerning undertakings for collective investments, as may be amended from time to time, as well as, where the provision of this Prospectus so provide, the related CSSF circulars and implementation Regulations.
<b><i>Member State</i></b>	a Member State of the European Union. The States that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by 2010 Law and related acts, are considered as equivalent to Member States of the European Union.
<b><i>Money Market Instruments</i></b>	instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time, as referred to in the UCITS Directive.
<b><i>Performance Period</i></b>	means the period of time over which the performance of a Class of Shares will be assessed, which cannot be less than 12 months.
<b><i>Prohibited Investor</i></b>	an investor which does not meet the criteria to qualify as an Eligible Investor according to the terms of the Prospectus, as well as any investor or Shareholder for which the Board of Directors determines at any time and in its full discretion that it is in the best interest of the Company and/or the other Shareholders to not (or no longer) accept the subscription or holding of such investor or the holding by such Shareholder in the Company.
<b><i>Redemption Price</i></b>	the Net Asset Value per Share of such Class determined on the applicable Valuation Day on which the redemption request has been accepted less any applicable Redemption Fee.
<b><i>Reference Currency</i></b>	the currency specified in which the consolidated accounts of the Company are made, i.e. the Euro.
<b><i>Regulated market</i></b>	means a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its nondiscretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the Law.
<b><i>Retail Investor</i></b>	means an investor who is not an Institutional Investor.
<b><i>Securities Financing Transactions or SFT</i></b>	means any or all of the following, as defined in Article 3 of the SFTR (as defined below): <ul style="list-style-type: none"><li>– a repurchase transaction;</li></ul>

- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction.
- a margin lending transaction;

(Each as defined in the SFTR).

<b><i>SFTR Regulation</i></b>	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.
<b><i>Settlement Day</i></b>	the Business Day on which the consideration for subscription or redemption is fully paid, which is to occur at the latest four (4) Business Days following the Valuation Day, unless otherwise provided in an Appendix.
<b><i>Share</i></b>	any share Class unit issued by a given Compartment, which details are specified in the relevant Appendix.
<b><i>Subscription Price</i></b>	the Net Asset Value per Share of such Class determined on the applicable Valuation Day on which the subscription request has been accepted less any applicable Subscription Fee.
<b><i>Transferable Securities</i></b>	means shares in companies and other securities equivalent to shares in companies, bonds and other forms of securities debt and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchanges, with the exclusion of techniques and instruments.
<b><i>UCI</i></b>	undertaking for collective investment within the meaning of the first and second indent of Article 1 (2) of the Directive, whether situated in a Member State or not.
<b><i>UCITS</i></b>	undertaking for collective investment in transferable securities as defined in the Directive and the 2010 Law.
<b><i>UCITS Directive</i></b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended from time to time including by means of Directive 2014/91/EU.
<b><i>UCITS Rules</i></b>	the set of rules formed by the UCITS Directive and any derived or connected EU or national act, statute, regulation, circular or binding guidelines.
<b><i>US Investor</i></b>	US Investors as per the definition of 1933 Act including in particular, <ul style="list-style-type: none"> <li>– A US resident, a trust of which a US resident is a trustee, or an estate of which a US resident is an executor or administrator;</li> <li>– A partnership or corporation organized under US federal state law;</li> <li>– An agency or branch of a foreign entity located in the US;</li> <li>– A non-discretionary or similar account (other than an estate or trust account) that is held by a dealer or other fiduciary who is one of the above, or for the benefit or account of one of the above;</li> </ul>

- A partnership or corporation organised or incorporated by one of the above under non-US laws primarily for investing in securities that are not registered under the 1933 Act, unless organised and owned by accredited investors who are not natural persons, estates or trusts;
- Other non US resident person, in particular an individual, which qualifies as US Investors according to the 1933 Act, as may be amended from time to time.

**Valuation Currency** means the currency on the basis of which the NAV of a Class of Shares is expressed, which is not the Base Currency of the Compartment.

**Valuation Day** Business Day in relation to which investors may subscribe, convert or redeem from a Class of Shares in a Compartment, as further defined in each Compartment Appendix. If a defined Valuation Day is not a Business Day, then the Valuation Day will be on the next Business Day.

## 1. THE COMPANY

KYRON UCITS SICAV is an open-ended collective investment company ("*société d'investissement à capital variable*") established under the laws of the Grand-Duchy of Luxembourg, with an "umbrella" structure comprising different Compartments and registered at 5, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg.

In accordance with the Law, by subscribing Shares in a Compartment, investors accept all terms and provisions of the Prospectus and the Articles.

The Board of Directors may at any time decide to create new Compartments and in such case, new Appendices will be added.

Each Compartment may issue one or more Classes of Shares.

The Company's objective is to place the funds available to it in transferable securities and/or other permitted financial assets according to the investment strategy and policy defined for each Compartment.

The investment policy of each Compartment is defined by the Board of Directors in compliance with the principle of risk spreading and more particularly in compliance with the set of rules defined by the Law of 17 December 2010, article 41 to 50, which are further detailed in Section 3.

Investors are invited to refer to the description of the investment policy of each Compartment in the Appendices.

Investors are warned that there can be no assurance that the investment objectives of any Compartment will be achieved.

## 2. GENERAL INVESTMENT FRAMEWORK APPLICABLE TO ALL COMPARTMENTS

This Section summarizes the main legal provisions defining the eligibility of assets as a possible investment for the Company as well as the related restrictions and diversification rules applicable "a minima" to all Compartments.

According to Article 40 of the 2010 Law, each Compartment shall be regarded as a separate UCITS for the purposes of this Section.

### I. In accordance with article 41 (1) of the 2010 Law, each Compartment may invest in the following assets:

- a) transferable securities and money market instruments admitted to or dealt in on an Eligible Market;

- 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 a non-Member State of the European Union or dealt in on another market in a non-Member State of the European 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 management regulations or the instruments of incorporation of the UCITS;
- 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 an Eligible Market and such admission is secured within one year of the issue;
- e) units of UCITS and/or other UCI, whether situated in a Member State or not, provided that:
  - such other UCIs have been 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 unit holders in such other UCIs is equivalent to that provided for unit holders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive,
  - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
  - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units/shares of other UCITS or other UCIs.

In addition, in order to be eligible assets, the constitutive documents of targeted UCIs must evidence that they meet the following criteria:

- the UCI shall be prohibited from investing in illiquid assets (such as commodities and real estate)
- shall be bound by rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments which are equivalent to the requirements of the UCITS Directive
- f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the Luxembourg regulatory authority as equivalent to those laid down in EU law;
- g) Financial Derivative Instruments, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or Financial Derivative Instrument dealt in over-the-counter ("OTC derivatives"), provided that:
  - the underlying consists of instruments, financial indices, interest rates, foreign exchange rates or currencies, in which the Compartments may invest according to their investment objective;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

- h) money market instruments other than those dealt in on an Eligible Market, if the issuer or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a third country or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
  - issued by an undertaking any securities of which are dealt in on Eligible Markets, or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined 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, such as, but not limited to, a credit institution which has its registered office in a country which is an OECD member state and a FATF State, 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 Euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

## **II. As per Article 41 (2), a UCITS shall not, however:**

- invest more than 10% of its assets in transferable securities or money market instruments other than those referred to in Article 41 (1);
- Either acquire either precious metals or certificates representing them.

A UCITS may hold ancillary liquid assets.

The Company may acquire movable and immovable property which is essential for the direct pursuit of its business.

## **III. Anti-concentration rules**

According to Article 43 (1) of the 2010 Law, the following individual restrictions apply:

- The Company may invest no more than 10% of the net assets of any Compartment in transferable securities and money market instruments issued by the same issuing body.
- The Company may not invest more than 20% of the net assets of any Compartment in deposits made with the same body.
- The risk exposure of a Compartment to a counterparty in an OTC derivative transaction, a security lending transaction or a repurchase agreement (or reverse repurchase agreement) may not exceed 10% of its net assets when the counterparty is a credit institution referred to in Article 41(1) (f) of the 2010 Law, or 5% of its assets in other cases.

As per Article 43 (2) of the 2010 Law, the total value of the transferable securities and money market instruments held by a Compartment in the issuing bodies in each of which it invests more than 5% of its Net Assets must not exceed 40% of the net assets of the Compartment. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Moreover, the Company may not combine for each Compartment investments in transferable securities or money market instruments issued by a single body:

- deposits made with a single body; and/or
- exposure arising from OTC Derivative transactions undertaken with a single body, where this would lead to investment of more than 20% of its assets in a single body.

**The limit of 10% laid down above is increased to a maximum of 35% if the transferable securities and money market instruments are issued or guaranteed by an EU Member State, its local authorities, by a non EU Member State or by public international bodies of which one or more EU Member States are members.**

The limit of 10% laid down in the first sentence of paragraph 1 of article 43 of the 2010 Law is increased to 25% for certain bonds when they are issued by a credit institution having its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

When a Compartment invests more than 5% of its net assets in bonds which are issued by one issuer, the total value of these investments may not exceed 80% of the value of the relevant Compartment's net assets.

The transferable securities and money market instruments referred to in paragraphs (3) and (4) of article 43 of the 2010 Law shall not be included in the calculation of the limit of 40% in paragraph (2) of the same article.

The limits set out in sub-paragraphs (1), (2), (3) and (4) of article 43 of the 2010 Law may not be aggregated and, accordingly, investments in transferable securities or money market instruments issued by the same issuing body, in deposits or in Financial Derivative Instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Compartment's net assets;

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with the seventh Council Directive 83/349/EEC of 13 June 1983 based on the Article 54 (3) (g) of the Treaty on consolidated accounts, as amended, or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits here.

The Company may cumulatively invest up to 20% of the net assets of a Compartment in transferable securities and money market instruments within the same group.

As per Article 45 of the 2010 Law, by way of derogation from Article 43, the CSSF may authorise a Compartment 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, a non-Member State of the European Union or public international body to which one or more "Member States" belong.

As per Article 44 of the 2010 Law, without prejudice to the limits laid down in article 48 of the 2010 Law, the limits provided in article 43 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Compartment is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Compartment's investment policy.

The limit laid down in paragraph (1) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

#### **IV. Significant influence prohibition**

- a) As per Article 48 (1) of the 2010 Law, the Company, i.e. all Compartments together may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- b) As per Article 48 (2) of the 2010 Law, the Company may acquire in total no more than:
  - 10% of the non-voting shares of the same issuer;
  - 10% of the debt securities of the same issuer;
  - 25% of the units of the same UCITS and/or other UCI;
  - 10% of the money market instruments of the same issuer.

These limits under second, third and fourth indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

The provisions set out in article 48 (1) and (2) of the 2010 Law, shall not be applicable to transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities or by any other Eligible State, or issued by public international bodies of which one or more member states of the EU are members.

These provisions are also waived as regards shares held by a Compartment in the capital of a company incorporated in a non-Member State which invests its assets mainly in the transferable securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents for the UCITS the only way in which it can invest in the transferable securities of issuing bodies of that State. This derogation, however, shall apply only if the investment policy of the UCITS from the non-Member State of the European Union complies with the limits laid down in Articles 43 and 46 and Article 48, paragraphs (1) and (2) of the 2010 Law. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 of the 2010 Law shall apply *mutatis mutandis*.

#### **V. As per Article 46 of the 2010 Law, investment in other UCITS and UCI:**

- A Compartment may acquire the units of UCITS and/or other UCIs referred to in Article 41(1) (e), provided that no more than 20% of its assets are invested in the units of a single UCITS or other UCI.

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

- Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the assets of a Compartment.
- When the Company 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 Article 43.
- When a Compartment invests in the units of UCITS and/or other UCIs linked to the Company by common management or control, no subscription or redemption fees may be charged to the Compartment on account of its investment in the units of such other UCITS and/or UCIs, except for any applicable dealing charge payable to the UCITS and/or UCIs.
- A Compartment that invests a substantial proportion of its assets in other UCITS and/or other UCIs shall disclose in its Appendix the maximum level of the management fees that may be charged both to the Compartment itself and to the other UCITS and/or other UCIs in which it intends to invest. In its annual report it shall indicate the maximum proportion of



management fees charged both to the UCITS itself and to the UCITS and/or other UCIs in which it invests.

## **VI. Other operations**

- as per Article 50 of the 2010 Law, the Company shall not borrow unless such borrowing is (a) on a temporary basis and represents: no 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. When the Company borrows in application to point (a) and (b) such borrowing shall not exceed 15% of its assets in total.
- as per Article 51 of the 2010 Law, the Management Company and the Company may not, without prejudice to the application of Articles 41 and 42 of the 2010 Law, grant loans or act as a guarantor on behalf of third parties; the above paragraph shall not prevent the Company from acquiring transferable securities, money market instruments or other financial instruments referred to in Article 41, paragraph (1), items e), g) and h) of the 2010 Law which are not fully paid;
- as per Article 52 of the 2010 Law, the Company nor the Management Company or the Depositary acting on behalf of the Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in Article 41, paragraph (1), items e), g) and h) of the 2010 Law;

## **VII. Temporary override of the investment restrictions**

- The Company needs not comply with the limits laid down in this chapter when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets. While ensuring observance of the principle of risk-spreading, newly authorised UCITS may derogate from Articles 43, 44, 45 and 46 for six months following the date of their authorisation.
- If the limits referred to in paragraph 1 are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its Shareholders.

## **VIII. Cross Compartment investments**

Each Compartment may, subject to the conditions provided for in the Articles as well as this Prospectus, subscribe, acquire and/or hold securities to be issued or issued by another or more Compartments of the Company under the condition however that:

- the target Compartment does not, in turn, invest in the Compartment invested in this target Compartment;
- no more than 10% of the assets of the target Compartment whose acquisition is contemplated may, pursuant to the Articles be invested in aggregate in units of other target Compartments of the same Company;
- voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Compartment concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Company, their value will not be taken into consideration of the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law;

- there is no duplication of management/subscription or repurchase fees between those at the level of the Compartment of the Company having invested in the target Compartment, and this target Compartment.

## IX. Securitized instruments

**The Company does not plan to invest directly in securitized instruments - EU regulation on securitization will not apply.**

## X. Master feeder

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

- A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS.
- A Feeder UCITS may hold up to 15% of its assets in one or more of the following:
  - ancillary liquid assets;
  - Financial Derivative Instruments, which may be used only for hedging purposes.

The Feeder UCITS shall calculate its global exposure related to Financial Derivative Instruments by combining its own direct exposure with either:

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

## XI. Financial Derivative Instruments

### (a) General

To the extent permitted by the CSSF Circular 14/592 implementing the guidelines of the European Securities and Markets Authority ("ESMA") on ETFs and other UCITS issues (the "Circular 14/592"), each Compartment may employ techniques and instruments relating to Transferable Securities and Money Market Instruments for efficient portfolio management and hedging purposes.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Compartment.

### (b) Type of derivatives in which the Company may invest:

A derivative is a financial contract whose value depends on the performance of one or more reference assets (such as a security or basket of securities, an index or an interest rate). Without prejudice to additional limitations provided for in the Appendices, the following types currently make up the most common derivatives which the Compartments may potentially invest in, subject to the limitations foreseen in each Appendix.

**Core Derivatives** — may be used by any Compartment, consistent with its investment policy

- financial futures
- options, such as options on equities, interest rates, indices, bonds,
- currencies, commodity indices

- warrants
- forwards, such as foreign exchange contracts
- swaps (contracts where two parties exchange the returns from two different assets, indices, or baskets of the same), such as foreign exchange, interest rate, commodity index swaps, volatility or variance swaps.

**Additional Derivatives** — any intent to use one of the below mentioned Derivatives will be disclosed in the "Compartment Appendix"

- total return swaps (contracts where one party transfers to another party the total performance of a reference assets, including all interest, fee income, market gains or losses, and credit losses). In summary, a total return swap is an agreement in which one party (the "total return payer") transfers the total economic performance of a reference asset, which may for example be a share, bond or index, to the other party (the "total return receiver"). The total return receiver must in turn pay the total return payer any reduction in the value of the reference asset and possibly certain other cash flows.

Total return swaps entered into by a Compartment may be in the form of funded and/or unfunded swaps. "Unfunded swap" means a swap where no upfront payment is made by the total return receiver at inception. "Funded swap" means a swap where the total return receiver pays an upfront amount in return for the total return of the reference asset and can therefore be costlier due to the upfront payment requirement.

Total economic performance includes income and fees, gains or losses from market movement, and credit losses.

A Compartment may use a total return swap to gain a positive or a negative exposure to an asset (or other reference asset), which it does not wish to buy and hold itself, or otherwise to make a profit or avoid a loss.

The use of total return swap may result in increased counterparty risk and potential conflicts of interest (examples include but are not limited to where the counterparty is a related party).

For Compartments which may use total return swaps according to their Investment Objective and Policy, the expected proportion and maximum proportion of the NAV of the Compartments that will be subject to total return swaps are disclosed in the relevant Appendix. The proportions shall be understood as a gross notional value. The proportions (including the maximum proportions) are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions. All the revenues arising from total return swaps shall be returned to the relevant Compartment following the deduction of any direct and indirect costs and fees arising. Such direct and indirect costs and fees shall include sums payable to the total return payer. Such costs and fees will be at normal commercial rates, if any, and will be borne by the relevant Compartment in respect of which the relevant party has been engaged.

- credit derivatives, such as credit default swaps (contracts where a bankruptcy, default, or other "credit event" triggers a payment from one party to the other)
- TBA derivatives (forward contracts on a generic pool of mortgages. Overall characteristics of this pool is specified but the exact securities to be delivered to the buyer are determined 2 days before delivery, rather than at the time of the original trade)
  - structured financial derivatives, such as credit-linked and equity-linked securities
  - contracts for difference (contracts whose value is based on the difference between two reference measurements) such as a basket of securities

Futures and options are generally exchange-traded. All other types of derivatives are generally OTC. For any index-linked derivatives, the index provider determines the rebalancing frequency.

(c) Purpose of use, Restrictions and Global exposure

- Each Compartment may use financial derivative instruments for hedging or investment purposes, within the limits of the Law and of the rules laid down in the Compartment Appendix. Under no circumstances shall the use of these instruments cause a Compartment to diverge from its investment policy. *Hedging and Efficient Portfolio Management*

Efficient portfolio management allows derivative instruments to be used for the purpose of reducing relevant risks and/or costs and/or increasing capital or income returns, subject to any such transactions complying with the overall investment restrictions of the relevant Compartment and that any potential exposure arising from the transaction must be fully covered by cash or other property sufficient to meet any obligation to pay or deliver that could arise. When using such derivative instruments for efficient portfolio management, the risks of using these instruments are adequately captured by the risk management process of the Company, and using such instruments cannot result in a change to the investment objectives of the relevant Compartment or add substantial supplementary risks to the relevant Fund in comparison to the general risk policy as described herein.

- *Investment purposes*

Compartments may enter into financial derivative instruments on eligible investments in pursuit of their objective (so called investment purposes). The Company may in respect of each Compartment invested in Financial Derivative Instruments, ensure that its global exposure relating to Financial Derivative Instruments does not exceed the total net value of its net assets. The exposure is calculated applying the rules further described in the section "Risk Management" of this Prospectus. A Compartment will only enter into a financial derivative instrument transaction where this is in line with its investment objective and policy. For further information on the investment remit of the Compartment, please refer to the investment objective and policy of the relevant Compartment as described in each Appendix.

When a Compartment invests in index-based Financial Derivative Instruments, these investments do not have to be combined to the limits laid down in III. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this restriction.

## **XII. Efficient Portfolio Management – Securities Lending Transactions and Repurchase/ Reverse Repurchase Transactions**

**As of the date of the Prospectus, none of the Compartments use Securities Financing Transactions. The Prospectus will be updated if some Compartments use Securities Financing Transactions in order to disclose all relevant information required by the SFTR.**

### **i. Management of collateral**

#### **(a) General**

In the context of OTC financial derivatives transactions and efficient portfolio management techniques, a Compartment may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Compartment in such case. The Compartment however reserves the right to amend or remove the list of eligible collateral, change its haircut policies or revise its list of authorized counterparties if it considers it to be in the best interest of shareholders.

All assets received by the Compartments in the context of efficient portfolio management techniques (securities lending, repurchase or reverse repurchase agreements (if applicable)) shall be considered as collateral for the purposes of this section. Such collateral will be safe-kept with the Depositary.

The risk exposure to a single counterparty of a Compartment arising from OTC financial derivative transactions and efficient portfolio management techniques will be combined when calculating the counterparty risk limits foreseen under sub-section III "anti-concentration rules" of section 2 "General Investment Framework Applicable to All Compartments" of the Prospectus.

The counterparties to any OTC financial derivative transactions, such as total return swaps or other financial derivative instruments with similar characteristics, entered into by the Company, for each Compartment, are institutions subject to official prudential supervision and belong to the categories approved by the CSSF. They must also specialise in this type of transaction. When selecting counterparties criteria such as legal status, country of origin and credit rating of the counterparty are taken into account. The annual report of the Company will contain details of (i) the identity of such counterparties, (ii) the underlying exposure obtained through financial derivative transactions, and (iii) the type and amount of collateral received by the Compartments to reduce counterparty exposure.

Each Compartment may incur costs and fees in connection with total return swaps or other financial derivative instruments with similar characteristics, upon entering into total return swaps and/or any increase or decrease of their notional amount. The Fund may pay fees and costs, such as brokerage fees and transaction costs, to agents or other third parties for services rendered in connection with total return swaps or other financial derivative instruments with similar characteristics, upon entering into such swaps or other instruments and/or any increase or decrease of their notional amount, and/or out of the revenues paid to a Compartment under such swap or other instruments, as compensation for their services. Recipients of such fees and costs may be affiliated with the Company or the Management Company, as may be applicable, as permitted by applicable laws. Fees may be calculated as a percentage of revenues earned by the Company through the use of such swaps or other instruments. If the Compartment makes use of such swaps or other instruments, additional information on revenues earned through the use of such swaps or other instruments, the fees and costs incurred in this respect as well as the identity of the recipients thereof, will be available in the annual report of the Compartment.

The counterparty does not assume any discretion over the composition or management of the Compartments' investment portfolio or over the underlying of the financial derivative instruments, and the approval of the counterparty is not required in relation to any Compartments' investment portfolio transaction.

#### **(b) Eligible Collateral**

Collateral received by a Compartment may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

All collateral obtained under an OTC financial derivative transaction and efficient portfolio management techniques shall comply with the following criteria at all times:

- i. any collateral received other than cash collateral shall be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- ii. any collateral received shall comply with the provisions of sub-section 0 "Significant Influence Prohibition" of section 2 "General Investment Framework Applicable to All Compartments" above;
- iii. collateral which exhibits high price volatility shall not be accepted unless suitably conservative haircuts are in place;
- iv. in terms of issuer credit quality the collateral received shall be of high quality;
- v. the collateral shall be issued by an entity that is independent from the counterparty in an OTC financial derivative transaction or an efficient portfolio management technique and is expected not to display a high correlation with the performance of such counterparty;
- vi. the collateral (including any re-invested cash collateral) must be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Compartment receives from a counterparty to efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a Compartment 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, a Compartment may be permitted to hold as collateral securities issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong for up to 100% of its net

asset value, provided that it holds securities from at least six different issues, securities from any single issue not accounting for more than 30% of the this Compartment's net asset value. To the extent a Compartment intends to make use of such derogation, it will list the Member States, local authorities, or public international bodies issuing or guaranteeing securities which it is able to accept as collateral beyond the 20% limit in the Compartment Appendix;

- vii. where there is a title transfer, the collateral received shall be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral;
- viii. non-cash-collateral shall not be sold, re-invested or pledged;
- ix. the collateral received must be capable of being fully enforced at any time without reference to or approval from the counterparty.

Subject to the abovementioned conditions, collateral received by the Compartment may consist of:

- (a) cash and cash equivalents, including short-term bank certificates and Money Market Instruments;
- (b) bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
- (c) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA to BBB- or its equivalent;
- (d) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (e) and (f) below;
- (e) bonds issued by high-quality issuers located in the OECD whose minimum rating may be AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company. Bonds must have a maximum maturity of 15 years.
- (f) shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

## ii. Level of Collateral

The Compartment will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in the Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

## iii. Valuation of collateral

Collateral must be valued daily at market price (daily mark-to-market) 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.

Haircuts may be applied to the collateral received (which depends on the type and sub-types of collaterals), taking into account credit quality, price volatility and any stress-test results. Haircuts on debt securities are namely based on the type of issuer and the duration of these securities. Higher haircuts are used for equities.

Margin calls are in principle made daily unless stipulated otherwise in a framework agreement covering these transactions if it has been agreed with the counterparty to apply a trigger threshold.

## iv. Haircut policy

The following minimum haircuts are applied:

Collateral Instrument Type	Haircut
Cash in USD	0%

Cash in currencies other than USD	20%
Shares and/or convertible bonds	20% *
Non-Government Bonds	15% *
Others	To be determined on case by case basis

\*These may vary depending on the maturity period of the security.

The collateral policy of the Company is made available to investor on the website at [www.aism.lu](http://www.aism.lu)

#### **v. Reinvestment of cash provided as guarantee**

As the case may be, cash collateral received by each Compartment in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives and limits thereof, and in compliance with the requirements of the CSSF 14/592, as described below:

- placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive;
- invested in high-quality government bonds;
- used for reverse repurchase transactions under which the cash is callable at any time;
- invested in short-term money market funds as defined in the CESR's Guidelines 10-049 of 19 May 2010 on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

#### **vi. Specific Investment Policies for each Compartment – Use of Benchmarks**

Some of the Compartments may use indices as benchmarks in financial instruments and financial contracts or to measure the performance of the Compartment according to the provisions of the Benchmark Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 ("Benchmark Regulation").

Unless otherwise disclosed in this Prospectus, the indices or benchmarks used within the meaning of the Benchmark Regulation by the Compartments are, as at the date of this Prospectus, provided by benchmark administrators who benefit from the transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear yet on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. These benchmark administrators should apply for authorisation or registration as an administrator under Benchmark Regulation before 1 January 2020. Updated information on this register should be available no later than 1 January 2020. The Management Company maintains written plans setting out the actions that will be taken in the event of a benchmark materially changing or ceasing to be provided. Copies of a description of these plans are available upon request and free of charge from the registered office of the Company.

Further information regarding the benchmark used, the purposes of such benchmark, the name and status of its Administrator with regard to ESMA registry is provided in the relevant Compartments' Appendices.

As per Articles 36 and 51 of the Benchmark Regulation, Administrators which are not yet included in the ESMA registry of Administrator should apply for authorization of registration to the Competent Authority before of the end of the transitional period ending on 1<sup>st</sup> January 2020. Shouldn't they apply, the Management Company will consider to replace the Benchmark by another eligible benchmark relevant to the investment strategy and would modify the Prospectus accordingly.

### **3. RISK-MANAGEMENT**

The Management Company employs a risk-management process that enables it to monitor and measure at any time the risk of the positions in its portfolios and their contribution to the overall risk profile of its portfolios.

In accordance with the Law and the applicable regulations, the Management Company uses for each Compartment a risk-management process, which enables it to assess the exposure of each Compartment to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material to that Compartment.

The Management Company may use the Value-at-Risk (VaR) or Commitment Approach to monitor and measure the global exposure depending on the type of investments of the Compartment: the risk management methodology employed by the Management Company in respect of each Compartment shall be disclosed in the Compartment Appendices.

The Management Company shall communicate to the CSSF regularly, in accordance with the detailed rules the latter shall define, the types of Financial Derivative Instruments, the underlying risks, the quantitative limits and the methods, which are chosen in order to estimate the risks associated with transactions in Financial Derivative Instruments regarding each managed Compartment.

Moreover, the Risk Manager of the Management Company must employ a process for accurate and independent assessment of the value of OTC derivatives.

The Risk Management function has been outsourced to Arkus Financial Services.

### **4. RISK WARNINGS**

The following is a general description of a number of risks, which may affect the value of Shares in general and may or may not be relevant according to the Compartment investment strategy. See also the Section of the relevant Appendix to the Prospectus for a discussion of additional risks particular to a specific Compartment, if any.

The description of the risks made below is not, nor is it intended to be exhaustive. Not all risks listed necessarily apply to each issue of Shares, and there may be other considerations that should be taken into account in relation to a particular issue. What factors will be of relevance to a particular Compartment will depend upon a number of interrelated matters including, but not limited to, the nature of the Shares and the Compartment's Investment Policy.

No investment should be made in the Shares until careful consideration of all relevant factors has been made.

The value of investments and the income from them, and therefore the value of and income from Shares relating to a Compartment can go down as well as up and an investor may not get back the amount the investor invests.

Due to the various commissions and fees, which may be payable on the Shares, an investment in Shares should be viewed as medium to long term.

An investment in a Compartment should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisers.

The legal, regulatory, tax and accounting treatment of the Shares can vary in different jurisdictions. Any descriptions of the Shares set out in the Prospectus, including any Appendix, are for general information purposes only. Investors should recognise that the Shares may decline in value and should be prepared to sustain a total loss of their investment. Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Shares.



## **I. Market risk**

The trends in the prices of the transferable securities and other instruments is principally determined by the trends on the financial markets as well as the economic performance of the issuers themselves, as affected by the general situation of the world economy, and by the economic and political conditions prevailing in their countries.

## **II. Liquidity risk**

Liquidity risk is the risk that a position in the Compartment portfolio cannot be sold, liquidated or concluded within a sufficiently short period with limited costs and that this hinders the ability of the Compartment to meet the requirements for fulfilling the redemption request or other payment obligations. Although the Management Company will endeavour at all times to address the liquidity risk by ensuring an adequate allocation of the Compartment investments and liquidity risk monitoring, the following risks may have a negative impact on the liquidity of a Compartment. This may lead to the Compartment not being able to meet its payment obligations temporarily or permanently and not being able to fulfil the redemption requests temporarily or permanently. The Shareholder may not be able to hold its investment for the length of time envisaged and the invested capital or parts thereof may not be available to it for an indefinite period. The net asset value of the Compartment and therefore the unit value may also drop through the realisation of liquidity risks, for example if the Company is forced to sell the assets for the Compartment below the market value as far as is legally possible.

## **III. Custody risk**

Assets of the Company are safe kept by the Depositary and investors are exposed to the risk of the Depositary not being able to fully meet its obligation to reconstitute in a short time frame all of the assets of the Company in the case of bankruptcy of the Depositary. The assets of the Company will be identified in the Depositary's books as belonging to the Company. Securities held by the Depositary will be segregated from other assets of the Depositary which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The Depositary does not keep all the assets of the Company itself but uses a network of sub-custodians which are not part of the same group of companies as the Depositary. Investors are exposed to the risk of bankruptcy of the sub-custodians where the obligation of the Depositary to replace the assets held by that sub-custodian is not triggered or where the Depositary is also bankrupt.

However, in certain markets a risk may arise where segregation is not possible, and the securities are commingled with the sub-depositary's assets or pooled with the securities of other clients of the sub-depositary. The loss would then be spread across all clients in the pool and would not be restricted to the client whose securities were subject to a loss.

## **IV. Currency risk - Currency Hedged Classes**

Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly.

Exchange rates can change rapidly and unpredictably, and it may be difficult for the Compartment to unwind its exposure to a given currency in time to avoid losses.

Currency Hedged Classes use forward FX contracts and spot FX contracts to reduce or minimise the risk of currency fluctuations between the Valuation Currency of a Currency Hedged Class and the Base Currency of a Compartment. In circumstances where the Valuation Currency of a Currency Hedged Class is generally strengthening against the Base Currency of a Compartment being hedged, currency hedging may protect Shareholders in the relevant Class of Shares against such currency movements. However, where the Valuation Currency of a Currency Hedged Class is generally weakening against the currency exposures being hedged (Base Currency of the Compartment) currency hedging may preclude investors from benefiting from such currency movements.

Investors should only invest in a Currency Hedged Class if they are willing to forego potential gains from appreciations in the Base Currency. While currency hedging is likely to reduce currency risk in the Currency Hedged Classes, it is unlikely to completely eliminate currency risk.

Currency Hedged Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could reduce the ability of the Currency Hedged Class to reduce its currency risk and the volatility of such Currency Hedged Class.

To the extent that a Compartment does not employ strategies aimed at hedging certain Classes, such Classes will be subject to exchange rate risk in relation to the base currency of the relevant Compartment.

## **V. Political risks**

In general, it may be said that the political risks are low in those countries in which the Company will be investing. The implications of these political risks may involve a change of the current government as a result of political upheaval, social unrest, rioting, civil war, terrorism or war. The Company will endeavour to reduce these political risks by spreading its investments over multiple countries.

## **VI. Risks pertaining to legislation and regulations**

The sometimes rapid amendment of legislation and regulations is typical of the environment in which the Company will be investing. The amendment of legislation and regulations may have negative consequences for the Company's investments (those it requires or others). In this respect, one might consider restrictions on the repatriation of invested funds and dividends, and on foreign currencies, as well as changes to local tax legislation. It is impossible to predict the precise consequences any future amendment of legislation or regulations (concerning tax or anything else) may have for the Company and its Shareholders.

Although many countries have a legal system (which is relatively young in some cases), in practice there may be confusion as to its interpretation. In addition, existing legislation is regularly amended. In these circumstances it may be difficult or impossible for the Company to legally protect and exercise the rights it has based on its investments.

## **VII. Concentration risk**

Depending on the conditions on the financial markets at the time of the investment and/or the prospects offered by these markets, investments of the Company's Compartments may be concentrated in one or more countries, geographical regions, economic sectors, classes of assets, types of instruments or currencies, such that these Compartments may be more impacted in the event of economic, social, political or fiscal events affecting the countries, geographical regions, economic sectors, classes of assets, types of instruments or currencies in question.

## **VIII. Credit risk**

A bond or money market security could lose value if the issuer's financial health deteriorates.

If the financial health of the issuer of a bond or money market security weakens, or if the market believes it may weaken, the value of the bond or money market security may fall. The lower the credit quality of the debt, the greater the credit risk.

## **IX. Interest rate risk**

The value of an investment may be affected by fluctuations in interest rates. Interest rates may be influenced by numerous factors or events such as monetary policy, discount rates, inflation etc. Investors are advised that a rise in interest rates results in a decrease in the value of the investments in bond instruments and debt securities.

## **X. Risks relating to investing in units/shares of UCI/UCITS**

Investments made by the Company in the units/shares of UCI/UCITS, including investments by certain Compartments of the Company in units/shares of other Compartments of the Company, would expose the Company to risks arising from financial instruments, which these UCI/UCITS hold in the portfolio as described above. Some risks are, however, specific to the holding by the Company of UCI/UCITS units/shares. Some UCI/UCITS made have recourse to leverage effects either by the usage of Financial Derivative Instruments or by the usage of lending. The usage of leverage effects increases the volatility of the price of these UCI/UCITS and therefore the risk of the loss of capital. Most of these UCI/UCITS also stipulate the option of temporarily suspending redemption under specific circumstances of an exceptional nature. Investments made in the units/shares of UCI/UCITS may accordingly present a liquidity risk which is higher than investing directly in a portfolio of transferable securities. On the other hand, investing in the units of UCI/UCITS allows the Company to gain access in a flexible and efficient way to various professional management styles and to diversify its investments. If a Compartment invests primarily through UCI/UCITS it must ensure that its UCI/UCITS portfolio has the appropriate liquidity characteristics to allow it to meet its own redemption obligations.

Investing in the units/shares of UCI/UCITS may involve a duplication of certain costs in the sense that in addition to the costs deducted at the level of the compartment in which an investor is invested, the investor in question is subject to a portion of the costs deducted at the level of the UCI/UCITS in which the Compartment is invested. The Company offers investors a choice of portfolios which may present a different degree of risk and therefore, in principle, a long-term overall prospective yield in relation to the degree of risk accepted.

The investor will find the degree of risk of each Class of Shares offered in the Key Investor Information Document.

The higher the risk level, the longer the investor should intend to invest and be prepared to accept the risk of a significant loss of the capital invested.

## **XI. Risks relating to equity markets**

The risks associated with investing in equities and related instruments encompass significant fluctuations in prices, negative news about the issuer or the market and the subordinated nature of the shares compared with the bonds issued by the same company. The fluctuations are also often amplified in the short term. The risk that one or more companies will suffer a downturn or fail to grow can have a negative impact on the performance of the overall portfolio at a given time.

Some Compartments may invest in initial public offerings ("IPOs"). In this case, there is a risk that the price of the newly floated share may see greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, the limited number of securities that can be traded and the lack of information about the issuer.

Compartments investing in growth stocks may be more volatile than the market in general and may react differently to economic, political and market developments and to specific information about the issuer. Growth stocks traditionally show higher volatility than other stocks, especially over very short periods. These stocks may also be more expensive in relation to their profits than the market in general. Consequently, growth stocks may react more violently to variations in their profit growth.

## **XII. Risk relating to investing in bonds, debt securities, fixed-income products (including high yield bonds) and convertible bonds**

For Compartments, which invest in bonds or other debt securities, the value of these investments will depend on market interest rates, quality of credit of the issuer and liquidity considerations. The net asset value of a Compartment investing in debt securities will fluctuate in line with interest rates, the perception of the credit quality of the issuer, the liquidity of the market and also foreign exchange rates (when the investment currency differs from the reference currency of the compartment holding this investment). Some debt securities may have a risk of being called before the maturity date or of having the maturity date extended.

Some Compartments may invest in high yield debt securities when the level of return is possibly relatively high compared with investing in high-quality debt securities. However, the risk of depreciation and of incurring losses of capital on such debt securities held will be higher than for lower yield debt securities. In particular an economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a sub-fund may experience losses and incur costs. For this reason, high yield bonds have higher counterparty risk, risk of restructuring in terms of longer maturity and/or lower coupons, higher risk of rating downgrade and tend to behave more similarly to equity securities.

Investing in convertible bonds has a sensitivity to the fluctuations in the prices of the underlying equities ("equity component" of the convertible bond) while offering some form of protection of some of the capital ("bond floor" of the convertible bond). The higher the equity component is, the weaker the capital protection. As a consequence a convertible bond that has experienced a significant rise in its market value as a result of the rise of the underlying equity price will have a risk profile which is closer to that of a share. On the other hand, a convertible bond that has experienced a fall in its market value up to its bond floor as a result of the fall of the price of the underlying shares price will have from this level a risk profile close to that of a traditional bond.

Convertible bonds, like other types of bonds, are subject to the risk that the issuer may not be able to meet its obligations in terms of the payment of interest and/or redemption of the capital on maturity (credit risk). The perception by the market of the increase in the probability of occurrence of this risk for a given issuer results in a sometimes considerable fall in the market value of the bond and therefore the protection offered by the bond content of the convertible bond. The bonds are also exposed to the risk of a fall in the market value following a rise in the reference interest rates (interest rate risk).

### **XIII. Risks relating to Financial Derivative Instruments**

Within the framework of the investment policy described in each of the Appendix for the Compartments, the Company may make use of Financial Derivative Instruments. These products may not only be used for the purposes of hedging, but also may form an integral part of the investment strategy in order to optimise returns or as Technique and Instruments used for Efficient Portfolio Management. Usage of these Financial Derivative Instruments may be limited by the market conditions and regulations applicable and may involve risks and costs to which the Compartment, which uses them, would not have been exposed if it had not used these instruments. The risks inherent to the usage of options, contracts in foreign currencies, swaps, futures contracts and options relating to thereto include in particular: (a) the fact that the success depends on the accuracy of the analysis of the Management Company of the portfolio in terms of the performance of interest rates, the prices of transferable securities and/or money market instruments as well as foreign currency markets; (b) the existence of an imperfect correlation between the price of the options, futures contracts and options relating thereto and the movements of the prices of transferable securities, money market instruments or foreign currencies hedged; (c) the fact that the expertise needed to use these derivative financial instruments is different to the expertise needed to select securities for the portfolio; (d) the possibility of a non-liquid secondary market for a specific instrument at a given moment; and (e) the risk that a Compartment is unable to buy or sell a security in the portfolio at the right times or the need to sell an asset in the portfolio under unfavourable conditions. If a Compartment carries out a swap transaction it exposes itself to a counterparty risk. The usage of Financial Derivative Instruments also carries a risk due to their leverage effect. This leverage effect arises from investing a modest capital sum to buy Financial Derivative Instruments compared with the cost of directly acquiring the underlying assets. The higher the leverage effect, the greater the variation in price of the Financial Derivative Instrument in the event of the fluctuation in the price of the underlying assets compared with the subscription price set in the conditions for the derivative financial instrument. The potential and the risks of these instruments therefore increases in parallel to the growth of the leverage effect. Lastly there is no guarantee that the objective of these derivative financial instruments will be achieved.

### **i. OTC derivatives**

Because OTC derivatives are in essence private agreements between the Compartment and one or more counterparties, they are less highly regulated than market-traded securities. OTC derivatives carry greater counterparty risk and liquidity risk, and it may be more difficult to force a counterparty to honour its obligations to the Compartment. The list of counterparty's contracts will be available in the annual report. This counterparty default risk is limited by the regulatory OTC derivatives counterparty limits. Mitigation techniques aiming to limit this risk are used, such as collateral policy or resets in contracts for difference.

If a counterparty ceases to offer a derivative that a Compartment had been planning on using, the Compartment may not be able to find a comparable derivative elsewhere and may miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a derivative position for which it was unable to buy an offsetting derivative.

Because it is generally impractical for the Company to divide its OTC derivative transactions among a wide variety of counterparties, a decline in the financial health of any one counterparty could cause significant losses. Conversely, if any Compartment experiences any financial weakness or fails to meet an obligation, counterparties could become unwilling to do business with the Company, which could leave the Company unable to operate efficiently and competitively.

### **ii. TRS**

A total return swap (TRS) is a contractual agreement/derivatives transaction between two counterparties that allows one party to receive the total return on a reference asset in exchange for paying the other party a periodic cash flow, typically a floating rate (e.g. a LIBOR-based rate).

The reference asset may be a single asset, a basket of assets or an index. As no actual ownership of that asset is transferred, the TRS allows greater flexibility and reduced up-front capital to execute a trade.

#### *Systematic/Market Risk and Credit Risk*

The receiver receives any income generated by the reference asset. In the case of a reference asset price appreciation, he/she benefits over the life of the swap and pays the asset owner the set rate. In case of asset price depreciation, he/she will be required to pay the asset owner the amount by which the asset has fallen in price. Hence, the receiver is subject to systematic/market risk and credit risk.

#### *Swap Risk*

Total Return Swaps allow the economic exposure profile of a portfolio to be changed faster and more cost effectively than by purchasing shares on securities exchanges and more precisely than through the exchange traded derivatives. However, as swaps, they are subject to the swap risk. The payer forfeits the risk associated with the performance of the reference entity, but takes on the credit exposure to which the receiver may be subject.

#### *Counterparty Risk*

As Total Return Swaps are traded OTC, the portfolio is subject to the risk that the counterparty will not perform its obligations under the transaction and that it will sustain losses. These risks may be heightened when market conditions fluctuate.

### **iii. Counterparty risk**

When entering into over the counter contracts, the Company may be exposed to risks relating to the solvency of its counterparties and their ability to meet the conditions of these contracts. The Company may therefore enter into futures, options and swap contracts or use other derivatives techniques which each will present the risk to it that the counterparty will not meet its commitments under the respective contract.

### **iv. Collateral management**

Counterparty risk arising from investments in OTC Derivative Instruments (including TRS) is generally mitigated by the transfer or pledge of collateral in favour of the Compartment. If a counterparty defaults, the

Compartment may need to sell non-cash collateral received at prevailing market prices in which case the Compartment could realise a loss.

If a counterparty defaults, the Compartment may need to sell non-cash collateral received at prevailing market prices. In such a case, the Compartment 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. The Compartment may also incur a loss in reinvesting cash collateral received, where permitted 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 Compartment to the counterparty as required by the terms of the transaction. The Compartment 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 Compartment.

#### **v. Exchange-traded derivatives**

While exchange-traded derivatives are generally considered lower-risk than OTC derivatives, there is still the risk that a suspension of trading in derivatives or in their underlying assets could make it impossible for the Compartment to realise gains or avoid losses, which in turn could cause a delay in handling redemptions of Shares. There is also a risk that settlement of exchange-traded derivatives through a transfer system may not happen when or as expected.

Defensive stance risk the more the current NAV gets close to the guaranteed NAV, the more the Compartment seeks to preserve capital by reducing or eliminating its exposure to dynamic investments and by investing in investments that are more conservative. This reduces or eliminates the Compartment's ability to benefit from any future value increases.

### **XIV. Benchmark and Compartment performance risk**

Investors should note that any Compartment whose objective is to outperform a given reference benchmark in adopting an active management process may achieve a return that may be close to the relevant benchmark due to a variety of circumstances that may among other include a narrow investment universe which offers more limited opportunities in terms of securities acquisition compared to those represented in the benchmark, risk control considerations that limit exposure for example to less liquid asset classes or the result of Risk Management.

### **XV. Risks relating to the application of ESG criteria**

Comprehensive assessment of ESG factors leads to better client outcomes. Material ESG risks and opportunities have to be considered before investments are made. ESG assessment does not result in the exclusion of companies based upon their sector or their involvement in any particular activity unless specific criteria are applied to a Compartment, which will be stated in the Compartment's Appendix.

### **XVI. Risks linked to investments in assets exposed to emerging market risk and political risk**

The Compartments may invest in securities issued in emerging markets as well as in assets produced, extracted, traded or stocked in emerging markets. Certain issues are more prevalent in emerging markets than in other markets, such as high inflation making valuations problematic, macroeconomic volatility, capital restrictions and controls, and political risks. Furthermore, there can be no assurance that the political and economic evolution in these countries will continue on a business friendly path. The political system of these countries is vulnerable to the population's dissatisfaction and exposed to internal pressure exercised by groups of influence with reforms, social unrest and changes in governmental policies, any of which could indirectly have a material adverse effect on the performance of the Company.

### **XVII. Risks related to investments in China**

The Compartments may make investments directly or indirectly in companies having a significant activity in the People's Republic of China, possibly in Greater China. The success of these investments may be affected by the political stability of China country, exchange rate and currency restrictions imposed on the movement of capital, any inability to structure or to finance transactions and tax issues. The risks will be

analysed before investing in this country, but there can be no assurance that a political or economic climate, or a legal or regulatory risk, will not be of a nature to affect an investment of the Compartment adversely.

## **5. ISSUE, REDEMPTION AND CONVERSION OF SHARES**

### **I. Common rules**

#### **i. Class of Shares**

As further described in each relevant Appendix, the Company may create within each Compartment different Classes of Shares.

A distinct fee structure, currency of denomination (different Valuation Currency), dividend policy, minimum holding amount, eligibility requirements or other specific feature may apply. The Company may notably issue Shares reserved to retail investors and Shares reserved to Institutional investors. The range of available Classes and their features are described in the relevant Appendix.

Shares of a Compartment may be listed on the Luxembourg Stock Exchange or any other regulated market at the discretion of the Board of Directors.

#### **ii. Eligible Investors /Prohibited Investors**

Shares in the Compartments may only be allotted, issued or transferred to or be beneficially held by Eligible Investors.

Eligible Investors for the Company are all investors, subject to:

- the limitations posed in the relevant Compartments to the ability of certain investors categories to invest and/ or to further hold certain Class of Shares and
- the circumstances where an investor or a Shareholder would fall in the definition of Prohibited Investor as per Section 1 "DEFINITIONS" or every time the Board determines that it shall be considered as a Prohibited Investor. The Board of Directors may require to receive from any Investor, respectively a Shareholder, all information that it thinks appropriate in order to assess the eligibility of an investor to enter in a Class of Share.
- In the context of a US Investor applying to subscribing in any Compartment or in the context of an existing Shareholder becoming a US Investor after his initial subscription in a Compartment, new subscriptions as well as the possibility to maintain holdings in the Company shall be subject to a systematic examination and decision by the Board.

If a Shareholder becomes aware that it holds Shares in a Compartment in breach of the rules of the Prospectus, it shall promptly notify the Administration Agent and place a redemption request.

Redemptions placed by a Shareholder on this endeavour will be subject to the conditions generally applicable to any Redemption Order.

The Board of Directors shall give 30 Business Days' notice to any Prohibited Shareholder to redeem their Shares in the Company, after which the Board is entitled to instruct the redemption.

#### **iii. Subscription, redemption and conversion requests (Common rules)**

Unless otherwise provided for a specific Compartment in the relevant Appendix, requests for subscription, redemption and conversion of Shares should be sent to the Administration Agent at its registered address in Luxembourg. Requests may also be accepted by facsimile transmission or at the discretion of the Company by other means of telecommunication. An application form can be obtained from the Company.

Unless otherwise specified in the Appendix to the Prospectus for any Compartment, requests for subscriptions, redemptions and conversions from or to any Compartment will be dealt with on the Valuation Day on which they are received, provided they are received prior to the cut-off time specified in the relevant Appendix.

Requests received after such time will be accepted on the next Valuation Day. Requests for the Subscription, Redemption and Conversion of Shares shall be dealt with on an unknown net asset value basis before the determination of the Net Asset Value for that day.

Confirmation of completed Subscriptions, Redemptions and Conversions will normally be dispatched on the Business Day following the execution of the transaction.

The Company does not permit market timing or related excessive, short-term trading practices.

The Company has the right to reject any request for the subscription or conversion 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.

Subscription, Redemption and Conversion of Shares of a given Compartment shall be suspended whenever the determination of the Net Asset Value per Share of such Compartment is suspended by the Company.

#### **iv. Nominee**

The Company may enter into an agreement with or appoint distributors pursuant to which such distributor(s) act as nominee for investors subscribing for Shares through their facilities. In such capacity the distributor(s) will effect Subscriptions, Conversion and Redemptions of Shares in the Nominee name on behalf of individual investors and request the registration of such transactions on the register of Shareholders of the Company in the Nominee name.

The appointed Nominee maintains its own records and provides the investor with individualised information as to its holdings of Shares in the Company.

Except where local law or custom prohibits the practice, investors may always chose to invest directly in the Company and not avail themselves of a Nominee service.

In the case of Subscriptions made through a Nominee, the eligibility criteria of an investor shall be assessed at the level of the ultimate investor, unless otherwise provided by any applicable law or regulations.

Investors should be aware of the fact that while subscribing and holding their Shares through a bank acting in a capacity of nominee, they will not be recognized by the registrar of the Company, hence will not be able to exercise their rights of Shareholders directly with the Company but instead they will have to do so through the Nominee.

Investors subscribing through Nominee accounts shall have the right at any time, unless prohibited by the laws applicable to them, to request the re-registration of the Shares directly in their name.

#### **v. Swing pricing**

On Business Days when it believes that trading in a Compartment will require significant purchases or sales of portfolio investments, the Board of Directors may, at its entire discretion, decide to adjust the Net Asset Value of one or several Classes of Shares to more closely reflect the actual prices of the underlying transactions, based on estimated dealing spreads, costs, and other market and trading considerations. In general, the Net Asset Value will be adjusted upward when there is strong demand to buy Shares and downward when there is strong demand to redeem Shares. For any given Business Day, the adjustment will normally not be larger than 2% of the Net Asset Value, but the Board of Directors may raise this limit when necessary in order to protect the interests of the Shareholders.

Should Swing potentially apply in relation to a particular Share Class, this possibility will be specified in the relevant Compartment Appendix.

#### **vi. Deferral of Redemptions and Conversion**

If the total requests for redemption and conversion out of a Compartment on any Valuation Day exceed 10% of the total value of Shares in issue of that Compartment, the Company may decide that Redemption and Conversion requests in excess of 10% shall be deferred until the next Valuation Day. On the next Valuation Day, or Valuation Days until completion of the original requests, deferred requests will be dealt with in priority to later requests.



### **vii. Settlement of Subscriptions, Redemptions and Conversions**

If, on the Settlement Day as determined in the Appendix, banks are not open for business, or an interbank settlement system is not operational, in the country of the currency of the relevant Class, then settlement will be on the next Business Day on which those banks and settlement systems are opened.

No redemption payments will be made until the original application form and relevant subscription monies have been received from the Shareholder and all the necessary anti-money laundering checks have been completed. Redemption proceeds will be paid on receipt of faxed instructions where such payment is made into the account specified by the Shareholder in the original application form submitted. Amendments to the Shareholder's registration details and payment instructions can only be effected upon receipt of original documentation.

### **viii. Minimum subscription and holding amounts**

A minimum initial and subsequent subscription amount and minimum holding amounts for each Class may be set forth, as further detailed in the Appendices. The Company has the discretion, from time to time, to waive or reduce any applicable Minimum Subscription Amounts.

The right to transfer, redeem or convert Shares is subject to compliance with any conditions (including any Minimum Subscription or Holding Amounts and Eligibility requirements) applicable to the Class from which the Redemption or Conversion is being made, and also the Class into which the conversion is to be effected.

The Board of Directors may also, at any time, decide to compulsorily redeem all Shares from Shareholders whose holding is less than the Minimum Holding Amount specified in the Appendix to the Prospectus. In such case the Shareholder concerned will receive one month's prior notice so as to be able to increase its holding above such amount.

If a Redemption or Conversion request would result in the amount remaining invested by a Shareholder falling below the minimum holding amount of that Class, such request will be treated as a request to redeem or convert, as appropriate, the Shareholder's total holding in that Class. If the request is to transfer Shares, then that request may be refused by the Company.

## **II. Subscription of Shares**

Subscriptions for Shares can be made on any day that is a Valuation Day for the relevant Compartment. Shares will be allotted at the Subscription Price of the relevant Class i.e. the Net Asset Value per Share of such Class determined on the applicable Valuation Day on which the request has been accepted plus any applicable Subscription Fee. Any subscription request shall be irrevocable.

Subscription Fees may apply on the investors subscription monies in relation to any particular Compartment Class of Shares. In such case it will be disclosed in the relevant Appendix. The Subscription Fee, if any, at the full discretion of the Board of Directors, may be used to remunerate introducers appointed by the Management Company and/or to compensate a given Compartment for the impact of substantial amounts of Subscriptions, received on a given day. Payment for Shares must be received by the Company in the Valuation Currency of the relevant Class. Requests for subscriptions in any other major freely convertible currency will only be accepted if so determined by the Company.

Investors are advised to refer to the terms and conditions applicable to Subscriptions, which may be obtained by contacting the Company.

The Company reserves the right to accept or refuse any Subscription in whole or in part and for any reason. The Company may restrict the distribution of a given Class or Compartment to specific countries.

The Company may, in its absolute discretion, delay the acceptance of any subscription for Shares of a Class restricted to Institutional Investors until such date as it has received sufficient evidence of the qualification of the investor as an Institutional Investor.

Any change to the Investor's detail must be notified to the Administration Agent immediately in writing.

Failure to make good settlement by the Settlement Day, as determined in the Appendix, may result in the Company bringing an action against the defaulting investor or its financial intermediary or deducting any costs or losses incurred by the Company against any existing holding of the applicant in the Company. In all cases any money returnable to the investor will be held by the Company without payment of interest pending receipt of the remittance.

### **III. Redemption of Shares**

Requests for the redemption of Shares can be made on any day that is a Valuation Day for the relevant Compartment. Redemptions will be carried out at the Redemption Price of the relevant Class, i.e. the Net Asset Value per Share of such Class determined on the applicable Valuation Day on which the request has been accepted less any applicable Redemption Fee. Any redemption request shall be irrevocable.

The Company may carry out any authentication procedures that it considers appropriate relating to a redemption request. This aims to mitigate the risk of error and fraud for the Company, its agents or Shareholders. Where it has not been possible to complete any authentication procedures to its satisfaction, the Company may delay the processing of payment instructions until authentication procedures have been satisfied.

This will not affect the Valuation Day on which the Redemption Request is accepted and the amount of redemption monies to be applied. The Company shall not be held responsible to the Shareholder or anyone if it delays execution or declines to execute redemption instructions in these circumstances.

Redemption payments will normally be paid in the Base Currency or in respect to Currency Hedged Classes, in the Valuation Currency of the Class by bank transfer within 4 Business Days maximum of the relevant Valuation Day, unless otherwise foreseen in the Appendices. The Company is not responsible for any delays or charges incurred at any receiving bank or settlement system.

A Shareholder may request, at its own cost and subject to agreement by the Company that their redemption proceeds be paid in a currency other than the Base Currency of the relevant Class.

If, in exceptional circumstances, redemption proceeds cannot be paid within the period specified above, payment will be made as soon as reasonably practicable thereafter (not exceeding, however, 10 Business Days) at the Redemption Price calculated on the relevant Valuation Day, it being understood that the Board of Directors will always ensure the overall liquidity of the Company.

If any Redemption Fee is applied in relation to any particular Compartment, it will be disclosed in the relevant Appendix to the Prospectus. The Redemption Fee may, at the full discretion of the Board of Directors, be paid to the Management Company, the Global Distributor or a given Compartment. Shares redeemed by the Company become null and void.

### **IV. Conversion of Shares**

Subject to any provision under this Prospectus and its Appendix, Shareholders have the right to convert all or part of their Shares of any Class of a Compartment into Shares of another Class of that or another Compartment, by applying for conversion in the same manner as for the subscription and redemption of Shares. Conversions within the Company are permitted provided that the Shareholder satisfies the eligibility requirements and minimum holding amounts set out in the Appendix to the Prospectus and such other conditions applicable to the contemplated Classes.

Procedure for conversion within the Company:

Conversion may be requested on a common Valuation Day for the original Class and the contemplated Class. The number of Shares issued upon conversion will be based upon the Redemption Price of the original Class and the Net Asset Value of the contemplated Class, plus a Conversion Fee (if any), as disclosed in the relevant Appendix to the Prospectus. The Conversion Fee may, at the full discretion of the Board of Directors, be paid to the Management Company, the Global Distributor or a given Compartment. The Company is entitled to any charges arising from conversions and any rounding adjustment. Any conversion request shall be irrevocable.

The number of Shares of the new Compartment and/or Class to be allotted is calculated in accordance with the formula:

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

Where,

- N is the number of Shares of the new Compartment and/or category to be allotted and issued
- A is the number of Shares of the original Compartment and/or category
- B is the Net Asset Value per share of the original Compartment and/or category
- C is the Net Asset Value per share of the new Compartment and/or category
- D is the conversion fee to be determined for each Compartment
- E is the applicable currency conversion factor at the conversion day between the currencies of the two Compartments.

## **V. Transfer of Shares**

Subject to the restrictions described herein, Shares are freely transferable.

The transfer of Shares may normally be carried out by delivery to the relevant distributor, sales agent or the Company of an instrument of transfer in appropriate form. On the receipt of the transfer request, and after reviewing the endorsement(s), signature(s), the Company may require that the Shareholder be certified by an approved bank, stock broker or public notary.

The right to transfer Shares is subject to the Minimum Investment and Holding requirements as detailed above and in the Appendix.

Shareholders are advised to contact their distributor, sales agent or the Company as appropriate, prior to requesting a Transfer to ensure that they have the correct documentation for the transaction.

## **6. ANTI-MONEY LAUNDERING PROCEDURE**

Pursuant to AML Regulations, 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 agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar agent may require subscribers to provide any document it deems necessary to effect such identification.

Namely, the requests for subscription must be accompanied, in the case of individuals, by a certified copy of the investor's passport or identification card and, in the case of legal entities, by a certified copy of the investor's articles of incorporation and, where applicable, an extract from the commercial register or a copy of such other documents as may be requested as verification of the identity and address of the individual or legal entity.

More generally the Fund and its registrar agent shall be able to require any documentation from subscriber that it deems necessary in order to comply with any law and regulations applicable to the Company, and in particular, the FATCA Rules.

This identification procedure must be complied with by CACEIS Bank, Luxembourg Branch, acting as registrar and transfer agent (or the relevant competent agent of registrar and transfer agent) in the case of direct subscriptions to the Company, and in the case of subscriptions received by the Company from any intermediary resident in a country that does not impose on such intermediary an obligation to identify investors equivalent to that required under AML Regulations.

Investors are requested to communicate forthwith any change in their situation that will prove the information previously submitted to be no longer valid or sufficient, and shall provide the necessary additional information.

In case of delay or failure by a subscriber to provide the documents required, the application for subscription (or, if applicable, for conversion or for redemption) will not be accepted. In the case of a failure to provide the documents and information requested in the context of ensuring compliance of the Fund with FATCA Rules, the Fund may also be entitled to force the redemption of the Shares. Neither the undertakings for collective investment nor the registrar agent have any liability for delays or failure to process deals as a result of the subscriber providing no or only incomplete documentation.

## **7. DISTRIBUTION POLICY**

The Board of Directors may decide to issue Classes of any type within each Compartment. Among other, the following type of Classes of Shares may be issued for the Compartments:

- Distribution type of Shares, which, in principle, entitle their holder to receive a dividend.
- Capitalisation type of Shares, which, in principle, do not entitle their holder to receive a dividend, but instead the amount attributable to the holder from the amount to be distributed is capitalised in the Compartment to which these capitalisation Shares belong.

In the case of distributing Classes of Shares, the Board of Directors may decide to distribute interim dividends either in the form of cash in the relevant currency or in the form of reinvestment by the purchase of Shares of the same Class.

Dividends may in any case result from a decision of the Shareholders in general meeting, subject to a majority vote of those present or represented and within limits provided by law, and a concurring decision at the same majority in the relevant Compartment.

Dividends unclaimed after five years from the date of declaration will lapse and revert to the Company in the relevant Compartment.

## **8. MANAGEMENT AND ADMINISTRATION**

### **I. Board of Directors**

The Board of Directors is vested with the widest powers to act in any circumstances in the name of the Company, subject to any powers explicitly granted by law or by the Company's Articles to its general meeting of Shareholders.

According to the Articles, and the Luxembourg Company Law of 1915, the Board of Directors is responsible for managing the business of the Company and the Compartments, for the control of the Company's operations as well as for the definition of the investment policies of the Compartments. The Board of Directors may delegate, under its control and responsibility, the day-to-day management of the Company.

The Board of Directors is responsible for appointing the Management Company as well as for the monitoring and permanent supervision of the activities of the Management Companies. At any time, the Board of Directors may, subject to CSSF prior approval, decide to terminate the agreement in place with the Management Company and to replace the Management Company by another management company, if it determines that it is in the best interest of the Shareholders.

As a general principle, the Board of Directors may decide at any time to amend the Prospectus of the Company in respect of all aspects not reserved to a decision of the general assembly of Shareholders according to the rules contained in this Prospectus as well as the provisions of the Law of 1915 on Commercial Companies as amended.

### **II. Management Company**

The Board of Directors has appointed Alpha Investor Services Management (AISM) to act as Management Company in accordance with the provisions of the 2010 Law.

AISM is a management company organized under Chapter 15 of the 2010 Law, having its registered office at 21, Rue Aldringen, L-1118, Luxembourg. It was incorporated on 7 December 2011.

The Management Company Agreement has been concluded for an indefinite duration and may be terminated by either party in writing with six months' notice.

The Management Company may act as Management Company for other funds.

The Management Company will manage the assets of the Company and its Compartments in compliance with the Prospectus.

In compliance with the provisions of chapter 15 of the 2010 Law and CSSF Circulars 11/512, the effective conduct of the business of the Management Company has been granted to two (2) day-to-day managers.

In compliance with the provisions of Chapter 15 of the 2010 Law, the Management Company is in charge of the following functions:

- Portfolio management
- Administration:
  - (a) legal and fund management accounting services;
  - (b) customer inquiries;
  - (c) valuation of the portfolio and pricing of the units (including tax returns);
  - (d) regulatory compliance monitoring;
  - (e) maintenance of unit-holder register;
  - (f) distribution of income;
  - (g) unit issue and repurchase;
  - (h) contract settlements (including certificate dispatch);
  - (i) record keeping.

## - Marketing

The Management Company is empowered to delegate, under its control and responsibility, and subject to the prior agreement of the Company, all or part of its duties and powers to any person or entity, which it may consider appropriate and meets the requirements of the 2010 Law. In the case of the delegation of one of the core functions above, the Prospectus must be amended accordingly.

For the time being, the Management Company has delegated the central administration function, which includes the accounting, registrar and transfer agency duties, to CACEIS Bank, Luxembourg Branch, as further detailed here below.

The Management Company may receive different types of remuneration according to the type of the services rendered:

- a Management Company Fee which remunerates the supervision activities and compliance services of the Management Company, calculated on the basis of the Net Asset Value of and applied pro rata to the different Compartments, respectively each Class of Shares, payable quarterly
- a Management Fee, which remunerates the Portfolio Management activities, calculated on the Net Asset Value of the Share Class and payable quarterly
- A Performance Fee remunerating the performance of the Portfolio Management activities, payable annually. The methodology applied for the calculation of the Performance Fee and the frequency of payment is further detailed in each relevant Compartment Appendix.
- A Global Distribution Fee remunerating the distribution services, calculated on the Net Asset Value of the Compartment and payable quarterly
- The Management Company shall also be entitled to receive a Marketing Fee calculated on the Net Asset Value of the Compartment and payable quarterly.
- The Management Company may also be entitled to receive a Redemption Fee and Conversion Fee calculated on the Net Asset Value of the respective Share Class, provided the board of directors has not decided to attribute such fees directly to the Compartment.

The amounts of fees paid to the Management Company for these different layers of services and calculation methodology are further detailed in each Compartment Appendix.

Third parties to whom functions have been delegated by the Management Company as well as Administration Agent, Transfer Agent, Domiciliary and Corporate Secretary services may receive their remunerations directly from the Company (out of the assets of the relevant Compartment), such remunerations being in that case not included in the fees payable to the Management Company. These remunerations shall be calculated and shall be paid depending on the terms and conditions of the relevant agreements and are disclosed in the relevant Appendices.

The Management Company may further enter into arrangements with introducers from time to time who may provide connections with potential investors. Such introducers may be remunerated out of Subscription Fee, respectively a Conversion Fee which is levied on the amount of the investment or conversion amount of the investor.

The Management Company may also enter into arrangements with placement agents from time to time. Such placement agents will be remunerated by the Management Company out of the Global Distribution Fee.

In accordance with the UCITS Directive, and the principle of proportionality, the Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that does not encourage risk taking which is inconsistent with the risk profile of the Company and its Articles of Incorporation.

The Management Company's remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Company and its Shareholders and includes measures to avoid conflicts of interest.

The Management Company's Remuneration Policy and practices include fixed and variable components and apply to those categories of staff, including senior management, risk takers, control functions and any

employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company or of the Company.

The fixed and variable components of the 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.

If applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the Shareholders of the Company in order to ensure that the assessment process is based on the long-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

Further details on the Management Company's current remuneration policy have been published in the website of the Management Company (<http://www.aism.lu>). They include a description of the valuation methods for remunerations and payments to certain employee groups, as well as details of the persons responsible for allocation, including the composition of the remuneration committee. On request to the registered office of the Management Company, the Management Company will provide information in hard copy free of charge.

### **III. Administration Agent, Transfer Agent, Domiciliary and Corporate Secretary services**

With the consent of the Company and the CSSF, the Management Company has concluded one or several agreements (the "**Central Administration Services Agreement**") appointing CACEIS Bank, Luxembourg Branch as Administration Agent, Domiciliary Agent and Corporate Secretary.

This agreement has been concluded for an indefinite duration and may be terminated by either party in writing with three months' notice.

In its capacity as Administration Agent, CACEIS Bank, Luxembourg Branch shall notably perform the calculation of the Net Asset Value for each existing Class or Compartment of the Company, management of accounts, the preparation of the annual and semi-annual financial statements and execute all tasks required as central administration.

In its capacity as the Transfer and Registrar Agent, CACEIS Bank, Luxembourg Branch shall in particular reconcile subscription, redemption and conversion applications and keep and maintain the register of Shareholders of the Company. In such capacity it is also responsible for supervising anti-money laundering measures under the AML Regulations.

For its services, the Company will pay to CACEIS Bank, Luxembourg Branch a remuneration calculated on the Net Asset Value of the Compartment as detailed in the Compartments Appendix.

### **IV. Depositary and Paying Agent**

CACEIS Bank, Luxembourg Branch is acting as the Company's depositary (the "**Depositary**").

CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch) is a public limited liability company ("*société anonyme*") incorporated under the laws of France, with a share capital of EUR 440,000,000, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Paris. It is an authorised credit institution supervised by the European Central Bank (ECB) and the *Autorité de contrôle prudentiel et de résolution* (ACPR). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping of the Compartments' assets, and it shall fulfil the obligations and duties provided for by Part I of the UCITS Act

and. In particular, the Depositary shall ensure an effective and proper monitoring of the Company's cash flows.

In due compliance with the Prospectus and Articles of Incorporation of the Company, the Depositary shall:

- ensure that the sale, issue, re-purchase, redemption and cancellation of units of the Company are carried out in accordance with the applicable national law and the Company Rules or instruments of incorporation;
- ensure that the value of the Units is calculated in accordance with the Company Rules, the Company Constitutive Documents and the exception procedures laid down by the Board of Directors from time to time;
- carry out the instructions of the Company, unless they conflict with the Company Rules, or the Company Constitutive Documents;
- ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- ensure that a Company's income is applied in accordance with the Company Rules and the Company Constitutive Documents.

The Depositary may not delegate any of the obligations and duties set out in (i) to (v) of this clause.

In compliance with the provisions of the UCITS Directive, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to Correspondents or Third Party Custodians as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the UCITS Act.

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 Undertaking for Collective Investment in Transferable Securities Regulations 2011), the Depositary shall return financial instruments of identical type or the corresponding amount to the Company without undue delay.

A list of these Correspondents/Third Party Custodians are available on the website of the Depositary ([www.caceis.com](http://www.caceis.com) section "*veille réglementaire*"). Such list may be updated from time to time. A complete list of all Correspondents /Third Party Custodians may be obtained, free of charge and upon request, from the Depositary.

Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request.

There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the Company, such as Administrative Agency and Registrar Agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary.

In order to protect the Company' and its Shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at

- (a) Identifying and analysing potential situations of conflicts of interest;
- (b) Recording, managing and monitoring the conflict of interest situations either in:
  - relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or
  - implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are



carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its Company depositary functions and the performance of other tasks on behalf of the Company, notably, administrative agency and registrar agency services.

The Company and the Depositary may terminate the Depositary agreement at any time by giving three months' notice in writing. The UCITS may, however, dismiss the Depositary only if a new depositary bank is appointed within two months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Compartment have been transferred to the new depositary bank.

The Depositary has no decision-making discretion nor any advice duty relating to the UCITS's investments. The Depositary is a service provider to the UCITS and is not responsible for the preparation of Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the UCITS.

The Company will pay to the Depositary a fee based on the Net Asset Value of the Compartments as further detailed in the Compartments term sheets.

## **9. GENERAL CHARGES & EXPENSES BORNE BY THE COMPANY**

In addition to the fees referred to under Section 9, the Company, respectively each Compartment shall bear the following expenses:

- all taxes which may be payable on the assets, income and expenses chargeable to the Company;
- standard brokerage fees and bank charges originating from the Company's business transactions in relation to the portfolio;
- all fees due to the Board of Directors of the Company, the correspondent banks and to the Auditor;
- all fees due to any sub-paying agent, to representatives in foreign countries and any other agents,
- all fees due to the legal advisors, to the domiciliary agent or similar administrative charges, incurred by the Company, due to the Management Company (including the management company fee, the costs related to risk management and investment compliance monitoring activities, the costs related to the production and update of the KIIDs as these fees and costs are further detailed in the Management Company Agreement), the Administration Agent, the Global Distributor and the Depositary for acting on behalf of the Shareholders;
- all reasonable expenses of the Board of Directors of the Company, of the Management Company, of the Administration Agent, of the Global Distributor and of the Depositary;
- all expenses connected with publications and the supply of information to Shareholders, in particular the cost of printing global certificates and proxy forms for general meetings for the Shareholders, the cost of publishing the issue and Redemption Prices, and also the cost of printing, the distribution of the annual and semi-annual reports, the Prospectus as well as the KIID;
- all expenses involved in registering and maintaining the registration of the Company with all governmental agencies and stock exchanges in the Grand Duchy of Luxembourg and in any other country;
- all expenses incurred in connection with its operation and its management (e.g. insurance and interests) also including all extraordinary and irregular expenses which are normally incurred by the Company.
- all recurring expenses will be charged first against current income, then, should this not suffice, against realised capital gains, and, if necessary, against asset.

Any costs incurred by the Company, which are not attributable to a specific Compartment, will be charged to all Compartments in proportion to their net assets. Each Compartment will be charged with all costs or expenses directly attributable to it. The costs for the constitution of the Company will be amortized during a period of 5

year and will be charged to the Compartments which will be initially launched. Further incorporated Compartments will only bear the initial costs relating to their own launching.

## 10. TAXATION

### I. The Company

Under current law and practice, the Company is not liable to any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax.

However, any Class reserved to retail investors is liable in Luxembourg to a "*taxe d'abonnement*" of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the total net asset value of each Class at the end of the relevant quarter.

Any Class reserved to institutional investors is liable in Luxembourg to a "*taxe d'abonnement*" of 0.01% per annum of their net assets. Such tax being payable quarterly and calculated on the total net asset value of each Class at the end of the relevant quarter.

Compartments whose exclusive policy is the collective investment in money market instruments and the placing of deposits with credit institutions or the collective investment in deposits with credit institutions, qualify for the reduced "*taxe d'abonnement*" of 0.01% per annum.

No tax is payable in Luxembourg on realised or unrealised capital appreciation of the assets of the Company. Although the Company's realised capital gains, whether short- or long-term, are not expected to become taxable in another country, the Shareholders must be aware and recognise that such a possibility, though quite remote, is not totally excluded.

The regular income of the Company from some of its securities as well as interest earned on cash deposits in certain countries may be liable to withholding taxes at varying rates, which normally cannot be recovered.

As a result of recent developments in EU law concerning the scope of the VAT exemption for management services rendered to investment funds, VAT on some of the fees paid out of the assets of the Company to remunerate service providers might be applied.

### II. Shareholders

#### i. Taxation of Luxembourg resident Shareholders

##### 1. Individual Shareholders

Dividends and other payments derived from the Shares by resident individuals shareholders, 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 with a top effective marginal rate for the year 2018 of 40% for a taxable income of more than EUR 100.000 (class 1 and 1a taxpayers) / EUR 200.000 (class 2 taxpayers, i.e. household of 2 persons). The maximum aggregate income tax rate will thus be of 42.8% (including the solidarity surcharge of 7%) for a taxable income ranging from EUR 100,000 to EUR 150,000 for class 1 and 1a taxpayers (or EUR 200,000 to EUR 300,000 for class 2 taxpayers) and 43.6% (including the solidarity surcharge of 9%) for a taxable income exceeding EUR 150,000 for class 1 and 1a taxpayers (or EUR 300,000 for class 2 taxpayers). Under current Luxembourg tax laws, 50% of the gross amount of dividends received by resident individuals from (i) a fully-taxable Luxembourg resident company limited by share capital (*société de capitaux*), (ii) a company limited by share capital (*société de capitaux*) resident in a State with which Luxembourg has concluded a double tax treaty and liable to a tax corresponding to Luxembourg corporate income tax or (iii) a company resident in a EU Member State and covered by Article 2 of the EU Parent-Subsidiary Directive is exempt from income tax.

A tax credit is as a rule granted for the 15% withholding tax.

Capital gains realised on the disposal of the Shares by resident individual shareholders, who act in the course of the management of their private wealth, are not subject to 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 gains and are subject to income tax at ordinary rates if the Shares are disposed of within six months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual shareholder holds, either alone or together with his spouse/partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the Company. Capital gains realised on a substantial participation more than six 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 shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within five 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 five-year period). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the Shares.

Capital gains realised on the disposal of the Shares by resident individual shareholders, who act in the course of their professional / business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

## **2. Luxembourg corporate Shareholders**

Dividends and other payments derived from the Shares by a Luxembourg fully-taxable resident company are subject to corporate income tax and municipal business tax, unless the conditions of the participation exemption regime, as described below, are satisfied.

Should the conditions of the participation exemption not be fulfilled, 50% of the dividends received by a Luxembourg fully-taxable resident company from the Company are exempt from corporate income tax and municipal business tax. A tax credit is as a rule granted for the 15% withholding tax and any excess may be refundable.

Under the participation exemption regime, dividends derived from the Shares by a Luxembourg fully-taxable resident company may be exempt from income tax if cumulatively (i) the shareholder is a Luxembourg resident fully-taxable company and (ii) at the time the dividend is put at the shareholder's disposal, the shareholder has held or commits itself to hold for an uninterrupted period of at least 12 months a Qualified Shareholding in the Company. Liquidation proceeds are assimilated to receive dividends for the purpose of the participation exemption and may be exempt under the same conditions. Shares held through a fiscally transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

Capital gains realised by a Luxembourg fully-taxable resident company on the Shares are subject to income tax at ordinary rates, unless the conditions of the participation exemption regime, as described below, are satisfied. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

Under the participation exemption regime, capital gains realised on the Shares by a Luxembourg fully-taxable resident company may be exempt from income tax at the level of the shareholder if cumulatively (i) the shareholder is a Luxembourg resident fully-taxable company and (ii) at the time the capital gain is realised, the shareholder has held or commits itself to hold for an uninterrupted period of at least 12 months Shares representing a direct participation (a) in the share capital of the Company of at least 10% or (b) of an acquisition price of at least EUR 6,000,000. Shares held through a fiscally transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

### 3. Tax exempt Shareholders

A shareholder who is either (i) an undertaking for collective investment subject to the amended law of 20 December 2002 or the 2010 Law, (ii) a specialised investment fund governed by the law of 13 February 2007, or (iii) a family wealth management company governed by the law of 11 May 2007, is exempt from income tax in Luxembourg. Dividends derived from and capital gains realised on the Shares are thus not subject to income tax in their hands.

### 4. Inheritance tax and gift tax

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

#### ii. Taxation of Luxembourg non-residents Shareholders

##### 1. Income tax

Non-resident shareholders who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable are generally not liable to any Luxembourg income tax, whether they receive payments of dividends or realise capital gains upon sale of Shares, except for a potential withholding tax (see above) and/or capital gains realised on a substantial participation (see above) (i) before the acquisition or within the first six months of the acquisition thereof or (ii) when the beneficiary was a Luxembourg tax resident for more than 15 years and became a non-resident less than 5 years prior to the realisation of the said capital gains that are subject to income tax in Luxembourg at ordinary rates (subject to the provisions of an applicable double tax treaty).

Dividends received by a Luxembourg permanent establishment or permanent representative, as well as capital gains realised on the Shares, are subject to Luxembourg income tax, unless the conditions of the participation exemption regime are satisfied i.e. if cumulatively (i) the Shares are attributable to a qualified permanent establishment ("**Qualified Permanent Establishment**") and (ii) at the time the dividend is put at the disposal of the Qualified Permanent Establishment, it has held or commits itself to hold for an uninterrupted period of at least 12 months a Qualified Shareholding. A Qualified Permanent Establishment means (a) a Luxembourg permanent establishment of a company covered by Article 2 of the EU Parent-Subsidiary Directive, (b) a Luxembourg permanent establishment of a company limited by share capital ("*société de capitaux*") resident in a State having a tax treaty with Luxembourg and (c) a Luxembourg permanent establishment of a company limited by share capital ("*société de capitaux*") or a cooperative society ("*société cooperative*") resident in the European Economic Area other than a EU Member State. If the conditions of the participation exemption are not fulfilled, 50% of the gross amount of dividends received by a Luxembourg permanent establishment or permanent representative is exempt from income tax. A tax credit is further granted for the 15% withholding tax.

Under the participation exemption regime, capital gains realised on the Shares may be exempt from income tax if cumulatively (i) the Shares are attributable to a Qualified Permanent Establishment and (ii) at the time the capital gain is realised, the Qualified Permanent Establishment has held or commits itself to hold for an uninterrupted period of at least twelve months Shares representing a direct participation in the share capital of the Company (a) of at least 10% or (b) of an acquisition price of at least EUR 6,000,000.

#### 2. Automatic Exchange of Information (AEI) / Directive on Administrative Cooperation in the field of taxation (DAC)

In February 2014, the OECD released the main elements of a global standard for automatic exchange of financial account information in tax matters, namely a Model Competent Authority Agreement and a Common Reporting Standard (CRS). In July 2014, the OECD Council released the full global standard, including its remaining elements, namely the Commentaries on the Model Competent Authority Agreement and Common Reporting Standard and the Information Technology Modalities for implementing the global

standard. The entire global standard package was endorsed by G20 Finance Ministers and Central Bank Governors in September 2014. The CRS initiates for participating jurisdiction a commitment to implement the latter regulation by 2017 or 2018 and ensuring the effective automatic exchange of information with their respective relevant exchange partners.

With respect to the European Union – and thus Luxembourg – the scope of information to be reported already envisaged in Article 8(5) of Directive 2011/16/UE DAC has been extended as to encompass the recommendations contained in the AEI. As such, all members of the European Union will effectively exchange information as of September 2017 with respect to calendar year 2016 (except Austria that will start reporting in 2018 regarding calendar year 2017).

The AEI has been fully implemented in Luxembourg by a law published on 24 December 2015 in the Luxembourg Gazette. The AEOI Law has officially entered into force on 1 January 2016 in Luxembourg.

The application of one or the other of these regulations will compel financial institutions to determine shareholders' residence(s) for tax purposes and to report to their local competent authority all accounts held by reportable shareholders (i.e. shareholders residing for tax purposes in a reportable jurisdiction). The information to be reported encompasses the name, the address, the Tax Identification Number (TIN) the account balance or value at the end of the relevant calendar year. As to determine shareholders' residence for tax purposes, financial institutions will review the information contained in its customer's files. Unless the shareholder produces a valid self-certification indicating the latter's residence for tax purposes, the financial institution will report the account as being maintained by a shareholder residing in all jurisdictions for which indicia has been found.

### **iii. FATCA rules**

FATCA is part of the U.S. Hiring Incentives to Restore Employment Act. It is designed to prevent U.S. tax payers from avoiding U.S. tax on their income by investing through foreign financial institutions and offshore funds.

FATCA applies to so called Foreign Financial Institutions (FFIs), which notably include certain investment vehicles ("Investment Entities"), among which UCITS.

According to FATCA Rules, FFIs, unless they can rely under ad-hoc lighter or exempted regimes, need to register with the IRS and to report to the IRS certain holdings by/ and payments made to a) certain U.S. investors b) certain U.S. controlled foreign entity investor, c) non U.S. financial institution investors that do not comply with their obligations under FATCA and d) clients that are not able to document clearly their FATCA status.

Moreover, any account that is not properly documented will have to suffer a 30% WHT.

On 24 March 2014, the Luxembourg and U.S. governments entered into a Model I IGA which aims to coordinate and facilitate the reporting obligations under FATCA with other U.S. reporting obligations of Luxembourg financial institutions.

According to the terms of the IGA, Reporting Luxembourg FFIs will have to report to the Luxembourg tax authorities instead of directly to the IRS. Information will be communicated onward by the Luxembourg authorities to the IRS under the general information exchange provisions of the U.S. Luxembourg income tax treaty.

Under FATCA Rules, the Company will adopt the status of Reporting Foreign Financial Institution.

## 11. GENERAL INFORMATION ON THE COMPANY

### I. Share capital

The Company is an investment company organised as a *société anonyme* under the laws of the Grand-Duchy of Luxembourg and qualifies as a *société d'investissement à capital variable* (SICAV) subject to Part I of the 2010 Law. The Company has been incorporated on 16 April 2019 and registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B233982. The Articles will be published on 30 April 2019 in the *Recueil des Sociétés et Associations*. The Articles have been filed with the *Registre de Commerce et des Sociétés* of Luxembourg.

The initial capital for incorporation is EUR 31,000, represented by 310 shares of no par value. The minimum assets under management ("AuM") of the Company is EUR 1,250,000 or its equivalent in another currency. The minimum AuM must be reached within a period of 6 months from the approval of the Company.

Accounts for the Company are expressed in Euro and the Compartment Accounts are expressed in the Base Currency of each Compartment.

### II. The Shares

Shares will be issued in registered form. Fractional entitlements to Shares will be rounded to 2 decimal places. Subject to the restrictions described herein, Shares in each Compartment are freely transferable and are each entitled to participate equally in the profits and liquidation proceeds attributable to each Class of the relevant Compartment. The rules governing such allocation are set forth under Section "Allocation of Assets and Liabilities among the Compartments".

The Shares, which are of no par value and which must be fully paid upon issue, carry no preferential or preemptive rights and each one is entitled to one vote at all meetings of Shareholders. Shares redeemed by the Company become null and void.

Should the Shareholders, at an annual general meeting, decide any distributions in respect of distribution Shares (if issued) these will be paid within one month of the date of the annual general meeting. Under Luxembourg law, no distribution may be decided as a result of which the Net Assets of the Company would become less than the minimum provided for under Luxembourg law.

### III. Meetings

The annual general meeting of Shareholders will be held at the registered office of the Company in Luxembourg on third Tuesday of May of each year, with the first annual general meeting taking place in 2020, or, if such day is a not a Business Day on the following Business Day, and notices will be sent to the holders of registered Shares recorded by the Transfer Agent in the Share register of the Company by post at least 8 calendar days prior to the meeting at their addresses shown on the register of Shareholders. Such notices will include the agenda and will specify the time and place of the meeting and the conditions of admission. They will also refer to the rules of quorum and majorities required by Luxembourg law and in the Articles of the Company.

Each Share confers the right to one vote. The vote on the payment of a dividend on a particular Class requires a separate majority vote from the meeting of Shareholders of the Class concerned.

Any change in the Articles affecting the rights of a Compartment must be approved by a resolution of the Shareholders of the Compartment concerned.

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

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

### **I. Allocation of assets and liabilities among the Compartments**

For the purpose of allocating the assets and liabilities between the Compartments, the Board of Directors has established a pool of assets for each Compartment in the following manner:

- a) the proceeds from the issue of each Share of each Compartment are to be applied in the books of the Company to the pool of assets established for that Compartment and the assets and liabilities and income and expenditure attributable thereto are applied to such pool subject to the provisions set forth hereafter;
- b) where any asset is derived from another asset, such derivative asset is applied in the books of the Company to the same pool as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value is applied to the relevant pool;
- c) where the Company incurs a liability which relates to any asset of a particular pool or to any action taken in connection with an asset of a particular pool, such liability is allocated to the relevant pool;
- d) upon the payment of dividends to the holders of Shares in any Compartment, the net asset value of such Compartment shall be reduced by the amount of such dividends.
- e) If there have been created within each Compartment different Classes of Shares, the rules shall mutatis mutandis apply for the allocation of assets and liabilities amongst Classes.

The Net Asset Value of Shares of each Compartment shall be expressed in the Base Currency of the relevant Compartment. The Net Asset Value shall be determined by the Administration Agent on each Calculation Day and on any such day that the Board may decide from time to time by dividing the net assets of the Company attributable to each Compartment by the number of outstanding Shares of that Compartment.

### **II. Determination of the Net Asset Value**

The value of the assets of each Class of Shares of each Compartment is determined as follows:

#### **i. The assets of the Company contain the following:**

- a) all fixed-term deposits, money market instruments, cash in hand or cash expected to be received or cash contributions including interest accrued;
- b) all debts which are payable upon presentation as well as all other money claims including claims for purchase price payment not yet fulfilled that arise from the sale of investment fund Shares or other assets;
- c) all UCITS and UCIs shares or units;
- d) all dividends and distributions due in favour of the Company, as far as they are known to the Company;
- e) all interest accrued on interest-bearing securities that the Company holds, as far as such interest is not contained in the principal claim;
- f) all financial rights which arise from the use of Financial Derivative Instruments;
- g) the provisional expenses of the Company, as far as these are not deducted, under the condition that such provisional expenses may be amortised directly from the capital of the Company;
- h) all other assets of whatever type or composition, including prepaid expenses.

**ii. The value of such assets is fixed as follows:**

- (a) UCITS and UCIs are valued at their last available net asset value.
- (b) Liquid assets are valued at their nominal value plus accrued interest.
- (c) Securities or financial instruments admitted for official listing on a regulated market are valued on the basis of the last available closing price at the time when the valuation is carried out. If the same security is quoted on more regulated markets, the quotation on the principal market for this security will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be made in good faith by the Board of Directors or their delegate.
- (d) Unlisted securities or financial instruments are valued on the basis of their probable value realisation as determined by the Board of Directors or their delegate using valuation principles which can be examined by the auditor of the Company, in order to reach a proper and fair valuation of the total assets of each Compartment.
- (e) Any other assets are valued on the basis of their probable value realisation as determined by the Board of Directors or their delegate using valuation principles which can be examined by the auditor of the Company, in order to reach a proper and fair valuation of the total assets of each Compartment.
- (f) OTC derivative financial instruments must be valued at their «fair value» in accordance with ESMA Guidelines 10-788 and CSSF Circular 11/512.
- (g) In the event that it is impossible or incorrect to carry out a valuation in accordance with the above rules owing to particular circumstances, the Board of Directors or their delegate shall be entitled to use other generally recognised valuation principles which can be examined by an auditor, in order to reach a pro-per valuation of the total assets of each Compartment.

**iii. The liabilities of the Company contain the following:**

- (a) all loans, bills of exchange and other sums due, including deposits of security such as margin accounts, etc. in connection with the use of Financial Derivative Instruments; and
- (b) all administrative expenses that are due or have been incurred, including the costs of formation and registration at the registration offices as well as legal fees, auditing fees, all fees of the Management Company, the Administration Agent, the Depositary and all other representatives and agents of the Company, the costs of mandatory publications, the Prospectus and the KIID, conclusions of transactions and other documents which are made available to the Shareholders. If the fee rates agreed between the Company and the employed service providers (such as the Management Company, the Administration Agent, Depositary) for such services deviate with regard to individual Classes, the corresponding varying fees shall be charged exclusively to the respective Class; and
- (c) all known liabilities, whether due or not, including dividends that have been declared but not yet been paid; and
- (d) a reasonable sum provided for taxes, calculated as of the day of the valuation as well as other provisions and reserves approved by the Board of Directors; and
- (e) all other liabilities of the Company, of whatever nature, vis-à-vis third parties; however, each Compartment shall be exclusively responsible for all debts, liabilities and obligations attributable to it.

For the purpose of valuing its liabilities, the Company may include all administrative and other expenses of a regular or periodic nature by valuing these for the entire year or any other period and apportioning the resulting amount proportionally to the respective expired period of time. The method of valuation may only apply to administrative or other expenses which concern all of Shares equally.



**iv. For the purpose of valuation within the scope of this chapter, the following applies:**

- (a) Shares that are redeemed in accordance with the provisions of the Prospectus shall be treated as existing Shares and shall be posted until immediately after the point in time set by the Board of Directors for carry out the valuation; from this point in time until the price is paid, they shall be treated as a liability of the Company; and
- (b) All investments, cash in hand and other assets of any fixed assets that are not in the denomination of the Share Class concerned shall be converted at the exchange rate applicable on the day of the calculation of net asset value, taking into consideration their market value; and
- (c) On every Valuation Day, all purchases and sales of securities which were contracted by the Company on this very Valuation Day must be included in the valuation to the extent possible.

**III. Net Asset Value suspension**

The Net Asset Value of the Shares of any Compartment is calculated on each Calculation Day.

The calculation of the Net Asset Value of the Shares of any Compartment and the issue, redemption, and conversion of the Shares of any Compartment may be suspended in the following circumstances, in addition to any circumstances provided for by law:

- during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed which is the principal market or stock exchange for a significant part of the Compartment's investments, or in which trading is restricted or suspended,
- during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of the Compartment, or it is impossible to transfer money involved in the acquisition or disposal of investments at normal rates of exchange, or it is impossible to fairly determine the value of any assets in the Compartment,
- during any breakdown in the means of communication normally employed in determining the price of any of the Compartment's investments or the current prices on any stock exchange,
- when for any reason beyond the control of the Board of Directors, the prices of any investment held by the Compartment cannot be reasonably, promptly or accurately ascertained,
- during any period when remittance of money which will or may be involved in the purchase or sale of any of the Compartment's investments cannot, in the opinion of the and/or the Board of Directors, be effected at normal rates of exchange;.
- in the event of the publication of the convening notice to a general meeting of Shareholders at which a resolution to wind up or merge the Company or one or more Compartment(s) is to be proposed, or
- when calculating the net asset value of a UCITS/UCIs in which the Company has invested a substantial portion of the assets of one or more Compartments or one or more classes is suspended or unavailable, or where the issue, redemption or conversion of shares or units of such UCITS or other UCI is suspended or restricted.

Furthermore, in the case of a Compartment being a feeder of another master UCITS or Compartment of a UCITS, the feeder Compartment may temporarily suspend the calculation of the Net Asset Value as well as the redemption, conversion or subscription of its shares, when its Master UCITS temporarily suspends the redemption, conversion or subscription of its shares/units, whether this be at its own initiative or at the request of its competent authorities, for a period identical to the period of suspension imposed on the Master UCITS.

In case of suspension of the calculation of the Net Asset Value and of the issue, redemption, and conversion of Shares for reasons as stated above for a period of more than three days, a notice shall be published in a daily newspaper in Luxembourg and in another newspaper generally circulating in jurisdictions in which the Company is registered.

Such suspension as to any class of Shares shall have no effect on the calculation of the Net Asset Value per share, the issue, redemption and conversion of shares of any other class of Shares.

### **13. BEST EXECUTION POLICY**

There will be implemented all reasonable measures to ensure the best possible result for the Company, when executing orders. In determining what constitutes best execution, it will be considered a range of different factors, such as price, liquidity, speed and cost, among others, depending on their relative importance based on the various types of orders or financial instrument. Transactions are principally executed via brokers that are selected and monitored on the basis of the criteria of the best execution policy.

The Reference Currency of the Company is the Euro. The afore said reports will comprise consolidated accounts of the Company expressed in Euro as well as individual information on each Compartment expressed in the Base Currency of each Compartment.

### **14. MERGER OR LIQUIDATION OF COMPARTMENTS/ OF CLASS OF SHARES/ OF THE COMPANY**

#### **I. Liquidation of a Compartment or Class of Share**

The Board of Directors may decide to liquidate any Compartment or Class of Shares if a change in the economic or political situation relating to the Compartment or Class of Shares concerned would justify such liquidation or if required by the interests of the Shareholders of any of the Compartments or Class of Shares concerned. The decision of the liquidation will be notified to the Shareholders concerned prior to the effective date of the liquidation and the notification will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board of Directors otherwise decides in the interests of the Shareholders of the Compartment or Class of Shares concerned, they may continue to request redemption or conversion of their Shares on the basis of the applicable Net Asset Value, taking into account the estimated liquidation expenses. Assets which could not be distributed to their beneficiaries upon the close of the liquidation of the Compartment will be deposited with the *Caisse de Consignation* on behalf of their beneficiaries.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the Shareholders of any Compartment or Class of Shares, as applicable, may also decide to terminate such Compartment or Class of Shares at a general meeting of such Shareholders and have the Company redeem compulsory all the shares of the Compartment or Class of Shares at the net asset value per share for the applicable valuation day. The convening notice to the general meeting of Shareholders of the Compartment or Class of Shares will indicate the reasons for and the process of the proposed termination and liquidation. Such general meeting will decide by resolution taken with a quorum of one half of the share capital of the relevant Compartment or Class of Shares, as appropriate, with a majority of at least two thirds of the votes validly cast at the meeting.

#### **II. Merger of Compartment or Class of Shares**

##### **i. Merger of Compartment**

In addition, the Board of Directors may decide, in compliance with the procedures laid down in Chapter 8 of the 2010 Law, to merge any Compartment with another UCITS or a Compartment within such UCITS (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) under the provisions of Directive 2009/65/EC.

The above shall apply for a Compartment being either a merging UCITS or a receiving UCITS in the context of a cross-border and domestic merger.

Any Compartment may, either as a merging Compartment or as a receiving Compartment, be subject to mergers with another Compartment of the Company in accordance with the definitions and conditions set out in the 2010 Law. The Board of Directors will be competent to decide on the effective date of such a merger. Insofar as a merger requires the approval of the Shareholders pursuant to the provisions of the 2010

Law, the meeting of Shareholders deciding by simple majority of the votes cast by Shareholders present or represented at the meeting, is competent to approve the effective date of such a merger. No quorum requirement will be applicable. Only the approval of the Shareholders of the Compartment concerned by the merger will be required.

A merger that has as a result that the Company ceases to exist needs to be decided at a general meeting of Shareholders and certified by a notary. 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 and voting at such meeting.

#### **ii. Merger of Class of Shares**

At any time, the Board of Directors may decide to proceed with a merger of any Class of Shares with another existing Class of Shares within the Company or class of shares within another undertaking for collective investment organised under the provisions of Part I of the 2010 Law or under the legislation of a Member State implementing the UCITS Directive.

In addition, a merger of Classes of Shares may be decided upon by a general meeting of the Shareholders of Class of Shares issued in the Compartment concerned for which there shall be no quorum requirements and which will decide upon such merger by resolution taken by simple majority of the votes cast.

### **III. Liquidation of the Company**

The Company is incorporated for an unlimited period and liquidation shall normally be decided upon by an extraordinary general meeting of Shareholders. Such a meeting must be convened by the Board of Directors within 40 calendar days if the net assets of the Company become less than two thirds of the minimum capital required by law. The meeting, for which no quorum shall be required, shall decide on the dissolution by a simple majority of Shares represented at the meeting. If the net assets fall below one fourth of the minimum capital, the dissolution may be resolved by Shareholders holding one fourth of the Shares at the meeting.

Should the Company be liquidated, such liquidation shall be carried out in accordance with the provisions of the 2010 Law and which specifies the steps to be taken to enable Shareholders to participate in the liquidation distributions and in this connection provides for deposit in escrow at the *Caisse de Consignation* in Luxembourg of any such amounts which it has not been possible to distribute to the Shareholders at the close of liquidation. Amounts not claimed within the prescribed period are liable to be forfeited in accordance with the provisions of Luxembourg law. The net liquidation proceeds of each Compartment shall be distributed to the Shareholders of the relevant Compartment in proportion to their respective holdings.

### **IV. Merger of the last sub-fund of the Company**

A merger that has as a result that the Company ceases to exist needs to be decided at a general meeting of shareholders and certified by a notary. 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 and voting at such meeting.

## **15. INFORMATION AVAILABLE TO INVESTORS**

### **I. Material contracts**

The following material contracts have been entered into:

- (a) The Management Company Agreement between the Company and Alpha Investor Services Management, pursuant to which the latter acts as management company of the Company. This agreement is entered into for an unlimited period and may be terminated by either party upon six months written notice.
- (b) The Depositary Agreement between the Company and CACEIS Bank, Luxembourg Branch pursuant to which the latter was appointed depositary. This agreement is entered into for an unlimited period and may be terminated by either party upon three months' written notice.

- (c) The Domiciliary Services Agreement between the Company and CACEIS Bank, Luxembourg Branch pursuant to which the latter was appointed domiciliary agent. This agreement is entered into for an unlimited period and may be terminated by either party upon three months' written notice.
- (d) The Central Administration Services Agreement between the Company, Alpha Investor Services Management and CACEIS Bank, Luxembourg Branch pursuant to which the latter acts as administrative agent, registrar and transfer agent of the Company. This agreement is entered into for an unlimited period and may be terminated by either party upon three months written notice.

## **II. Reports and accounts**

Audited annual reports shall be published within 4 months following the end of the accounting year and unaudited semi-annual reports shall be published within 2 months following the period to which they refer. The annual and semi-annual reports shall be made available at the registered offices of the Company, the Depositary, the representatives and paying agents during ordinary office hours. The Company's accounting year ends on 31 December each year and the first accounting year will end on 31 December 2019.

## **III. Additional documents made available to Shareholders and Investors**

Copies of the material contracts mentioned above are available for inspection, and copies of the Articles, of the current Prospectus, the KIID for the Compartments, the latest financial reports, the notices to Shareholders, the Best execution policy, the complaint handling policy, the policy for managing conflicts of interest, and the voting rights associated with portfolio securities, the Management Company remuneration policy. Also at the registered office of the Management Company investors and Shareholders may access and get copies of all of the above documents as well as other relevant documents, such as the Articles, and the Material Agreements referred to above. These documents may be obtained free of charge during normal office hours at the registered office of the Company in Luxembourg.

## **IV. Publication of notices**

Notice of any material change to the Company or its Compartment will be mailed to the Shareholders at their address of record. If applicable, the Prospectus will also be revised and made available.

Net Asset Value and notices of dividends for all existing Share Classes of all Compartments is made available from the registered office, and through other financial and media outlets as determined by the Board.

Information on past performance appears in the KIID for each Compartment, by Share Class, and in the Shareholder reports. Audited annual reports are issued within four months of the end of the financial year. Unaudited semi-annual reports are issued within two months of the end of the period they cover.

## **V. Complaints handling**

Shareholders of each Compartment of the Company may file complaints free of charge with the Management Company in an official language of their home country.

Shareholders can access the complaints handling procedure on [www.aism.lu](http://www.aism.lu)

## APPENDIX 1: KYRON UCITS SICAV- Fixed Income Fund

### 1. Investment objective and policy of the Compartment:

<p><b>General objective</b></p>	<p>The objective of the Compartment is to offer investors long term net positive performance with exposure to low risks, both in terms of credit and interest rate risks.</p>
<p><b>Benchmark of reference</b></p>	<p>The Compartment will seek to outperform the index <b>Bloomberg Barclays US Aggregate 1-3 years Total Return Value Unhedged USD</b>.</p> <p>The Benchmark index has been chosen for being the index most representative of the market to which the Compartment is seeking exposure.</p> <p>The Benchmark constituents are short-term liquid bonds, all with investment grade status, whose prices are highly verifiable.</p> <p>For additional information regarding the main features of the Benchmark, please refer to Section 3 below.</p> <p>The Compartment is managed actively against the Benchmark. The Management Company selects a short list of bonds from the Benchmark, together with other securities outside the Benchmark. The average portion of securities selected outside the Benchmark index is around 20%.</p>
<p><b>Investment strategy</b></p>	<p>The Compartment offers exposure to fixed income securities issued by governments, government agencies, supranational institutions as well as corporations.</p> <p>In order to achieve the General Objective, the Compartment will combine a Top down and a Bottom up approach.</p> <p>The Top down approach is based on an analysis of macro-economic variables to define the interest rates curve exposure and overall duration exposure of the Compartment.</p> <p>The Bottom up approach is based on a fundamental analysis of issuers and single bonds to identify specific industry or country opportunities. The Compartment does not focus on a particular industry and will look at opportunities across all sectors of the economy.</p> <p>Such fundamental analysis will serve to select securities with the desired risk/return profile both from and outside the Benchmark.</p> <p>At least 80% of the Compartment is invested in investment grade bonds (with a rating equal to BBB- or higher) and up to 20% in sub-investment grade bonds (high yield bonds) should the Management Company identify a particular opportunity. Investment in sub-investment grade bonds shall have a rating equal to B- (or equivalent) or higher from S&amp;P, Moody's or Fitch.</p> <p>All and any issuer, whose securities are included from time to time in the Benchmark, are eligible issuers for the Compartment. Target investments will be in majority in US issuers, consistent with the Benchmark regional exposure.</p>

	<p>To a limited extent (no more than 10% of the portfolio), the exposure to fixed income securities may be achieved indirectly through investments in other UCITS with fixed income strategy, including UCITS ETFs. The Compartment will not invest in UCIs.</p> <p>The target UCITS may, according to their prospectus, use leverage techniques. The global exposure, calculated via the Commitment Approach, takes into account the leverage used by the target UCITS, after deduction of potential hedging and netting effects to the extent permitted by the applicable laws and regulations.</p> <p>The Compartment will not invest in exotic bonds or in bonds presenting unusual risks such as Distressed Securities or contingent convertibles ("Coco Bonds"), neither directly or indirectly.</p> <p>Exposure to Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS) may only be indirect through investment in other UCITS.</p> <p>The Compartment can use listed derivatives on fixed income securities, such as liquid options and futures, for investment purposes in order to gain additional exposure to the market and for hedging purposes.</p> <p>At least 80% of the total derivative exposure is expected to be in treasury futures and in corresponding listed options.</p> <p>Further detail on the objectives and the type of derivative used is provided under section "Use of Financial Derivative Instruments" below.</p>
<p><b>Use of Financial Derivative Instruments</b></p>	<p>The Compartment will use listed Financial Derivative Instruments in order to gain additional exposure to the target securities, for hedging purposes as well as for Efficient Portfolio Management.</p> <p>The following are Financial Derivative Instruments that are most likely going to be used for all the aforementioned purposes: futures on US Treasury bonds (2 years, 5 years, 10 years, 30 years) and corresponding listed options on those futures; futures on 3-months Eurodollar contracts and corresponding listed options on those futures; futures on German government bonds (2 years, 5 years, 10 years, 30 years) and corresponding listed options on those futures.</p> <p>The Compartment will not invest in securities embedding derivatives.</p> <p>The Compartment will <b>not</b> enter into credit default swaps (CDS).</p> <p>The maximum leverage through Financial Derivative Instruments due to the investment strategy of the Compartment is 40%, calculated via the Commitment Approach.</p>
<p><b>Liquidity</b></p>	<p>In addition to cash, short-term money market instruments and deposits with credit institutions may be held on an ancillary basis.</p>
<p><b>Techniques and Instruments for Efficient Portfolio Management</b></p>	<p>The Compartment will not enter into SFTs and total return swaps and other similar instruments.</p>
<p><b>Loans and borrowings</b></p>	<p>The Compartment may borrow not more than 10% of its assets provided that such borrowing is on a temporary basis.</p>

<b>Profile of the typical investor</b>	<ul style="list-style-type: none"> <li>– Interested in a net positive performance</li> <li>– Seeks low risk exposure and long-term growth of their investment in accordance with the investment strategy;</li> <li>– Can bear only limited losses especially in the short term</li> <li>– Has experience with the risks and rewards of fixed income investing</li> </ul>
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## 2. Base currency:

The Base Currency of the Compartment is the USD.

## 3. Benchmark:

Bloomberg Barclays US Aggregate 1-3 years Total Return Value Unhedged USD is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market with residual maturity between 1 and 3 years.

The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-through), ABS and CMBS (agency and non-agency).

The Administrator of the index Benchmark Barclays US Aggregate 1-3 years Total Return Value Unhedged USD is Bloomberg Index Services Limited, who is registered on the public register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation.

The Benchmark satisfies the index criteria defined in the UCITS Law and Article 9 of the Eligible Assets Directive.

The Benchmark is compliant with industry standards defined by IOSCO guidelines (please refer to <https://data.bloomberglp.com/indices/sites/2/2016/09/BISL-IOSCO-Statement-of-Compliance.pdf> for additional information). For further details about the index, please refer to the website:

<https://www.bloomberg.com/professional/product/indices/bloomberg-barclays-indices/#/>

The Management Company will monitor closely any development regarding the registration of the Benchmark with ESMA.

In such eventuality, the Management Company would consider to replace the Benchmark by another equivalent Index Benchmark as per the Benchmark Contingency Policy. In this case, the new reference benchmark will be reflected in the Prospectus as part of the next update of the document.

The Management Company has adopted written plans setting out actions, which it will take with respect to the Compartment in the event that any of the benchmarks used by the Compartment materially changes or ceases to be provided (the "Contingency Plans"), as required by article 28(2) of the Benchmarks Regulation. Investors may access the Contingency Plan free of charge upon request at the registered office of the Company.

## 4. Form of Shares and Classes

The Share Classes of the Compartment will only be issued in registered form.

Share Classes are all available in both Capitalization or Distribution form.

### Capitalization Share Classes

Share Classes	A1 Class	B1 Class	A1 Currency Hedged Class	B1 Currency Hedged Class
<b>ISIN Code</b>	LU1918786804	LU1918787018	LU1918787109	LU1918787281
<b>Category of the Shares</b>	Accumulation type	Accumulation type	Accumulation type	Accumulation type
<b>Investor Restriction</b>	Retail	Institutional	Retail	Institutional
<b>Valuation Currency</b>	USD	USD	EUR	EUR
<b>Minimum Subscription</b>	USD 1,000	USD 50,000	EUR 1,000	EUR 50,000
<b>Minimum Holding</b>	USD 1,000	USD 50,000	EUR 1,000	EUR 50,000
<b>Minimum Subsequent Subscription</b>	USD 1,000	USD 1,000	EUR 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	each Business Day	each Business Day	each Business Day	each Business Day
<b>Cut-off Time</b>	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day
<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 100	USD 100	EUR 100	EUR 100
<b>Management Fee</b>	1,30% per annum payable quarterly based on the Net Asset Value of the Share Class	0,65% per annum payable quarterly based on the Net Asset Value of the Share Class	1,30% per annum payable quarterly based on the Net Asset Value of the Share Class	0,65% per annum payable quarterly based on the Net Asset Value of the Share Class



<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes
<b>Performance Fee</b>	20% calculated and paid annually based on alpha over Benchmark, with High Water Mark and annual reset	20% payable annually and calculated on alpha over Benchmark with High Water Mark and annual reset	20% payable annually and calculated on alpha over Benchmark with High Water Mark and annual reset	20% payable annually and calculated on alpha over Benchmark with High Water Mark and annual reset
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes

<b>Administration Fee</b>	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment
<b>Depository Fee</b>	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

### Distribution Share Classes

Share Classes	C1 Class	D1 Class	C1 Currency Hedged Class	D1 Currency Hedged Class
<b>ISIN Code</b>	LU1933927417	LU1933927680	LU1933927847	LU1933928068
<b>Category of the Shares</b>	Distribution type	Distribution type	Distribution type	Distribution type
<b>Investor Restriction</b>	Retail	Institutional	Retail	Institutional
<b>Valuation Currency</b>	USD	USD	EUR	EUR
<b>Minimum Subscription</b>	USD 1,000	USD 50,000	EUR 1,000	EUR 50,000
<b>Minimum Holding</b>	USD 1,000	USD 50,000	EUR 1,000	EUR 50,000

<b>Minimum Subsequent Subscription</b>	USD 1,000	USD 1,000	EUR 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	each Business Day	each Business Day	each Business Day	each Business Day
<b>Cut-off Time</b>	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day
<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 100	USD 100	EUR 100	EUR 100
<b>Management Fee</b>	1,30% per annum payable quarterly based on the Net Asset Value of the Share Class	0,65% per annum payable quarterly based on the Net Asset Value of the Share Class	1,30% per annum payable quarterly based on the Net Asset Value of the Share Class	0,65% per annum payable quarterly based on the Net Asset Value of the Share Class
<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes

<b>Performance Fee</b>	20% calculated and paid annually based on alpha over benchmark, with High Water Mark and annual reset	20% payable annually and calculated on alpha over benchmark with High Water Mark and annual reset	20% payable annually and calculated on alpha over benchmark with High Water Mark and annual reset	20% payable annually and calculated on alpha over benchmark with High Water Mark and annual reset
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Administration Fee</b>	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment
<b>Depository Fee</b>	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment

<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

## 5. Performance Fee

The Performance Fee may be levied only in case there is a difference in favor of the Shareholders between the relative evolution of the Net Asset Value and the Barclays US Aggregate 1-3 years Total Return Value Unhedged USD (Return) Index (i.e. an outperformance). The Performance Fee by Share outstanding will be equivalent to 20 per cent of the positive excess of the net return of the Net Asset Value of the Compartment over the Benchmark Index (i.e. the outperformance) since the last Performance Fee payment or the end of the preceding calendar year, whichever is most recent.

The Performance Fee is calculated and accrued at each Valuation Day on the basis of Net Asset Value after deducting all expenses, including but not limited to Subscription and Redemption Fee, the Management Company Fee (but not the Performance Fee) and adjusting for redemptions during the relevant Performance Period. The performance is calculated on the basis of the performance of the Compartment portfolio against the Benchmark. Such Performance Fee will be payable annually in arrears and subject to High-Water Mark with annual reset at the end of December of each year. In the event of a downturn in performance of the Compartment during any Performance Fee Period, such fluctuation in the performance will be taken into account in the calculation of the Performance Fee to be paid at the end of the Performance Period. This means that the accruals for the Performance Fee calculated on a daily basis will be reduced accordingly. However, if a Performance Fee is paid at the end of a year, and the NAV per Share subsequently underperformed the Benchmark, no claw back provision will be made and past payment will therefore remain acquired to the Management Company.

In case of dividend distribution, the reference Net Asset Value (as described below) is adjusted. To perform this adjustment, the dividend per Share is deducted from the reference Net Asset Value. The reference Net Asset Value is the Net Asset Value per Share at the end of the preceding performance period.

In the event that a Shareholder redeems Shares prior to the end of the performance period, any accrued but unpaid Performance Fee in respect of such Shares will be kept and paid to the Management Company at the end of the relevant Performance Period. The Performance Fee amount kept into the Compartment is equal to the product of the Performance Fee accruals at the redemption date multiplied by the proportion of the redeemed Shares to the total number of Shares at this date.

The first performance period of any Share Class shall start on the date of the first subscription and will end at the completion of the relevant year. The subsequent Performance Periods shall start from the beginning of each following calendar year until the end thereof.

The Performance Fee is not expected to represent more than 7% of the total fees sustained by the Compartment.

## **6. Specific risk warning**

Investors in the Compartment should consider the following risks:

- Risk of investments in bonds, debt securities, fixed income products
- Risk relating to the use of Financial Derivative Instruments
- Risk relating to investment in units/shares of UCITS
- Risk relating to Credit Risk
- Risk relating to Interest Rate Risk
- Risk relating to Liquidity Risk
- Risk relating to Benchmark and Compartment performance risk
- Risk relating to the use of currency hedging techniques

## APPENDIX 2: KYRON UCITS SICAV- Equity Absolute Return Fund

### 1. Investment objective and policy of the Compartment:

<p><b>General objective</b></p>	<p>The objective of the Compartment is to achieve a long term positive absolute return with a short term moderate risk through a combination of capital growth and income.</p> <p>Capital growth and income will be balanced against each other, subject to market conditions, to meet the general objective of the Compartment.</p>
<p><b>Investment strategy</b></p>	<p>The Compartment offers exposure to global large capitalization stocks with a focus on US and EU corporations. Such stocks will be mainly among the following equity indexes: MSCI World, S&amp;P 500 and Stoxx Europe 600. The Compartment will not have constraints on the asset allocation of the portfolio in relation to any of these indexes.</p> <p>Investments may be either direct or indirect, through investment in other UCITS or through UCIs. Target UCIs meet the eligibility criteria defined in article 41(1)(e) of the 2010 Law according to their constitutional documents.</p> <p>Direct Investment in equities will represent between 30% and 60% of the Compartment's Net Assets. Indirect Investments through UCITS and UCIs will represent between 20% and 70% of the Compartment's Net Assets. Investments in UCITS will represent between 20% and 60% of the Compartment's Net Assets depending on market opportunities. Investments in other UCIs may not exceed 10% of the Compartment's Net Assets.</p> <p>The Compartment can also use Financial Derivative Instruments to gain exposure to the targeted investment universe and currencies and for hedging purposes.</p> <p>In order to pursue the general objective, the Compartment will combine a Top down and a Bottom up approach to investments.</p> <p>The Top Down approach, through Macro-economic analysis, will define the overall net market exposure.</p> <p>The average expected range of the net market exposure will be between 20% and 60% with a maximum of 100%.</p> <p>The Bottom Up approach, through fundamentals analysis, will define the Compartment exposure towards particular stocks and/or industries. For the avoidance of doubt, the Compartment will not have a systematic industry bias.</p> <p>Target investments will be mostly denominated in USD and EUR. The average expected currency exposure to USD will be around 70% of the Compartment's invested assets with a minimum of 50%.</p> <p>Exposure to markets other than Developed Markets can be envisaged on a residual basis (maximum 10% of the Compartment's Net Assets). Such exposure will be preferably taken indirectly through diversified UCITS and UCIs. Direct</p>

investments in stocks of corporations from markets other than Developed Markets shall not represent more than 3%.

The maximum level of the Management Fees that may be charged both to the Compartment itself and to the target UCITS and/or other UCIs is expected to be 1,8% for the Compartment and 2% for the target UCITS and UCIs.

The target UCITS and UCIs may not themselves invest more than 10% of their net assets in other UCITS or UCIs.

Exposure to UCITS and UCIs with liquidity less frequent than weekly will be limited to 10% of the Compartment's Net Assets. UCIs with liquidity less frequent than monthly will not be considered.

Target UCITS vehicles may use leverage according to their prospectus.

Target UCIs vehicles may not use leverage.

The global exposure, calculated via the Commitment Approach, takes into account the leverage used by the Target UCITS, after deduction of potential hedging and netting effects to the extent permitted by the applicable laws and regulations.

The target UCITS and UCIs will have the following strategies:

- Long-Short Equity, or
- Macro, or
- Event Driven, or
- Relative Value

The UCITS and UCI may not necessarily invest in securities included in MSCI World, S&P 500 and Stoxx Europe 600.

Long-Short Equity strategies take long and short position in stocks to achieve positive performance regardless of market conditions. Such strategies may include long-only or short-only (inverse) funds.

According to market opportunities, the Compartment may also invest in UCITS and UCIs with other aforementioned alternative strategies:

- Macro strategies are based on an assessment of macro-economic conditions to take exposure on global markets.
- Event driven strategies are based on an assessment of current and potential corporate events (M&A, share buybacks, corporate restructurings) to benefit from potential market mispricing.
- Relative Value strategies are based on fundamental analysis to profit from arbitrage trades between pairs of securities which are mispriced.

For cash management purposes, the Compartment may also invest up to 20% of the Compartment's Portfolio in fixed income instruments issued by the Government of the United States of America with a residual time to maturity of less than one year.



<b>No Benchmark</b>	The Compartment is not tracking or trying to replicate or outperform any benchmark.
<b>Use of Financial Derivatives Instruments</b>	<p>The Compartment will make use of listed and OTC Financial Derivative Instruments in order to take exposure to global stock markets and currencies as well as to mitigate risk exposure (hedging) and for Efficient Portfolio Management.</p> <p>Financial Derivative Instruments commonly used for investment purposes and hedging purposes will be:</p> <ul style="list-style-type: none"> <li>– listed futures on mainstream stock indexes and corresponding listed options on those futures</li> <li>– listed options on large-cap stocks</li> <li>– listed dividend futures on single stocks or stock indexes</li> <li>– TRS (Total Return Swaps)</li> </ul> <p>The underlying of the above Financial Derivative Instruments will be selected among Developed Markets, having regard to liquidity and in compliance with the 2010 Law. At least 90% of such exposure will be on the following indexes or on their constituents: MSCI World, S&amp;P 500, Stoxx Europe 600.</p> <p>Financial Derivative Instruments are also used for Efficient Portfolio Management (please refer to the section below "Techniques and Instruments for Efficient Portfolio Management".)</p> <p>The maximum leverage through Financial Derivative Instruments due to the investment strategy of the Compartment is 80%, calculated as per the Global Exposure Calculation Methodology.</p>
<b>Liquidity</b>	Aside from cash, short-term money market instruments and deposits with credit institutions may be held on an ancillary basis.
<b>Techniques and Instruments for Efficient Portfolio Management</b>	<p>The following instruments are likely to be used regularly within the Compartment for the purpose of Efficient Portfolio Management.</p> <p><u>-TRS</u>: Total Return Swaps are contracts where one party transfers to another party the total performance of a reference assets, including all interest, fee income, market gains or losses, and credit losses. The Compartment would use TRS to implement pair trades (long a basket of stocks, short another basket of stocks). The contract typically involves leverage as only a margin deposit is required to open the contract. The average expected exposure to these instruments will be 20%.</p> <p>Instruments used will comply with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No. 648/2012 ("SFTR").</p> <p>Other Techniques and Instruments such as securities lending, repurchase and reverse repurchase agreements are excluded.</p>
<b>Loans and borrowings</b>	The Compartment may borrow not more than 10% of its assets provided that such borrowing is on a temporary basis.

<b>Profile of the typical investor</b>	Investors which: <ul style="list-style-type: none"> <li>- Can afford to set aside the capital for at least 2-3 years.</li> <li>- Whose investment objective is building up capital</li> <li>- Able to accept moderate temporary losses</li> </ul>
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## 2. Base currency

The Base Currency of the Compartment is the USD.

## 3. Form of Shares and Classes

The Share Classes of the Compartment will only be issued in registered form.

The following Share Classes are available in Capitalization and Distribution form.

### Capitalization Share Classes

Share Classes	A1 Class	A1 Currency Hedged Class	B1 Class	B1 Currency Hedged Class
<b>ISIN Code</b>	LU1918787364	LU1918787448	LU1918787521	LU1918787794
<b>Category of the Shares</b>	Accumulation	Accumulation	Accumulation	Accumulation
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	USD	EUR	USD	EUR
<b>Minimum Subscription</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum holding</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum subsequent Subscription</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	Each Business Day	Each Business Day	Each Business Day	Each Business Day
<b>Cut-off Time</b>	10:00 a.m. Luxembourg time each Valuation Day	10:00 a.m. Luxembourg time each Valuation Day	10:00 a.m. Luxembourg time each Valuation Day	10:00 a.m. Luxembourg time each Valuation Day

<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Management Fee</b>	1% per annum, payable quarterly, on the Net Asset Value of the Share Class	1% per annum, payable quarterly, on the Net Asset Value of the Share Class	1,80% per annum, payable quarterly, on the Net Asset Value of the Share Class	1,80% per annum, payable quarterly, on the Net Asset Value of the Share Class
<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes
<b>Performance Fee</b>	10% calculated on the net absolute performance with High Watermark, calculated and paid annually with annual reset	10% calculated on the net absolute performance with High Watermark calculated and paid annually with annual reset	10% calculated on the net absolute performance with High Watermark calculated and paid annually with annual reset	10% calculated on the net absolute performance with High Watermark calculated and paid annually with annual reset

<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum payable quarterly based on the Net Asset Value of the Compartment
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Administration Fee</b>	From 0.02% to 0.04% based on the AuM of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the AuM of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the AuM of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the AuM of the Compartment with minimum EUR 10,000 per year for the Compartment
<b>Depository Fee</b>	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

## Distribution Share Classes

Share Classes	C1 Class	C1 Currency Hedged Class	D1 Class	D1 Currency Hedged Class
<b>ISIN Code</b>	LU1933928225	LU1933928571	LU1933928738	LU1933928902
<b>Category of the Shares</b>	Distribution	Distribution	Distribution	Distribution
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	USD	EUR	USD	EUR
<b>Minimum Subscription</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum holding</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum subsequent Subscription</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	Each Business Day	Each Business Day	Each Business Day	Each Business Day
<b>Cut-off Time</b>	10:00 a.m. Luxembourg time each Valuation Day	10:00 a.m. Luxembourg time each Valuation Day	10:00 a.m. Luxembourg time each Valuation Day	10:00 a.m. Luxembourg time each Valuation Day
<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Management Fee</b>	1% per annum, payable quarterly based on the Net Asset Value of the Share Class	1% per annum, payable quarterly based on the Net Asset Value of the Share Class	1,80% per annum, payable quarterly based on the Net Asset Value of the Share Class	1,80% per annum, payable quarterly based on the Net Asset Value of the Share Class

<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes
<b>Performance Fee</b>	10% calculated on the net absolute performance with High Watermark, calculated and paid annually with annual reset	10% calculated on the net absolute performance with High Watermark calculated and paid annually with annual reset	10% calculated on the net absolute performance with High Watermark calculated and paid annually with annual reset	10% calculated on the net absolute performance with High Watermark calculated and paid annually with annual reset
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum payable quarterly based on the Net Asset Value of the Compartment
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes

<b>Administration Fee</b>	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment
<b>Depository Fee</b>	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

#### 4. Performance fee

The Performance Fee may be levied only in case there is an absolute positive difference in favor of the Investor between the Net Asset Value and the previous registered level on the last Performance Fee payment (i.e. an absolute positive performance). The Performance Fee by Class of Share outstanding will be equivalent to 10 per cent of the positive excess absolute net return of the Class of Shares since the last Performance Fee payment.

If the Net Asset Value per Share is lower than the level registered in the valuation on the previous Performance Fee payment no provision for the Performance Fee shall be made. For avoidance of doubt the Performance Fee is subject to High-Water Mark with annual reset at the end of December of each year.

The Performance Fee is calculated and accrued at each applicable NAV on the basis of Net Asset Value after deducting all expenses, including but not limited to Subscription and Redemption fees, the Management Company Fee (but not the Performance Fee) and adjusting for redemptions during the relevant Performance Period. Such Performance Fee will be payable annually in arrears. In the event of a downturn in performance of the Compartment during any Performance Period, such fluctuation in the performance will be taken into account in the calculation of the Performance Fee to be paid at the end of the Performance Period. This means that the accruals for the Performance Fee calculated on a daily basis will be reduced accordingly.

In case of dividend distribution the reference Net Asset Value (as described below) is adjusted. To perform this adjustment, the dividend per Share is deducted from the reference Net Asset Value. The reference Net Asset Value is the Net Asset Value per Share at the end of the preceding Performance Period.

In the event that a Shareholder redeems Shares prior to the end of the Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be kept and paid to the Management Company at the end of the relevant Performance Period. The Performance Fee amount kept into the Compartment is equal to the product of the Performance Fee accruals at the Redemption Date multiplied by the proportion of the redeemed Shares to the total number of Shares at this date.

The first Performance Period of any Class shall start on the date of the first subscription and will end at the completion of the relevant year. The subsequent Performance Periods shall start from the beginning of each following calendar year until the end thereof.

The Performance Fee is not expected to represent more than 30% of the total fees sustained by the Compartment.

## **5. Specific risk warning**

Investors in the Compartment should consider the following risks:

- Risk related to equity markets
- Risk relating to investing in units/shares of UCI/UCITS
- Risk relating to derivative instruments, and in particular the sub-section relating to OTC derivatives and to the TRS instruments that the Compartment intends to use
- Risk relating to counterparty risk
- Risk relating to collateral management
- Risk relating to the use of currency hedging techniques.



## APPENDIX 3: KYRON UCITS SICAV- Global Corporate ESG Bond Fund

### 1. Investment objective and policy of the Compartment:

<p><b>General objective</b></p>	<p>The objective of the Compartment is to offer investors fixed income portfolio returns, mainly through exposure to investment grade global corporate issuers with moderate duration exposure while integrating environmental, social and governance ("ESG") considerations.</p>
<p><b>Guidelines</b></p>	<p>The weighted average rating of the portfolio of the Compartment must be at any time BBB- or higher. The weighted average rating will be calculated using the highest of the single issue ratings by the following rating agencies: Standard &amp; Poor's, Moody's and Fitch. No rating limits apply to any single issue. Non-rated single issues may represent up to 25% of the Compartment's net assets.</p> <p>The Compartment will seek to invest in companies or issuers with strong ESG considerations and the screening which is applied may exclude companies or issuers on the basis of the involvement in environmental damage, corruption, human rights issues, or inappropriate labour practices. Furthermore, the Investment Manager may be actively engaged with companies and issuers in order to review and assess their current and future ESG practices.</p> <p>The weighted average modified duration target will be approximately 4 years with a minimum of 1 year and a maximum of 6 years.</p>
<p><b>Sustainability</b></p>	<p>The Compartment takes ESG characteristics into account as part of its selection process. In that respect, the Compartment promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. For the assessment, areas like corporate strategy, corporate governance, transparency and the product and service range of a company are taken into account in the investment process and strategy.</p> <p>Issuers are assessed via an ESG and sustainability analysis based on the data, ratings and models of an ESG specialised provider (the "ESG Provider"), such as MSCI ESG Ratings, FTSE, Sustainalytics, or others determined from time to time by the Management Company. The ESG Provider model is designed to measure a company's resilience to long-term, industry material environmental, social and governance (ESG) risks. The ESG Provider uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. ESG ratings range from very positive (such as AAA, AA, or an equivalent notation which could be in numerical form) to very negative (such as B, CCC, or an equivalent notation which could be in numerical form). ESG ratings model typically covers one or more of the following elements:</p> <ul style="list-style-type: none"> <li>• <b>ESG ratings:</b> The Management Company uses ratings provided by the ESG Provider to assess the opportunity to invest in such an issuer. The rating methodology includes an assessment of the current company's practices and policies, business model, governance arrangements and other relevant issues.</li> <li>• <b>ESG controversies:</b> The Management Company uses analyses by the ESG Provider in relation to ESG-relevant issuer controversies that may be rated in a range according to their severity. The issuers will be flagged at the worst flag level</li> </ul>

	<p>of its controversies status. Controversies are an important evidence and alert to investors regarding potential harmful events. The Management Company will exclude every issuer with a controversy status flagged at the lowest level.</p> <ul style="list-style-type: none"> <li>• <b>ESG government ratings:</b> Governments are rated by the ESG Provider, by screening the policies and the public status with a similar rating system applicable to private companies, although underlying criteria and factors are different. The Management Company will include government ratings in the above exposed framework, as if they were private issuers.</li> </ul> <p>The Compartment's investment universe is determined by the Management Company by using information provided by the companies (i.e. the companies' sustainability reports) and third-party data providers.</p> <p>Further information about the ESG characteristics is available upon request or online at the website <a href="http://www.aism.lu">www.aism.lu</a>.</p>
<p><b>No Benchmark</b></p>	<p>The Compartment is not tracking or trying to replicate or outperform any benchmark.</p>
<p><b>Investment strategy</b></p>	<p>The Compartment offers exposure mainly to investment grade fixed income securities issued by companies domiciled in Developed Markets and/or companies which have the preponderance of their business activities in Developed Markets.</p> <p>The Compartment will combine a top-down and a bottom-up approach.</p> <p>The top-down approach is based on an analysis of macro-economic variables to define the interest rates curve exposure and overall duration exposure of the Compartment. The Compartment does not focus on a particular industry or country and will look at opportunities across all sectors of the economy. The Management Company will integrate ESG considerations by applying a top-down filter to exclude companies or issuers on the basis of the industry in which they participate, including (but not limited to) the manufacture of landmines, cluster munitions, adult entertainment or tobacco products.</p> <p>The bottom-up approach is based on a fundamental analysis of issuers and single bonds to identify specific industry, country or rating opportunities. The selection of the investments meets not only traditional financial analysis criteria but also ESG criteria.</p> <p>In order to undertake the analysis of the ESG criteria, the Investment Manager will use data provided by industry leading external ESG research providers (such as MSCI, FTSE, Sustainalytics, or others determined from time to time by the Management Company). At least 70% of the bonds in which the Compartment will be invested directly will have an ESG rating of BBB (or equivalent) or higher, and the average ESG rating of the bonds in the portfolio shall be BBB (or equivalent) or higher. For the purpose of the calculation of the average ESG rating of the bonds in the portfolio, bonds without a rating are assigned with the lowest rating.</p> <p>To a limited extent (and in no case more than 30% of the Compartment's net assets), the exposure to fixed income securities may be achieved indirectly through investments in other UCITS and/or UCIs with fixed income strategy (including ETFs) as well as closed-ended funds. Target UCIs meet the eligibility criteria defined in article 41(1) (e) of the 2010 Law according to their constitutional</p>

documents. The target closed-ended funds qualify as transferable securities and meet the eligibility criteria defined in the 2010 Law. Available ESG data on the constituents of the target UCITS/UCIs will be taken in consideration for the purposes of the average ESG rating set forth above.

None of the target UCITS or UCIs are managed by the Management Company or by an entity linked to the Management Company by common management or by a substantial direct or indirect holding.

The Compartment may use listed derivatives on fixed income securities, such as liquid options and futures mainly for hedging. However, they could also be used for investment purposes in order to gain additional exposure to the market.

At least 80% of the total derivative exposure is expected to be in US Treasury futures and in corresponding listed options.

Further detail on the objectives and the type of derivatives used is provided under section "Use of Financial Derivative Instruments" below.

The following rules apply to the Compartment's net assets in order to define the investment universe:

- Investment grade Developed Markets corporate issuers: minimum 50% of the Compartment's net assets and maximum 5% of the Compartment's net assets in a single issuer;
- Governmental issuers and quasi-governmental issuers (supranational, government agencies, government regionals and State-guaranteed issuers), excluding emerging markets: maximum 30% of the Compartment's net assets and maximum 10% of the Compartment's net assets in a single non-US issuer;
- Emerging markets issuers including government and quasi-government: maximum 30% of the Compartment's net assets and maximum 3% of the Compartment's net assets in a single issuer;
- High yield corporate issuers (non-investment grade): maximum 30% of the Compartment's net assets and maximum 3% of the Compartment's net assets in a single issuer;
- Subordinated issues: maximum 30% of the Compartment's net assets and maximum 3% of the Compartment's net assets in a single issuer;
- Convertible issues (excluding Coco Bonds): maximum 30% of the Compartment's net assets and maximum 3% of the Compartment's net assets in a single issuer;
- Developed Markets currencies: maximum 30% total net exposure in non-USD currencies and maximum 10% net exposure in any single non-USD currency issuer;
- Emerging markets currencies: maximum 30% maximum total net exposure and maximum 5% net exposure in any single currency.

The Compartment will not invest in exotic bonds or in bonds presenting unusual risks such as Distressed Securities or contingent convertible bonds ("Coco Bonds").

	<p>For the avoidance of doubt, the concentration limits outlined above may be derogated during the first 6 months from the launch date of the Compartment.</p> <p>Developed Markets and emerging markets currencies follow the MSCI (Morgan Stanley Capital International) definition.</p>
<b>Use of Financial Derivative Instruments</b>	<p>The Compartment will use listed Financial Derivative Instruments mainly for hedging purposes. However the Compartment can use them also to gain additional exposure to the target securities, as well as for Efficient Portfolio Management.</p> <p>The following are Financial Derivative Instruments that are most likely going to be used for all the aforementioned purposes: futures on US Treasury bonds (2 years, 5 years, 10 years, 30 years) and corresponding listed options on those futures; futures on 3-months Eurodollar contracts and corresponding listed options on those futures; futures on German government bonds (2 years, 5 years, 10 years, 30 years) and corresponding listed options on those futures; listed options on fixed income ETFs according to the investment strategy.</p> <p>The Compartment will <b>not</b> enter into credit default swaps (CDS).</p> <p>The maximum leverage through Financial Derivative Instruments due to the investment strategy of the Compartment is 30%, calculated as per the Commitment Approach.</p>
<b>Liquidity</b>	<p>In addition to cash, short-term money market instruments and deposits with credit institutions may be held on an ancillary basis.</p>
<b>Techniques and Instruments for Efficient Portfolio Management</b>	<p>Other than the aforementioned Financial Derivatives Instruments, the Compartment will not enter into Securities Financing Transactions or total return swaps. In any case the Use of Techniques and Instruments cannot result in a change of the Compartment Investment Objectives or add substantial supplementary risks in comparison to the Compartment general risk policy.</p>
<b>Loans and borrowings</b>	<p>The Compartment may borrow no more than 10% of its assets provided that such borrowing is on a temporary basis.</p>
<b>Profile of the typical investor</b>	<ul style="list-style-type: none"> <li>– Interested in a net positive performance</li> <li>– Seeks medium-low risk exposure and long-term growth of their investment in accordance with the investment strategy</li> <li>– Can bear only limited losses, especially in the short term</li> <li>– Has experience with the risks and rewards of fixed income investing.</li> </ul>

## 2. Base currency:

The Base Currency of the Compartment is the USD.

## 3. Form of Shares and Classes

The Share Classes of the Compartment will only be issued in registered form.

Share Classes are all available in both Capitalization or Distribution form.

**Capitalization Share Classes:**

<b>Share Classes</b>	<b>A1 Class</b>	<b>A1 Currency Hedged Class</b>	<b>B1 Class</b>	<b>B1 Currency Hedged Class</b>
<b>ISIN Code</b>	LU2082324448	LU2082324521	LU2082324794	LU2082324877
<b>Category of the Shares</b>	Accumulation type	Accumulation type	Accumulation type	Accumulation type
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	USD	EUR	USD	EUR
<b>Minimum Subscription</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Holding</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Subsequent Subscription</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	each Business Day	each Business Day	each Business Day	each Business Day
<b>Cut-off Time</b>	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day
<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 100	EUR 100	USD 100	EUR 100
<b>Management Fee</b>	0,80% per annum payable quarterly based on the Net Asset Value of the Share Class	0,80% per annum payable quarterly based on the Net Asset Value of the Share Class	1,50% per annum payable quarterly based on the Net Asset Value of the Share Class	1,50% per annum payable quarterly based on the Net Asset Value of the Share Class

<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company, charged pro rata to the Compartments and Share Classes
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment
<b>Administration Fee</b>	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment
<b>Depositary Fee</b>	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment

<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

### **Distribution Share Classes**

<b>Share Classes</b>	<b>C1 Class</b>	<b>C1 Currency Hedged Class</b>	<b>D1 Class</b>	<b>D1 Currency Hedged Class</b>
<b>ISIN Code</b>	LU2082324950	LU2082325098	LU2082325171	LU2082325254
<b>Category of the Shares</b>	Distribution type	Distribution type	Distribution type	Distribution type
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	USD	EUR	USD	EUR
<b>Minimum Subscription</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Holding</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Subsequent Subscription</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	each Business Day	each Business Day	each Business Day	each Business Day
<b>Cut-off Time</b>	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day
<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 100	EUR 100	USD 100	EUR 100

<b>Management Fee</b>	0,80% per annum payable quarterly based on the Net Asset Value of the Share Class	0,80% per annum payable quarterly based on the Net Asset Value of the Share Class	1,50% per annum payable quarterly based on the Net Asset Value of the Share Class	1,50% per annum payable quarterly based on the Net Asset Value of the Share Class
<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	0,15% per annum, payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment
<b>Administration Fee</b>	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the Net Asset Value of the Compartment with minimum EUR 10.000 per year for the Compartment



<b>Depository Fee</b>	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the Net Asset Value of the Compartment with minimum EUR 1.000 per month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

#### 4. Specific risk warning

Investors in the Compartment should consider the following risks:

- Risk of investments in bonds, debt securities, fixed income products
- Risk relating to the use of Financial Derivative Instruments
- Risk relating to investment in units/shares of UCITS
- Risk relating to Credit Risk
- Risk relating to Interest Rate Risk
- Risk relating to Liquidity Risk
- Risk relating to Benchmark and Compartment performance risk
- Risk relating to the use of currency hedging techniques
- Risks linked to investments in assets exposed to emerging market risk and political risk
- Risks related to investments in China

## APPENDIX 4: KYRON UCITS SICAV- Global Smart Trend

### 1. Investment objective and policy of the Compartment:

<p><b>General objective</b></p>	<p>The investment objective of the Compartment is to achieve positive performance with particular attention to risk control by minimizing losses in the event of a market decline and optimizing returns, over a long-term investment horizon (minimum five years).</p>
<p><b>Investment strategy</b></p>	<p>The Compartment aims to achieve an annualised performance objective of between 4% and 6%. There is no guarantee that the annualized performance objective will be achieved.</p> <p>The Management Company seeks to achieve the investment objective of the Compartment by adopting a diversified, highly flexible management strategy that constantly keeps the level of risk under control.</p> <p>The Compartment seeks to achieve its investment objective by investing primarily in UCITS funds, including ETFs (Exchange Traded Funds), providing exposure to the main equity and bond markets. ETFs are funds that replicate the performance of an underlying index and whose units are listed and traded on a stock exchange.</p> <p>The Compartment will in particular invest in (i) UCITS that invest in equities and other similar securities (global, sectoral, regional) and (ii) UCITS that invest in debt securities issued by companies and/or governments, governmental authorities and/or supranational issuers, including from emerging countries.</p> <p>The target UCITS in which the Compartment invests may include, amongst others, absolute return funds, long-short equity funds, long-short credit funds and equity long-only funds.</p> <p>None of the target UCITS are managed by the Management Company or by an entity linked to the Management Company by common management or by a substantial direct or indirect holding.</p> <p>The Compartment aims to invest on average 60% of its net assets directly or indirectly in equities and other similar securities. Investments in such instruments may represent up to 90% of the Compartment's net assets. The Management Company will use macroeconomic analysis to determine the level of exposure to equity markets.</p> <p>Depending on market volatility and for risk control purposes, the Compartment may invest a substantial portion of its net assets in UCITS that invest in investment grade debt securities. Investments in target UCITS giving exposure to debt securities with a rating below investment grade may represent up to 40% of the Compartment's net assets. The debt securities held in such target UCITS are expected to have an average credit rating of CCC (or equivalent) or higher.</p> <p>The Compartment will not invest directly in debt securities.</p>

	<p>The Compartment may invest directly up to 25% of its net asset in stocks listed in Developed Markets.</p> <p>The Management Company actively manages the allocation between UCITS that invest in equities or debt securities based on the expected risk and return of these two asset classes.</p> <p>The securities and instruments in which the Compartment invests are mainly denominated in EUR and USD. The Compartment may invest up to 20% of its net assets in securities and instruments denominated in other currencies.</p> <p>The Compartment may use Financial Derivative Instruments as further detailed under section "Use of Financial Derivatives Instruments" below.</p>
<b>Maximum level of management fees</b>	The maximum level of the management fees that may be charged both to the Compartment itself and to the target UCITS is expected to be 1.6% for the Compartment and 2% for the target UCITS.
<b>No Benchmark</b>	The Compartment is not tracking or trying to replicate or outperform any benchmark.
<b>Use of Financial Derivatives Instruments</b>	<p>The Compartment will make use of listed Financial Derivative Instruments in order to mitigate risk exposure (hedging) as well as for investment purposes and for Efficient Portfolio Management. The maximum leverage through Financial Derivative Instruments due to the investment strategy of the Compartment is 100%, calculated as per the Commitment Approach.</p> <p>Financial Derivative Instruments commonly used for hedging purposes, investment purposes and for Efficient Portfolio Management will be:</p> <ul style="list-style-type: none"> <li>– listed futures on stock indexes and corresponding listed options on those futures</li> <li>– listed futures on bond indexes and corresponding listed options on those futures</li> <li>– listed futures on currency and corresponding listed options on those futures</li> </ul> <p>The underlying of the above Financial Derivative Instruments will be selected among Developed Markets as well as emerging markets, having regard to liquidity and in compliance with the 2010 Law.</p>
<b>Liquidity</b>	Aside from cash, deposits with credit institutions may be held on an ancillary basis.
<b>Profile of the typical investor</b>	<p>Investors which:</p> <ul style="list-style-type: none"> <li>– Can afford to set aside the capital for at least 4-6 years.</li> <li>– Whose investment objective is building up capital</li> <li>– Able to accept moderate temporary losses</li> </ul>

## 2. Base currency

The Base Currency of the Compartment is the EUR.

### 3. Form of Shares and Classes

The Share Classes of the Compartment will only be issued in registered form.

The following Share Classes are available in Capitalization and Distribution form.

#### Capitalization Share Classes

Share Classes	A1 Class	A1 Currency Hedged Class	B1 Class	B1 Currency Hedged Class
<b>ISIN Code</b>	LU2082325338	LU2082325411	LU2082325502	LU2082325684
<b>Category of the Shares</b>	Accumulation	Accumulation	Accumulation	Accumulation
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	EUR	USD	EUR	USD
<b>Minimum Subscription</b>	EUR 50,000	USD 50,000	EUR 1,000	USD 1,000
<b>Minimum holding</b>	EUR 50,000	USD 50,000	EUR 1,000	USD 1,000
<b>Minimum subsequent Subscription</b>	EUR 1,000	USD 1,000	EUR 1,000	USD 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	Each Business Day	Each Business Day	Each Business Day	Each Business Day
<b>Cut-off Time</b>	10:00 a.m. Luxembourg time the Business Day preceding each Valuation Day	10:00 a.m. Luxembourg time the Business Day preceding each Valuation Day	10:00 a.m. Luxembourg time the Business Day preceding each Valuation Day	10:00 a.m. Luxembourg time the Business Day preceding each Valuation Day
<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day

<b>Initial Price</b>	EUR 1,000	USD 1,000	EUR 1,000	USD 1,000
<b>Management Fee</b>	0,8% per annum, payable quarterly, on the Net Asset Value of the Share Class	0,8% per annum, payable quarterly, on the Net Asset Value of the Share Class	1,60% per annum, payable quarterly, on the Net Asset Value of the Share Class	1,60% per annum, payable quarterly, on the Net Asset Value of the Share Class
<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes	From 0,04% to 0,075% per annum payable quarterly based on the total Net Asset Value of the Company with minimum USD 55.000 per year for the Company charged pro rata to the Compartments and Share Classes
<b>Performance Fee</b>	10% calculated on the net absolute performance with High Watermark, calculated and paid annually with reset of the HWM every three years	10% calculated on the net absolute performance with High Watermark calculated and paid annually with reset of the HWM every three years	10% calculated on the net absolute performance with High Watermark calculated and paid annually with reset of the HWM every three years	10% calculated on the net absolute performance with High Watermark calculated and paid annually with reset of the HWM every three years
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum, payable quarterly based on the Net Asset Value of the Compartment	Up to 0,05% per annum payable quarterly based on the Net Asset Value of the Compartment

<b>Global Distribution Fee</b>	From 0,15% to 0,65% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	From 0,15% to 0,65% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	From 0,15% to 0,65% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes	From 0,15% to 0,65% per annum payable quarterly based on the Net Asset Value of the Compartment charged pro rata to the Share Classes
<b>Administration Fee</b>	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment	From 0.02% to 0.04% based on the Net Asset Value of the Compartment with minimum EUR 10,000 per year for the Compartment
<b>Depository Fee</b>	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment	From 0.01% to 0.03% based on the Net Asset Value of the Compartment with minimum EUR 1,000 per month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

#### 4. Performance fee

The Performance Fee may be levied only in case there is an absolute positive difference in favor of the Investor between the Net Asset Value and the previous registered level on the last Performance Fee payment (i.e. an absolute positive performance). The Performance Fee by Class of Share outstanding will be equivalent to 10 per cent of the positive net return of the Class of Shares since the last Performance Fee payment.

If the Net Asset Value per Share is lower than the level registered in the valuation on the previous Performance Fee payment no provision for the Performance Fee shall be made. For avoidance of doubt the Performance Fee is subject to High-Water Mark with reset every three years at the end of December of the third year since the beginning of the relevant Performance Period.

The Performance Fee is calculated and accrued at each applicable NAV on the basis of Net Asset Value after deducting all expenses, including but not limited to Subscription and Redemption fees, the Management Company Fee (but not the Performance Fee) and adjusting for redemptions during the relevant Performance Period. Such Performance Fee will be payable annually in arrears. In the event of a downturn in performance of the Compartment during any Performance Period, such fluctuation in the performance will be taken into account in the calculation of the Performance Fee to be paid at the end of the Performance Period. This means that the accruals for the Performance Fee calculated on a daily basis will be reduced accordingly.

In case of dividend distribution, the reference Net Asset Value (as described below) is adjusted. To perform this adjustment, the dividend per Share is deducted from the reference Net Asset Value. The reference Net Asset Value is the Net Asset Value per Share at the end of the preceding Performance Period.

In the event that a Shareholder redeems Shares prior to the end of the Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be kept and paid to the Management Company at the end of the relevant Performance Period. The Performance Fee amount kept into the Compartment is equal to the product of the Performance Fee accruals at the Redemption Date multiplied by the proportion of the redeemed Shares to the total number of Shares at this date.

The first Performance Period of any Class shall start on the date of the first subscription and will end at the end of the third calendar year. The subsequent Performance Periods shall start from the beginning of each following calendar year until the end of the third year.

## **5. Specific risk warning**

Investors in the Compartment should consider the following risks:

- Risk related to equity markets
- Risk related Interest rates
- Risk relating to investing in bonds, debt securities, fixed-income products (including high yield bonds) and convertible bonds
- Risk relating to investing in units/shares of UCI/UCITS/ETF
- Risk relating to the use of currency hedging techniques
- Risks relating to Financial Derivative Instruments
- Risks linked to investments in assets exposed to emerging market risk and political risk

Investors' attention is drawn to the fact that they have no certainty that they will be able to recover all the capital invested.

## APPENDIX 5: KYRON UCITS SICAV- ESG Global Equity Fund

### 1. Investment objective and policy of the Compartment

<p><b>General objective</b></p>	<p>The objective of the Compartment is to offer investors equity portfolio returns across a business cycle, by investing in stocks and integrating environmental, social and governance (“ESG”) considerations, while keeping the volatility in line with the long-term average of the asset class.</p>
<p><b>Guidelines</b></p>	<p>The Compartment seeks to invest in companies with strong ESG practices and may exclude companies on the basis of the involvement in environmental damage, corruption, human rights issues or inappropriate labour practices.</p>
<p><b>Sustainability</b></p>	<p>The Compartment takes ESG characteristics into account as part of its selection process. In that respect, the Compartment promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. For the assessment, areas like corporate strategy, corporate governance, transparency and the product and service range of a company are taken into account in the investment process and strategy.</p> <p>Issuers are assessed via an ESG and sustainability analysis based on the data, ratings and model of an ESG specialised provider (the “ESG Provider”), such as MSCI ESG Ratings, FTSE, Sustainalytics, or others determined from time to time by the Management Company. The ESG Provider model is designed to measure a company’s resilience to long-term, industry material environmental, social and governance (ESG) risks. The ESG Provider uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. ESG ratings range from very positive (such as AAA, AA, or an equivalent notation which could be in numerical form) to very negative (such as B, CCC, or an equivalent notation which could be in numerical form). ESG ratings model typically covers one or more of the following elements:</p> <ul style="list-style-type: none"> <li>• <b>ESG ratings:</b> The Management Company uses ratings provided by the ESG Provider to assess the opportunity to invest in such an issuer. The rating methodology includes an assessment of the current company’s practices and policies, business model, governance arrangements and other relevant issues.</li> <li>• <b>ESG Controversies:</b> The Management Company uses analyses by the ESG Provider in relation to ESG-relevant issuer controversies that may be rated in a range according to their severity. The issuers will be flagged at the worst flag level of its controversies status. Controversies are an important evidence and alert to investors regarding potential harmful events. The Management Company will exclude every issuer with a controversy status flagged at the lowest level.</li> <li>• <b>ESG Government Ratings:</b> Governments are rated by the ESG Provider, by screening the policies and the public status with a similar rating system applicable to private companies, although underlying criteria and factors are different. The Management Company will include government ratings in the above exposed framework, as if they were private issuers.</li> </ul>



	<p>The Compartment's investment universe is determined by the Management Company by using information provided by the companies (i.e. the companies' sustainability reports) and third-party data providers.</p> <p>Further information about the ESG characteristics is available upon request or online at the website <a href="http://www.aism.lu">www.aism.lu</a>.</p>
<p><b>No Benchmark</b></p>	<p>The Compartment is not tracking or trying to replicate or outperform any benchmark.</p>
<p><b>Investment strategy</b></p>	<p>In order to pursue its general objective, the Compartment will combine a <i>top-down</i> and a <i>bottom-up</i> approach.</p> <p>The <i>top-down</i> approach, through macro-economic analysis, will define the geographical exposure, the allocation between mega/large capitalization and mid-capitalization stocks, and the sector allocation. The Compartment does not focus on a particular industry or country and will look at opportunities across all sectors of the economy.</p> <p>However, to achieve its general objective, the Management Company will integrate ESG considerations by applying a top-down filter to exclude companies or issuers on the basis of the industry in which they participate, including (but not limited to) the manufacture of landmines, cluster munitions, adult entertainment or tobacco products.</p> <p>The <i>bottom-up</i> approach, through both quantitative and fundamental analysis, will define the Compartment's exposure towards particular stocks and/or industries. For the avoidance of doubt, the Compartment will not have a systematic industry bias. The selection of the investments meets not only traditional financial analysis criteria but also ESG criteria.</p> <p>To undertake the analysis and exclusion of certain investments, the Investment Manager will use data provided by industry leading ESG research providers (such as MSCI, FTSE, or Sustainalytics, or others determined from time to time by the Management Company). At least 80% of the stocks selected will have an ESG rating of BBB (or equivalent) or higher, and the average ESG rating of the equities held in the portfolio will be BBB (or equivalent) or higher.</p> <p>Indicatively, the Compartment will invest at least 60% of the net assets in large and mega capitalization stocks and no more than 40% of the net assets in mid-capitalization stocks. No investment is envisaged in small capitalization stocks. The Compartment is expected to invest at least 70% of its net assets out of North American stocks.</p> <p>We define the market capitalization ranges as follows:</p> <ul style="list-style-type: none"> <li>• Mega Cap: USD &gt; 100bn</li> <li>• Large Cap: USD 30-100bn</li> <li>• Mid Cap: USD 2-30bn</li> <li>• Small Cap: USD &lt; 2bn</li> </ul> <p>Exposure to markets other than Developed Markets can be envisaged on a residual basis (no more than 10%) and may be pursued through both direct and indirect investments.</p>

	<p>Target investments will be mostly denominated in USD and EUR. The average expected currency exposure to USD will be 70%, with a minimum of 50% at all times.</p> <p>The Compartment may invest up to 10% of its net assets in other UCITS or through UCIs; target UCIs meet the eligibility criteria defined in article 41(1)(e) of the 2010 Law according to their constitutional documents.</p> <p>None of the target UCITS and UCIs are managed by the Management Company or by an entity linked to the Management Company by common management or by a substantial direct or indirect holding.</p> <p>The target UCITS and UCIs shall have a daily liquidity and may not use leverage.</p> <p>For cash management purposes, the Compartment may also invest up to 10% of the Compartment's net assets in fixed income instruments issued by the government of the United States of America with a residual time to maturity of less than one year.</p> <p>The Compartment may also invest in American depository receipts and global depository receipts.</p>
<b>Use of Financial Derivatives Instruments</b>	<p>The Compartment will make use of listed Financial Derivative Instruments in order to gain exposure to global stock markets as well as to mitigate risk exposure (hedging).</p> <p>Financial Derivative Instruments commonly used for investment purposes and hedging purposes will be:</p> <ul style="list-style-type: none"> <li>– listed futures on mainstream stock indexes and corresponding listed options on those futures</li> <li>– listed options on indexes, single stocks, and UCIs</li> </ul> <p>The underlying of the above Financial Derivative Instruments will be selected among Developed Markets, having regard to liquidity and in compliance with the 2010 Law. At least 75% of such exposure will be on the following indexes or on their constituents: Russell 1000 index (RIY Index), Stoxx Europe 600 Index (SXXP Index), and the Swiss Performance Index (SPI Index)</p> <p>The maximum leverage through Financial Derivative Instruments due to the investment strategy of the Compartment is 30%, calculated as per the Global Exposure Calculation Methodology.</p>
<b>Liquidity</b>	<p>Aside from cash, short-term money market instruments and deposits with credit institutions may be held on an ancillary basis.</p>
<b>Techniques and Instruments for Efficient Portfolio Management</b>	<p>The Compartment will not use Techniques and Instruments for Efficient Portfolio Management other than the aforementioned Financial Derivatives Instruments.</p>
<b>Global Exposure Calculation Methodology</b>	<p>The global exposure of the Compartment arising out of its FDI positions will be measured on the basis of the Commitment Approach.</p>
<b>Loans and borrowings</b>	<p>The Compartment may borrow no more than 10% of its assets provided that such borrowing is on a temporary basis.</p>

<b>Profile of the typical investor</b>	<ul style="list-style-type: none"> <li>- Interested in a net positive performance.</li> <li>- Can bear to set aside the capital for at least 3 years.</li> <li>- Willing and able to accept meaningful losses on a temporary basis.</li> <li>- Has experience with the risks and rewards of investing in stocks.</li> </ul>
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## 2. Base currency

The Base Currency of the Compartment is the USD.

## 3. Form of Shares and Classes

The Share Classes of the Compartment will only be issued in registered form.

Share Classes are all available in both Capitalization or Distribution form.

### Capitalization Share Classes

Share Classes	A1 Class	A1 Currency Hedged Class	B1 Class	B1 Currency Hedged Class
<b>ISIN Code</b>	LU2125127964	LU2125128004	LU2125128186	LU2125128269
<b>Category of the Shares</b>	Accumulation type	Accumulation type	Accumulation type	Accumulation type
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	USD	EUR	USD	EUR
<b>Minimum Subscription</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Holding</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Subsequent Subscription</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	each Business Day	each Business Day	each Business Day	each Business Day
<b>Cut-off Time</b>	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day

<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 100	EUR 100	USD 100	EUR 100
<b>Management Fee</b>	1,00% per annum payable quarterly based on the AuM of the Compartment	1,00% per annum payable quarterly based on the AuM of the Compartment	1,50% per annum payable quarterly based on the AuM of the Compartment	1,50% per annum payable quarterly based on the AuM of the Compartment
<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company, charged pro rata	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company, charged pro rata	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company, charged pro rata	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company, charged pro rata
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the AuM of the Compartment	0,15% per annum, payable quarterly based on the AuM of the Compartment	0,15% per annum, payable quarterly based on the AuM of the Compartment	0,15% per annum, payable quarterly based on the AuM of the Compartment
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment
<b>Administration Fee</b>	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment

<b>Depository Fee</b>	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per month for the Compartment	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

### Distribution Share Classes

Share Classes	C1 Class	C1 Currency Hedged Class	D1 Class	D1 Currency Hedged Class
<b>ISIN Code</b>	LU2125128343	LU2125128426	LU2125128699	LU2125128772
<b>Category of the Shares</b>	Distribution type	Distribution type	Distribution type	Distribution type
<b>Investor Restriction</b>	Institutional	Institutional	Retail	Retail
<b>Valuation Currency</b>	USD	EUR	USD	EUR
<b>Minimum Subscription</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Holding</b>	USD 50,000	EUR 50,000	USD 1,000	EUR 1,000
<b>Minimum Subsequent Subscription</b>	USD 1,000	EUR 1,000	USD 1,000	EUR 1,000
<b>Launch Date</b>	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors	To be determined by the Board of Directors
<b>Valuation Day</b>	each Business Day	each Business Day	each Business Day	each Business Day
<b>Cut-off Time</b>	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day	12:00 p.m. Luxembourg time each Valuation Day

<b>Subscription Settlement Day</b>	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day	No later than 3 Business Days following Valuation Day
<b>Redemption Settlement Day</b>	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day	3 Business Days following Valuation Day
<b>Initial Price</b>	USD 100	EUR 100	USD 100	EUR 100
<b>Management Fee</b>	1,00% per annum payable quarterly based on the AuM of the Compartment	1,00% per annum payable quarterly based on the AuM of the Compartment	1,50% per annum payable quarterly based on the AuM of the Compartment	1,50% per annum payable quarterly based on the AuM of the Compartment
<b>Management Company Fee</b>	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company charged pro rata	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company charged pro rata	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company charged pro rata	From 0,04% to 0,075% per annum payable quarterly based on the total AuM of the Company with minimum USD 55.000 per year for the Company charged pro rata
<b>Global Distribution Fee</b>	0,15% per annum payable quarterly based on the AuM of the Compartment	0,15% per annum, payable quarterly based on the AuM of the Compartment	0,15% per annum, payable quarterly based on the AuM of the Compartment	0,15% per annum, payable quarterly based on the AuM of the Compartment
<b>Marketing Fee</b>	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment	Up to 0,05% per annum, payable quarterly based on the AuM of the Compartment
<b>Administration Fee</b>	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment	From 0,02% to 0,04% per year based on the AuM of the Compartment with minimum EUR 10.000 per year for the Compartment
<b>Depository Fee</b>	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per	From 0,01% to 0,03% based on the AuM of the Compartment with minimum EUR 1.000 per

	month for the Compartment	month for the Compartment	month for the Compartment	month for the Compartment
<b>Subscription Fee</b>	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount	Up to 3% of the subscription amount
<b>Redemption Fee</b>	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount	Up to 3% of the redemption amount
<b>Conversion Fee</b>	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount	Up to 3% of the Conversion amount

#### 4. Performance fee

The Performance Fee may be levied only in case there is an absolute positive difference in favor of the investor between the Net Asset Value and the previous registered level on the last Performance Fee payment (i.e. an absolute positive performance) of more than 5 per cent (the “**Hurdle**”). The Performance Fee by Class of Share outstanding will be equivalent to 10 per cent of the positive net return in excess of the Hurdle of the Class of Shares since the last Performance Fee payment. If the performance of the Net Asset Value per Share is lower than the Hurdle, no provision for the Performance Fee shall be made. For avoidance of doubt the Performance Fee is subject to High-Water Mark without reset.

The Performance Fee is calculated and accrued at each applicable NAV on the basis of Net Asset Value after deducting all expenses, including but not limited to Subscription and Redemption fees, the Management Company Fee (but not the Performance Fee) and adjusting for redemptions during the relevant Performance Period. Such Performance Fee will be payable annually in arrears.

In the event of a downturn in performance of the Compartment during any Performance Period, such fluctuation in the performance will be taken into account in the calculation of the Performance Fee to be paid at the end of the Performance Period. This means that the accruals for the Performance Fee calculated on a daily basis will be reduced accordingly. In case of dividend distribution, the reference Net Asset Value (as described below) is adjusted. To perform this adjustment, the dividend per Share is deducted from the reference Net Asset Value. The reference Net Asset Value is the Net Asset Value per Share at the end of the preceding Performance Period. In the event that a Shareholder redeems Shares prior to the end of the Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be kept and paid to the Management Company at the end of the relevant Performance Period. The Performance Fee amount kept into the Compartment is equal to the product of the Performance Fee accruals at the Redemption Date multiplied by the proportion of the redeemed Shares to the total number of Shares at this date. The first Performance Period of any Class shall start on the date of the first subscription and will end at the end of the relevant calendar year. The subsequent Performance Periods shall start from the beginning of each following calendar year until the end of such calendar year.

#### 5. Specific risk warnings

Investors in the Compartment should consider the following risks:

- Risk relating to the use of Financial Derivative Instruments
- Risk relating to investment in units/shares of UCI/UCITS
- Risk relating to the use of currency hedging techniques
- Risk related to equity markets

- Risks related to investments in China
- Risks related to the application of ESG criteria