



**NN investment
partners**

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L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2017-04-19
Commission de Surveillance du Secteur Financier

NN (L) Institutional

Prospectus date

May 2017

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Note

This Prospectus should be read in conjunction with the Management Regulations of this Common Fund (the "Fund") and the Key Investor Information Documents (the "KIIDs"). Prospective investors are required, as part of the Application Form, to confirm they have read and understood them. The Prospectus, the Management Regulations and the KIIDs contain information prospective investors ought to know before investing in the Fund and should be retained for future reference.

The Prospectus will be regularly updated to include any significant modifications. Investors are advised to confirm with the Management Company that they are in possession of the most recent prospectus which can be obtained from the webpage www.nnip.com. In addition, the Management Company or the Fund depositary (the "Depositary") will provide upon request, free of charge, copies of the most recent version of the Prospectus, annual report or semi-annual report of the Fund to any Unitholder or potential investor.

The Fund is offering units (the "Units") on the basis of the information contained in this Prospectus, in its Management Regulations, in the KIIDs and in the documents referred to herein. No person has been authorized to give any information or to make any representation other than those contained in this Prospectus, Management Regulations or the KIIDs, and, if given or made, such information or representation must not be relied upon as having been authorized. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any such Units other than the Units to which it relates or an offer to sell or the solicitation of an offer to buy such Units by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Fund since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

The distribution of this Prospectus and the offering of the Units are restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or the person making the offer or solicitation is not qualified to do so or a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Units to inform himself or herself about and to observe all applicable laws and regulations of relevant jurisdictions. Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions and/or exchange control requirements that they might encounter under the laws of the countries of their citizenship, residence, or domicile and that might be relevant to the subscription, purchase, holding, exchange, redemption, conversion or disposal of Units.

The Units of the Fund have not been registered under the United States Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the United States of America and such Units may be offered, sold or

otherwise transferred only in compliance with the 1933 Act and such state or other securities laws.

The Units of the Fund may not be offered or sold within the United States or for the account of any US Person as defined in Rule 902 of Regulation S under the Securities Act.

Applicants may be required to declare that they are not US Person and that they are neither acquiring Units on behalf of US Persons nor acquiring Units with the intent to sell them to US Persons

The Units of the Fund may, however, be offered to investors that qualify as US Persons as defined under the Foreign Account Tax Compliance Act ("FATCA"), under the condition that such investors do not qualify as US Persons according to Rule 902 of Regulation S under the Securities Act.

The Management Company may redeem any Units that are transferred, or attempted to be transferred, to or for the benefit of any US Person. The Securities and Exchange Commission has not approved or disapproved the issue of Units or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offence.

Because the Sub-Funds are non-US investment entities, Unitholders in the Fund (the "Unitholders") will not have the benefit of the substantive provisions of US law, including the Advisers Act, except to the extent the Management Company has delegated any of its obligations in relation to the Fund to an affiliate located in the US that is registered under the Advisers Act.

An investment in the Fund is not guaranteed by any governmental or other agency.

The Management Company confirms that the Fund fulfils all the legal and regulatory requirements applicable to Luxembourg regarding the prevention of money laundering and the financing of terrorism.

Unless specifically noted otherwise, all references herein to "EUR" or "euro" are to the single currency of the European Union.

References herein to times shall be references to Central European Time.

The official language of this prospectus is English. It may be translated into other languages. In the event of a discrepancy between the English version of the prospectus and versions written in other languages, the English version will take precedence, except in the event (and in this event alone) that the law of a jurisdiction where the Units are available to the public stipulates otherwise. In this case, the prospectus will nevertheless be interpreted according to Luxembourg law. Any settlement of disputes or disagreements with regard to investments in the Fund shall also be subject to Luxembourg law.

THIS PROSPECTUS IN NO WAY CONSTITUTES AN OFFER OR SOLICITATION TO THE PUBLIC IN JURISDICTIONS IN WHICH SUCH AN OFFER OR SOLICITATION TO THE PUBLIC IS ILLEGAL. THIS PROSPECTUS IN NO WAY CONSTITUTES AN OFFER OR SOLICITATION TO A PERSON TO WHOM IT WOULD BE ILLEGAL TO MAKE SUCH AN OFFER OR SOLICITATION.

Glossary

Benchmark: The benchmark is a point of reference against which the performance of the Sub-Fund may be measured, unless otherwise stated. A Sub-Fund may have different Classes of Unit and corresponding benchmarks and these benchmarks may be amended from time to time. Additional information on the respective Classes of Unit is available for consultation on the website www.nnip.com. The benchmark may also be a guide to market capitalization of the targeted underlying companies and where applicable, this will be stated in the Sub-Fund's investment objective and policy. The degree of correlation with the benchmark may vary from Sub-Fund to Sub-Fund, depending on factors such as the risk profile, investment objective and policy and investment restrictions of the Sub-Fund, and the concentration of constituents in the benchmark.

Business Day: From Monday to Friday, except New Year's day (January 1st), Good Friday, Easter Monday, Christmas (December 25th) and Boxing Day (December 26th).

CET: Central European Time.

Class of Unit: One, some or all of the Classes of Unit offered by a Sub-Fund, whose assets will be invested in common with those of other Classes, but which may have its own fee structure, minimum subscription and holding amount, Dividend Policy, reference currency or other features.

CSSF: Commission de Surveillance du Secteur Financier is the regulatory and Supervisory Authority of the Fund in Luxembourg.

Cut-off: Cut-off time for receipt of subscription, redemption and conversion request: Before 15.30 CET each valuation day, unless otherwise stated in the relevant Sub-Fund factsheet.

Depositary: The assets of the Fund are held under the safekeeping, cash flow monitoring and oversight duties of Brown Brothers Harriman (Luxembourg) S.C.A.

Dividend: Distribution of part or the whole of the net income, capital gain and/or capital attributable to a Class of Unit of the Sub-Fund.

Distributor: Each Distributor appointed by the Management Company which distributes or arranges for the distribution of Units.

FCP: An open-ended common fund (Fonds Commun de Placement).

Fund: NN (L) Institutional, including all existing and future Sub-Funds.

Historical Performance: past performance information relating to each Sub-Fund is set out in the Key Investor Information Document. Past performance should not be seen as an indication of how a Sub-Fund will perform in the future and cannot in any way provide a guarantee of future returns.

Institutional Investors: An investor, within the meaning of Article 174 of the Luxembourg Law of 2010, which currently includes insurance companies, pension funds, credit

establishments and other professionals in the financial sector investing either on their own behalf or on behalf of their clients who are also investors within the meaning of this definition or under discretionary management, Luxembourg and foreign collective investment schemes and qualified holding companies.

Investment Manager: Each of the Investment Managers appointed by the Management Company on behalf of the Fund.

Key Investor Information Document: A standardized document, for each Class of Unit of the Fund, summarizing key information for Unitholders according to the Law of 2010.

Law of 2010: The Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended and supplemented from time to time, including by the Luxembourg law of 10 May 2016 transposing Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions.

Management Company: The Company acting as designated management company of the Fund within the meaning of the law of 2010 and to which responsibility for investment management, administration and marketing has been delegated.

Management Regulations: The Management Regulations of the Fund as amended from time to time.

Minimum Subscription and Holding Amount: The minimum investment levels for initial investments as well as minimum holding levels.

Member State: A member state of the European Union.

Money Market Instruments: Instruments normally dealt on the money market that are liquid and whose value can be accurately determined at any time.

Net Asset Value per Unit: In relation to any Units of any Class of Units, the value per Unit determined in accordance with the relevant provisions described under the Chapter X "Net Asset Value" in "Part III: Additional information" of the Fund's prospectus.

Nominees: Any Distributor which registers Units in their own name while holding them for the benefit of the rightful owner.

OECD: Organisation for Economic Co-operation and Development.

Paying Agent: Each Paying Agent appointed by the Management Company.

Payment date of subscription, redemption and conversion requests: Normally three Business Days after the applicable Valuation Day, unless otherwise stated in the relevant Sub-Fund factsheet. This period may be increased up to 5 Business Days (or reduced) upon approval of the Management Company.

Reference Currency: The currency used for a Sub-Fund's performance measurement and accounting purposes.

Registrar and Transfer Agent: Each Registrar and Transfer Agent appointed by the Management Company.

Regulated Market: The market defined in item 14 of Article 4 of the European Parliament and the Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, as well as any other market in an Eligible State which is regulated, operates regularly and is recognised and open to the public.

Repurchase Transaction: A transaction by which a Sub-Fund sells portfolio securities to a counterparty and simultaneously agrees to repurchase those securities back from the counterparty at mutually agreed time and price including a mutually agreed interest payment.

Reverse Repurchase Transaction: A transaction by which a Sub-Fund purchases portfolio securities from a seller which undertakes to repurchase the securities at mutually agreed time and price, thereby pre-determining the yield to the Sub-Fund during the period when the Sub-Fund holds the instrument.

Securities Financing Transaction (or "SFT"): A securities financing transaction as defined in Regulation (EU) 2015/2365, as it may be amended and supplemented from time to time. The SFTs selected by the Board of Directors are the repurchase transactions, the reverse repurchase transactions and the securities lending transactions.

Securities Lending Transaction: A transaction by which a Sub-Fund transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor.

Sub-Fund: Umbrella funds are single legal entities comprising one or more Sub-Funds. Each Sub-Fund has its own investment objective and policy and consists of its own specific portfolio of assets and liabilities.

Sub-Investment Manager: Each of the Sub-Investment Manager to which the Investment Manager delegated the investment management of the respective portfolio in full or part.

Supervisory Authority: The *Commission de Surveillance du Secteur Financier* in Luxembourg or the relevant Supervisory Authority in the jurisdictions where the Fund is registered for public offering.

Total Return Swap: A derivative contract as defined in Regulation (EU) 648/2012, as it may be amended and supplemented from time to time, in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

Transferable Securities: Transferable Securities as defined in Art. 1 (34) of the Law of 2010.

UCITS: An undertaking for collective investment in transferable securities within the meaning of the UCITS Directive.

UCITS Directive: Directive 2009/65/EC of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended and supplemented from time to time,

including by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions.

Units: Units of each Sub-Fund will be offered in registered form, unless otherwise decided by the Management Company. All units must be fully paid for and fractions will be issued up to 3 decimal places.

Unit-Class Overlay: A portfolio management technique applied on a Unit-Class for Currency Hedge Unit-Classes, Duration Hedged Unit-Classes and Overwriting Unit-Classes. The purpose of the Unit-Class Overlay is to group all types of techniques that can be applied on unit-class level.

Unitholder: Any person or entity owning Units of a Sub-Fund.

Valuation Day: Each Business Day, unless otherwise stated in the relevant Sub-Fund factsheet.

PART I: ESSENTIAL INFORMATION REGARDING THE FUND

I. Brief overview of the Fund

Place, form and date of establishment

Established in Luxembourg, Grand Duchy of Luxembourg, as an open-ended common fund (Fonds Commun de Placement - "FCP" -) with multiple Sub-Funds, on 11 February 2008.

Registered office

3, rue Jean Piret – L-2350 Luxembourg

Supervisory Authority

Commission de Surveillance du Secteur Financier (CSSF)

Independent Auditors

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

Management Company

NN Investment Partners Luxembourg S.A.
3, rue Jean Piret – L-2350 Luxembourg

Investment Managers

NN Investment Partners B.V.
65 Schenkade, The Hague 2595 AS, the Netherlands

Depositary, Registrar, Transfer and Paying Agent

Brown Brothers Harriman (Luxembourg) S.C.A.
80 route d'Esch, L-1470 Luxembourg

Global Distributor

NN Investment Partners B.V.
65 Schenkade, 2595 AS, The Hague, the Netherlands

Central Administrative Agent

NN Investment Partners Luxembourg S.A.
3, rue Jean Piret – L-2350 Luxembourg

Subscriptions, redemptions and conversions

Applications for subscriptions, redemptions and conversions may be submitted through the Management Company, the Registrar and Transfer Agent, the Distributors and the Paying Agents of the Fund.

Financial year

From 1 January to 31 December.

For additional information please contact

NN Investment Partners
P.O. Box 90470
2509 LL The Hague, the Netherlands
Tel. +31 70 378 1800
e-mail: info@nnip.com
or www.nnip.com

In case of complaints please contact:

NN Investment Partners Luxembourg S.A.
3, rue Jean Piret – L-2350 Luxembourg
e-mail: info@nnip.com or luxembourg@nnip.com
Further information can be found under www.nnip.com

II. Information on investments

General

The Fund's sole purpose is to invest its assets in transferable securities and/or other liquid financial assets listed in Article 41 (1) of the Law of 2010, with a view to enabling its Unitholders to benefit from the results of its portfolio management. The Fund must comply with investment limits as laid out in part I of the Law of 2010.

In the context of its objectives, the Fund will be able to offer a choice of several Sub-Funds, which are managed and administered separately. The specific investment objective and policy of the different Sub-Funds is set out in the factsheets relating to each Sub-Fund. Each Sub-Fund is treated as a separate entity in relations between Unitholders. In derogation of Article 2093 of the Luxembourg Civil Code, the assets of the specific Sub-Fund only cover the debts and obligations of that Sub-Fund, even those existing in relation to third parties.

The Management Company may decide to issue one or more Classes of Units for each Sub-Fund. The cost structures, the minimum subscription and holding amount, the reference currency in which the Net Asset Value is expressed, the hedging policy and the eligible investor categories may differ depending on the different Classes of Units. Categories may also be differentiated according to other elements as determined by the Management Company.

The Fund applies the "Defence Policy" of NN Group which aims, wherever legally possible, not to invest, among others, in companies directly involved in the development, production, maintenance or trade of controversial weapons as defined in the said policy. Additional information concerning the "Defence Policy" of NN Group is available for consultation on the website www.nn-group.com.

Information particular to each Sub-Fund

The objectives and investment policies to be followed for each Sub-Fund are described in each Sub-Fund factsheet.

III. Subscriptions, redemptions and conversions

Units may be acquired, redeemed and converted through the Management Company, the Registrar and Transfer Agent, the Distributors and the Paying Agents of the Fund. Fees and expenses relating to subscriptions, redemptions and conversions are indicated in the relevant Sub-Funds factsheets to this prospectus.

Units will be issued in registered form, unless otherwise decided by the Management Company, and will be non-certificated. Units may also be held and transferred through accounts maintained with clearing systems.

The subscription, redemption or conversion price is subject to any and all taxes, duties and stamp duty payable by virtue of the subscription, redemption or conversion by the investor.

All subscriptions, redemptions and conversion will be handled on the basis that the Net Asset Value of the Sub-Fund or Class of Units will not be known or determined at the time of subscription, redemption or conversion.

In the event of suspension of the calculation of the Net Asset Value and/or suspension of the subscription, repurchase and conversion orders, the received orders will be executed at the first applicable Net Asset Value upon expiry of the suspension period.

The Fund takes appropriate measures to avoid Late Trading, assuring that subscription, redemption and conversion requests will not be accepted after the time limit set for such requests in this Prospectus.

The Management Company does not authorise practices associated with Market Timing which is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units of the same Sub-Fund within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value. The Management Company reserves the right to reject subscription, redemption and conversion orders from an investor that it suspects of employing such practices and, where necessary, to take measures to protect the interests of the Fund and of other investors.

Subscriptions

The Management Company accepts subscription orders on each Valuation Day unless otherwise stated in the Sub-Fund factsheets and according to the order cut-off rules laid down in the Glossary or in the Sub-Fund factsheets.

Units are issued on the contractual settlement date. In case of subscriptions, Units are issued within three (3) Business Days after acceptance of the subscription request unless otherwise stated in the relevant Sub-Fund factsheet and/or the Glossary. This period may be extended up to five (5) Business Days (or reduced) upon approval of the Management Company.

The amount due may be subject to a subscription fee payable to the relevant Sub-Fund and/or the Distributor; the rate will in no case exceed the limits provided in each of the Sub-Funds factsheets.

The subscription amount is payable in the reference currency of the relevant Class of Units. Unitholders requesting to make the payment in another currency must bear the cost of any foreign exchange charges. The foreign exchange will be processed before the cash is sent to the respective Sub-Fund. The subscription amount is payable within the stated time limit for each Sub-Fund in the Glossary of the prospectus or in the Sub-Fund factsheets.

The Management Company will be entitled at any time to stop the issuance of units. It may limit this measure to certain countries, certain Sub-Funds or certain Classes of Units.

The Management Company may limit or forbid the acquisition of its units by any natural or legal person.

Redemptions

Unitholders may at any time request for the redemption of all or part of the Units they hold in a Sub-Fund. The redemption application is irrevocable.

The Management Company accepts redemption orders on each Valuation Day unless otherwise stated in the Sub-Fund factsheets and according to the order cut-off rules laid down in the Glossary or in the Sub-Fund factsheets.

The amount receivable may be subject to a redemption fee payable to the Sub-Fund concerned and/or the distributor as more described in the Sub-Fund factsheets.

The usual taxes, dues and administrative costs will be borne by the Unitholder.

The redemption price is payable in the reference currency of the relevant Class of Unit. Unitholders requesting the redemption amount to be paid in another currency must bear the cost of any foreign exchange charges. The foreign exchange will be processed before the cash being sent to the respective Unitholders.

Neither the Management Company nor the Depositary may be held responsible for any lack of payment resulting from the application of any foreign exchange monitoring or other circumstances beyond their control which may limit or prevent the transfer abroad of the proceeds of the redemption of the units.

If redemption and/or conversion (with reference to their redemption proportion) applications exceed 10% of the total value of a Sub-Fund on a Valuation Day the Management Company may suspend all of the redemption and conversion applications until adequate liquidity has been generated to serve these applications; such suspension not to exceed ten Valuation Days. On the Valuation Day following this period these redemption and conversion applications will be given priority and settled ahead of applications received during and/or after this period.

Redemptions requests, once received, may not be withdrawn, except when the calculation of the Net Asset Value is suspended and in the case of suspension of the redemption as provided for in the "Part III: Additional information" of the Fund's prospectus, Chapter XI "Temporary suspension of the calculation of the Net Asset Value and resulting suspension of dealing" during such suspensions.

The Management Company may proceed with the compulsory redemption of all the units if it appears that a person who is not authorised to hold units in the Fund, either alone or together with other persons, is the owner of units in the Fund, or proceed with the compulsory redemption of any or part of the units, if it appears to the Fund that one or several persons is or are owner or owners of a proportion of the Units in the Fund in such a manner that the Fund may be subject to the tax laws of a jurisdiction other than Luxembourg.

Conversions

Subject to compliance with any condition governing access to (including any minimum subscription and holding amount) the Class of Unit into which conversion is to be effected, Unitholders may request conversion of their Units into Units of the same Class of Unit type of another Sub-Fund or into a different Class of Unit type of the same / another Sub-Fund. Conversions will be made on basis of the price of the original Class of Unit to be converted to the same day Net Asset Value of the other Class of Unit.

The redemption and subscription costs connected with the conversion may be charged to the Unitholder as indicated in each Sub-Fund's factsheet.

Applications for the conversion of Units, once received, may not be withdrawn, except when the calculation of the Net Asset Value is suspended. If the calculation of the Net Asset Value of the Units to be acquired is suspended after the Units to be converted have already been redeemed, only the acquisition component of the conversion can be revoked during this suspension.

Subscriptions and redemptions in kind

The Management Company may, should a Unitholder so request, agree to issue the units in exchange for a contribution in kind of eligible assets, subject to compliance with Luxembourg law and the obligation in particular to produce an independent auditor's evaluation report. The nature and type of assets to be accepted in any such case will be determined by the Management Company and must correspond to the investment objective and policy of the relevant Sub-Fund. Costs relating to such subscriptions in kind will be met by Unitholders who apply to subscribe in this way.

The Management Company may satisfy payment of the redemption price to any Unitholder in specie by allocating to the holder investments from the portfolio of assets set up in connection with such class or Classes of Units equal in value as of the Valuation Day on which the redemption price is calculated to the value of the Units to be redeemed.

The Management Company may decide to accept a redemption in kind. Redemptions other than in cash will be the subject of a report drawn up by the Fund's independent auditor. A redemption in kind is only possible provided that (i) equal treatment is afforded to Unitholders, that (ii) the relevant Unitholders have so agreed and that (iii) the nature and type of assets to be transferred are determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Units of the relevant Class or Classes of Units. In the event of an in-kind payment, the costs of any transfers of securities to the redeeming Unitholder incurred by the Fund, the Management Company or the Depositary as well as the costs relative to the report drawn up by the Fund's independent auditor shall be borne by that Unitholder.

IV. Fees, expenses and taxation

A. Fees payable by the Fund

The following fee structure applies to the Sub-Funds NN (L) Institutional FCR and NN (L) Institutional Global Enhanced:

The Fund will bear the costs relating to its establishment and operation; it may also cover promotional costs. These costs may, in particular and without being limited to the following, include the remuneration of the Management Company, the remuneration of the Depositary as well as the fees of the auditor, the costs of printing, distributing and translating prospectuses and Management Regulations and periodic reports, brokerage, fees, taxes and costs connected with the movements of securities or cash, Luxembourg subscription tax and any other taxes, the costs of printing certificates, translations and legal publications in the press, the financial servicing costs of its securities and coupons, the costs, where applicable, of listing on the stock exchange or of publishing the price of its Units, the costs of official deeds and legal costs and legal advice relating thereto and the expenses. In certain cases, the Fund may also cover sums due to the authorities of countries where its units are available to the public, as well as any costs incurred in registering abroad. The Fund may bear the cost of the remuneration of the Investment Managers, investment adviser, Administrative Agent and other service providers, where applicable, subject to the provision that the sums thus paid will be deducted from the remuneration allocated to the Management Company of the Fund.

The costs and expenses of the formation of the Fund and the initial issue of its Units could be amortised over a period not exceeding five years. These expenses are borne by the Sub-Funds created at the launch of the Fund. In case where further

Sub-Funds are created in the future, these Sub-Funds will bear, in principle, their own formation expenses. The Management Company may however decide for newly created Sub-Funds to participate in the payment of the initial formation expenses of the Sub-Funds and for existing Sub-Funds to participate in the formation expenses of newly created Sub-Funds in circumstances where this would appear to be more fair to the Sub-Funds concerned and their respective Unitholders. Any such decision of the Management Company will be reflected in the Prospectus which will be published upon the launch of the newly created Sub-Funds.

The Fund will pay the Management Company a custody fee as remuneration, together with transaction fees, in accordance with the terms of the depositary agreement. This remuneration and the costs are payable monthly and paid to the Management Company by the relevant Sub-Funds in arrears. The remuneration is calculated on the basis of the value of the portfolio at the end of each month, with the exception of positions held on emerging markets, for which the Management Company is entitled to invoice in addition to sub-deposit and/or correspondent bank costs. The depositary fees to be paid for investments in the NN (L) Institutional FCR sub-fund will be a maximum of 0.01% per year and the depositary fees to be paid for investments in the NN (L) Institutional Global Enhanced sub-fund will be a maximum of 0.04% per year.

The maximum management fee level charged to the investor is indicated in each Sub-Fund factsheet. In the event of investment in UCITS and other target UCIs, and where the management company or the Investment Managers is paid a fee for the management of one or several Sub-Funds charged directly to the assets of these UCITS and other UCIs, such payments shall be deducted from the remuneration payable to the Management Company or the Investment Manager.

For asset management services provided by the Management Company, the latter will receive a management fee as stipulated in each Sub-Fund factsheet. For administrative management services, the Management Company will receive a fee calculated on the basis of the average net assets of each Sub-Fund based on a percentage that will not exceed 0.0135% per year for investments in the Sub-Fund NN (L) Institutional FCR and that will not exceed 0.04% per year for investments in the NN (L) Institutional Global Enhanced Sub-Fund. The Management Company is, moreover, entitled to charge each Sub-Fund at cost for transfer agency services.

Should the Depositary, the Administrative Agent, Registrar and Transfer Agent or any other service provider appointed by the Management Company receive a remuneration directly charged to the relevant Sub-Fund of the Fund, such payments will be deducted from the remuneration payable to the Management Company.

The assets of a given Sub-Fund will be liable only for the debts, liabilities and obligations relating to that Sub-Fund. Between Unitholders, each Sub-Fund is treated as a separate entity.

The following fee structure is a Fixed Service Fee structure. Should this Fixed Service Fee structure be applied to one or several Sub-Fund(s), a reference will be indicated in the relevant Sub-Fund(s) factsheet in Part II of the Fund's prospectus:

1. Management Fee: In remuneration for the management services it provides, the appointed Management Company, NN Investment Partners Luxembourg S.A., will receive a management fee as stipulated in each Sub-Fund factsheet. The maximum management fee level charged to the investor is indicated in each Sub-Fund factsheet. In the event of investment in UCITS and other target UCIs

and where the Management Company or the Investment Manager is paid a fee for the management of one or several Sub-Funds charged directly to the assets of these UCITS and other UCIs, such payments shall be deducted from the remuneration payable to the Management Company or the Investment Manager.

2. **Fixed Service Fee:** The fixed service fee ("Fixed Service Fee") is charged at the level of the Classes of Units for each Sub-Fund to cover the administration and safe-keeping of assets and other on-going operating and administrative expenses, as set out in the relevant Sub-Fund factsheet. The Fixed Service Fee is accrued at each calculation of the Net Asset Value at the percentage specified in the relevant Sub-Fund factsheet and is paid monthly in arrears to the Management Company. This Fixed Service Fee is fixed in the sense that the Management Company will bear the excess in actual expenses to any such Fixed Service Fee charged to the Class of Unit. Conversely, the Management Company will be entitled to retain any amount of service fee charged to the Class of Unit which exceeds the actual related expenses incurred by the respective Class of Unit over an extended period of time.

a. The Fixed Service Fee shall cover:

- i. costs and expenses related to services rendered to the Fund by service providers other than the Management Company to which the Management Company may have delegated functions related to the daily Net Asset Value calculation of the Sub-Funds, and other accounting and administrative services, registrar and transfer agency functions, costs related to the distribution of the Sub-Funds, and to the registration of the Sub-Funds for public offering in foreign jurisdictions including fees due to supervisory authorities in such countries;
- ii. statements of fees and expenses related to other agents and service providers directly appointed by the Management Company including the Depositary, securities lending agents, principal or local Paying Agents, listing agent and stock exchange listing expenses, auditors and legal advisors, directors' fees and reasonable out of pocket expenses of the directors of the Management Company;
- iii. other fees including formation expenses and costs related to the creation of new Sub-Funds, expenses incurred in the issue and redemption of Units and payment of dividends (if any) insurance, rating expenses as the case may be, Unit prices publication, costs of printing, reporting and publishing expenses including the cost of preparing, printing and distributing prospectuses, and other periodical reports or registration statements, and all other operating expenses, including postage, telephone, telex and telefax.

b. The Fixed Service Fee does not include:

- i. the costs and expenses of buying and selling portfolio securities and financial instruments;
- ii. brokerage charges;
- iii. non-custody related transaction costs;
- iv. interest and bank charges and other transaction related expenses;

- v. extraordinary Expenses (as defined below); and
- vi. the payment of the Luxembourg tax d'abonnement.

In case Sub-Funds of the Fund invest in Units issued by one or several other Sub-Funds of a UCITS or a UCI managed by the Management Company, the Fixed Service Fee may be charged to the investing Sub-Fund as well as to the target Sub-Fund.

In setting the level of the Fixed Service Fee, the overall competitiveness in terms of ongoing charges and/or total expense ratio is considered in comparison with similar investment products.

3. **Extraordinary Expenses:** Each of the Sub-Funds shall bear its own extraordinary expenses ("Extraordinary Expenses") including, without limitation to, litigation expenses and the full amount of any tax, other than the subscription tax ("taxe d'abonnement"), levy, duty or similar charge imposed on the Sub-Funds or their assets that would not be considered as ordinary expenses. Extraordinary Expenses are accounted for on a cash basis and are paid when incurred and invoiced from the net assets of the relevant Sub-Fund to which they are attributable. The Extraordinary Expenses not attributable to a particular Sub-Fund will be allocated to all Sub-Funds to which they are attributable on an equitable basis, in proportion to their respective net assets.
4. **Unit-Class Overlay Fee:** The Management Company may be entitled to receive a uniform Unit-Class Overlay Fee of a maximum 0.04% which is to be paid from the assets of the applicable Unit-Class and based on actual costs. The Unit-Class Overlay Fee is accrued at each calculation of the Net Asset Value and is set as a maximum in the sense that the Management Company may decide to lower the Overlay Fee charged to the respective Unit-Class if economies of scale will allow. The Overlay Fee will be applicable to all the Currency Hedged Unit-Classes, Duration Hedged Unit-Classes and Overwriting Unit-Classes. In case of Z and Zz Unit-Classes those fees may be specified in the Special Agreement or Fund Management Services Agreement which will be levied and collected by the Management Company directly from the Unitholder and not charged directly to the respective Unit-Class.

Other Fees

1. Subject to the principles of best execution, brokerage commissions on portfolio transactions for the Fund may be paid by the Management Company and/ or the Investment Managers, as the case may be, as consideration for research related services provided to them as well as for services rendered in relation to the execution of orders. This may include the use of Commission Sharing Arrangements. When using Commission Sharing Arrangements the Management Company agrees with the broker at forehand that costs associated with investment research are separated from costs associated with the execution of orders. The Management Company subsequently allows the broker to purchase investment research from certain indicated specialized research providers having specific expertise in investment research. The separation of the costs associated with investment research from the costs related to order execution allows the Management Company to select the broker with the best order execution ability whilst combining it with research from the best investment research providers.

2. In line with Luxembourg law sales commissions and trail commissions may be paid to sales partners out of the Management Fee and reimbursements may be granted to investors.
3. Inherent to the execution of the investment policy are buy and sell transaction of securities (or “turning over” the portfolio). Costs linked to those transactions will be incurred, including but not be limited to, broker commissions, registration costs and taxes. A higher portfolio turnover may indicate higher transaction costs. These costs may affect the Sub-Fund’s performance and are not part of on-going charges and/ or total expense ratio. If a Sub-Fund has a turnover ratio which can be considered as high this will be disclosed in the relevant Sub-Fund factsheet under “additional information”. The Portfolio Turnover Ratio can be found in the annual report of the Fund.
4. In an effort to optimise the performance of the Fund and/or the relevant Sub-Funds, the Management Company may in certain circumstances pursue tax reclaim or relief opportunities that are not processed by the Depositary and that would otherwise be foregone. The provision of these specific services must be considered an additional service of the Management Company to the relevant Sub-Funds. In case of positive outcome, the Management Company may be entitled to receive a fee as consideration for such services. Such fee is a set percentage of the amounts of tax recovered or otherwise saved as a consequence of performing the service and amounts to maximum 15% of tax recovered or saved. In case the recovery is unsuccessful, the Fund and/or the relevant Sub-Funds shall not be charged for the services provided to them.

B. Fees and expenses payable by investors

Where applicable, depending on the particular information stipulated in the Sub-Funds factsheets, investors may be required to bear fees and expenses arising from subscriptions, redemptions or conversion of Units.

Those fees may be due to the Sub-Fund and/ or the distributor as stipulated in the Sub-Fund factsheet.

C. Service Fee

The following fee structure will apply only for Z Class of Unit:

1. Each Z Class of Unit, unless otherwise stated in the relevant Sub-Fund’s factsheet, may be charged a service fee (“Service Fee”) to cover the administration and safe-keeping of assets and other on-going operating and administrative expenses, as set out in the relevant Sub-Fund factsheet.

The Service Fee is charged at the level of the Z Class of Unit for each Sub-Fund. The Service Fee is accrued at each calculation of the Net Asset Value at the percentage specified in the relevant Sub-Fund factsheet and is paid monthly in arrears to the Management Company.

- a. The Service Fee shall cover:
 - i. costs and expenses related to services rendered to the Fund by service providers other than the Management Company to which the Management Company may have delegated functions related to the daily Net Asset Value calculation of the Sub-Funds, and other accounting and administrative services, registrar and transfer agency functions, costs related to the

distribution of the Sub-Funds, and to the registration of the Sub-Funds for public offering in foreign jurisdictions including fees due to supervisory authorities in such countries;

- ii. statements of fees and expenses related to other agents and service providers directly appointed by the Fund including the Depositary, principal or local Paying Agents, listing agent and stock exchange listing expenses, auditors and legal advisors, directors’ fees and reasonable out of pocket expenses of the directors of the Fund;
- iii. other fees including formation expenses and costs related to the creation of new Sub-Funds, expenses incurred in the issue and redemption of Units and payment of dividends (if any) insurance, rating expenses as the case may be, unit prices publication, costs of printing, reporting and publishing expenses including the cost of preparing, printing and distributing prospectuses, and other periodical reports or registration statements, and all other operating expenses, including postage, telephone, telex and telefax.

b. The Service Fee does not include:

- i. the costs and expenses of buying and selling portfolio securities and financial instruments;
- ii. brokerage charges;
- iii. non-custody related transaction costs;
- iv. interest and bank charges and other transaction related expenses;
- v. extraordinary expenses (as defined below); and
- vi. the payment of the Luxembourg tax d’abonnement.

These will be paid directly from the assets of the relevant Sub-Funds.

D. Taxation

The following summary is based on the current laws and customs currently applicable in Luxembourg and may be subject to change. Investors are responsible for assessing their own tax position and are encouraged to seek advice from professionals on the applicable laws and regulations, in particular those laws and regulations applicable to the subscription, purchase, ownership (especially in case of corporate events including, but not be limited, to mergers or liquidations of Sub-Funds) and sale of Units in their country of origin, residence or domicile.

1. Taxation of the Fund

No stamp duty or other tax is payable in Luxembourg on the issue of Units.

The Fund is subject to a taxe d’abonnement (subscription tax), at an annual rate of 0.05% on the net assets attributed to each class of unit, such tax being payable quarterly on the basis of the value of the net assets at the end of each calendar quarter. However, this tax is reduced to 0.01% per annum on the net assets of money market Sub-Funds and on the net assets of Sub-Funds and/or Classes of Units reserved for Institutional Investors as prescribed by Article 174 (II) of the Law of 2010. The tax is not applied to the portion of assets invested in other Luxembourg undertakings for collective investment that are already subject to such tax. Under certain conditions, some Sub-

Funds and/or Classes of Units reserved for Institutional Investors may be totally exempt from the tax d'abonnement where these Sub-Funds invest in money market instruments and in deposits with credit institutions.

The Fund may be subject to withholding taxes at varying rates on dividends, interest and capital gains, in accordance with the tax laws applicable in the countries of origin of such income. The Fund may in certain cases benefit from reduced tax rates under double tax treaties which Luxembourg has concluded with other countries. The Fund qualifies as a taxable person for value added tax purposes.

2. Taxation of the Unitholders in Luxembourg

Unitholders (with the exception of Unitholders who are resident or maintain a permanent establishment for tax purposes in Luxembourg) are generally not subject to any taxation in Luxembourg on their income, realised or unrealised capital gains, the transfer of Units or the distribution of income in the event of dissolution.

Under the Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments, transposed into Luxembourg legislation by the Law of 21 June 2005, non-resident natural persons may be subject to exchange of information with the tax authorities of their country of residence. The list of Sub-Funds being in scope of the Council Directive 2003/48/EC may be obtained free of charge at the Fund's registered office.

3. Automatic exchange of information for tax purposes

Under this section, the term "Holder of Record" has to be understood as those persons and entities that appear as the registered unitholders in the register of Unitholders of the Fund as maintained by the Transfer Agent. The term "Automatic Exchange of Information" or "AEol" is meant to include, inter alia, the following tax regimes:

- The Hiring Incentives to Restore Employment Act (commonly known as FATCA), the United States-Luxembourg intergovernmental agreement on FATCA and the associated Luxembourg legislation and rules, as applicable,
- Council Directive 2014/107/EU on mandatory automatic exchange of information in the field of taxation and the associated Luxembourg legislation and rules, as applicable.

The Fund complies with AEol regimes applicable in Luxembourg. Consequently, the Fund or its delegates may need to:

- Perform a due diligence review of each Holder of Record to determine the tax status and, where required, to request additional information (such as the name, address, place of birth, place of incorporation, tax identification number, etc.) or documentation with respect to such Holders of Record. The Fund will be entitled to redeem the Units held by the Holders of Record which do not provide the required documentation on time or which otherwise do not comply with Luxembourg rules relating to AEol. When permitted by the law, the Fund may elect at its sole discretion to exclude from review certain Holders of Record whose holdings do not exceed \$50,000 (in case of individuals) or \$250,000 (in case of entities).
- Report data regarding Holders of Record and certain other categories of investors either to the

Luxembourg tax authorities, who may exchange such data with foreign tax authorities, or directly to the foreign tax authorities.

- Withhold tax on certain payments by (or on behalf of) the Fund to certain persons.

Investors should be reminded that there could be adverse tax consequences due to noncompliance with AEol regimes by intermediaries such as (Sub-) Depositaries, Distributors, Nominees, Paying Agents, etc. which the Fund has no control over. Investors not domiciled for tax purposes in Luxembourg or investors investing through non-Luxembourg intermediaries should also be aware that they may be subject to local AEol requirements which may be different from the ones outlined above. Investors are therefore encouraged to check with such third parties as to their intention to comply with various AEol regimes.

V. Risk factors

Potential investors must be aware that investments in each Sub-Fund are subject to normal and exceptional market fluctuations and to other risks inherent to the investments described in each Sub-Fund's factsheet. The value of investments and income generated thereof may fall as well as rise and investors may not recover their initial investment.

In particular, the attention of investors is drawn to the fact that if the objective of the Sub-Funds is long-term capital growth, depending on the investment universe, elements such as in particular exchange rates, investments in emerging markets, the rate curve trend, changes in the quality of issuers' credit, the use of derivatives, investment in companies or the investment sector may influence volatility in such a way that the overall risk may increase significantly and/or lead to a rise or a fall in the value of the investments. A detailed description of the risks referred to in each Sub-Fund factsheet can be found in the third part of the prospectus.

It should also be noted that the Management Company may, in compliance with the applicable investment limits and restrictions imposed by Luxembourg law, temporarily adopt a more defensive attitude by holding more liquid assets in the portfolio. This could be as a result of the prevailing market conditions or on account of liquidation, merger events or when the Sub-Fund approaches maturity. In such circumstances, the Sub-Fund concerned may prove to be incapable of pursuing its investment target, which may affect its performance.

VI. Information and documents available to the public

1. Information

The Fund is incorporated under the laws of the Grand Duchy of Luxembourg. By applying for subscription of Units of the Fund, the relevant investor agrees to be bound by the terms and conditions of the subscription documents including but not be limited to the prospectus and the management regulations of the Fund. This contractual relationship is governed by Luxembourg laws. The Management Company, on behalf of the Fund, and Unitholders will be subject to the exclusive jurisdiction of the courts of Luxembourg to settle any dispute or claim arising out of or in connection with a Unitholder's investment in the Fund or any related matter.

The Net Asset Value of the Units in each class is made available to the public at the Management Company's registered office, at the office of the Depositary and other

establishments responsible for financial services, as from the first Business day following the calculation of the aforementioned Net Asset Values. The Net Asset Value of the Units of each class is also made available on the website www.nnip.com. The Management Company will also publish the Net Asset Value by all the means that it deems appropriate, at least twice a month and at the same frequency as its calculation, in the countries where the Units are offered to the public.

2. Documents

On request, before or after a subscription to Units in the Fund, the Fund's Management Regulations, the Fund's prospectus, the Key Investor Information Document, the Fund's annual and semi-annual report may be obtained

free of charge at the office of the Depositary and other establishments designated by it and at the registered office of the Management Company. Further information on the portfolio composition of the Sub-Funds may be obtained under certain conditions by sending a written request to info@nnip.com. Access to such information should be granted on an equal treatment basis. Reasonable costs may be charged in this respect.

PART II: SUB-FUND FACTSHEETS

Classes of Units

The Management Company may decide to create within each Sub-Fund different Classes of Units whose assets will be invested in common pursuant to the specific investment objective and policy of the relevant Sub-Fund, but which may have any combination of the following features:

- Each Sub-Fund may contain X, P, I, S, V, Z, and Zz Classes of Units, which may differ in the minimum subscription amount, minimum holding amount, eligibility requirements, and the fees and expenses applicable to them as listed for each Sub-Fund.
- Each Class of Unit may be offered in the reference currency of the relevant Sub-Fund, or may be denominated in any currency, and such currency denomination will be represented as a suffix to the name of the Class of Unit.
- Each Class of Unit may be either currency hedged (see definition of "Currency Hedged Class of Unit" hereafter) or unhedged. Classes of Units that are currency hedged will be identified with the suffix "(hedged)".
- Each Class of Unit may also have different dividend policies as described in the "Part III: Additional information" of the Fund's Prospectus, Chapter XIII. "Dividends". Distribution or Capitalisation Classes of Units may be available. For Distribution Class of Unit, the Management Company can decide to pay dividends on a monthly, quarterly, bi-annually or annually basis. Dividends may be paid in cash or in additional Units (stock) by the respective Class of Unit.

For the exhaustive list of existing Classes of Units available, please refer to the below website of NN Investment Partners:

https://api.nnip.com/DocumentsApi/v1/downloads/EXISTING_SHARE_CLASSES_XLS/download

- 'P': Ordinary Class of Unit intended for individual investors
- 'X': Ordinary Class of Unit intended for individual investors yet differing from class "P" in that it attracts a higher management fee and is distributed in certain countries where market conditions require a higher fee structure.
- 'I': Class of Unit reserved for institutional investors and issued in registered form only. "I" unit class will only be issued to subscribers who have completed their subscription form in compliance with the obligations, representations and guarantees to be provided regarding their status as an institutional investor, as provided for under Article 174 (II) of the Law of 2010. Any subscription application for Class of Unit "I" will be deferred until such time as the required documents and supporting information have been duly completed and provided.
- "S": Class of Unit intended for corporate beneficial owners with a minimum subscription amount of EUR 1,000,000 subject to subscription tax of 0.05% per year on net assets.
- "V": Class of Unit reserved for institutional investors and issued in registered form only yet differing from class "I" in that it attracts a higher management fee.
- "Z": Class of Unit reserved for Institutional Investors that, at the discretion of the Management Company, have signed a special management agreement ("Special Agreement") with the Management Company in addition to their subscription agreement in relation to

their investment in the Fund. For this Class of Unit, the management fee is not charged to the Class of Unit. Instead, a specific management fee will be levied and collected by the Management Company directly from the Unitholder as determined in the Special Agreement. Such specific management fee may vary among holders of this Class of Unit. Calculation method and payment frequency for the specific fees will be separately stipulated in each Special Agreement and are therefore only accessible for the respective parties to these agreements. This Class of Unit will be charged a service fee ("Service Fee"), as more described in the "Part I Essential information regarding the Fund" of the Fund's prospectus in Chapter IV. "Fees, expenses and taxation", section C. "Service Fee", to cover the administration and safe-keeping of assets and other on-going operating and administrative expenses. The Management Company will be entitled to retain any amount of Service Fee charged to the Class of Unit which exceeds the actual related expenses incurred by the respective Class of Unit. The investment in this Class of Unit requires a minimum subscription and holding amount of EUR 5,000,000 or the equivalent in another currency. If the investment has dropped below the minimum holding amount following the execution of a redemption, transfer or conversation request, the Management Company may require the relevant Unitholder to subscribe additional Units in order to reach the set minimum holding amount. If the Unitholder does not respond to such request, the Management Company will be entitled to redeem all the units held by the respective Unitholder.

"Zz": Unit-Class reserved for Institutional Investors yet differing from Unit-Class "Z" in that, a fund management services fee covering the management fee, the Service Fee and any other fees will be levied and collected by the Management Company directly from the Unitholder as determined in the fund management services agreement ("Fund Management Services Agreement") signed with the Management Company at its discretion. Such specific fund management fee may vary among holders of this Unit-Class. Calculation method and payment frequency for the specific fees will be separately stipulated in each Fund Management Services Agreement and are therefore only accessible for the respective parties to these agreements.

Currency Hedged Classes of Units

Where a Class of Unit is described as currency hedged (a "Currency Hedged Class of Unit"), the intention will be to hedge full or part of the value of the net assets in the reference currency of the Sub-Fund or the currency exposure of certain (but not necessarily all) assets of the relevant Sub-Fund into either the reference currency of the Currency Hedged Class of Unit, or into an alternative currency.

It is generally intended to carry out such hedging through the use of various derivative financial instruments, including but not be limited to Over The Counter ("OTC") currency forward contracts and foreign exchange swap agreements. Profits and losses associated with such hedging transactions will be allocated to the applicable Currency Hedged Class of Unit or Classes of Unit.

The techniques used for Class of Unit hedging may include:

- i. hedging transactions to reduce the effect of fluctuations in the exchange rate between the currency in which the Class of Unit is denominated and the Reference Currency of the relevant Sub-Fund ("Base Currency Hedging");
- ii. hedging transactions to reduce the effect of fluctuations in the exchange rate between the currency exposure arising from the holdings of the relevant Sub-Fund and the currency in which the Class of Unit is denominated ("Portfolio Hedging at Class of Unit Level");
- iii. hedging transactions to reduce the effect of fluctuations in the exchange rate between the currency exposure arising from the holdings of the relevant Benchmark and the currency in which the Class of Unit is denominated ("Benchmark Hedging at Class of Unit Level");
- iv. hedging transactions to reduce the effect of fluctuations in the exchange rate based on correlations between currencies arising from the holdings of the relevant Sub-Fund and the currency in which the Class of Unit is denominated ("Proxy Hedging at Class of Unit Level").

Investors should be aware that any currency hedging process may not give a precise hedge and may involve additional risks (as described in the "Part III: Additional Information" of the Fund's prospectus, Chapter II. "Risks linked to the investment universe". There is no assurance or guarantee given that the hedging will be effectively achieved. Furthermore, investors invested in the Currency Hedged Classes of Units may have remaining exposure to currencies other than the currency against which assets are hedged.

Investors should note that the hedging at Class of Unit level is distinct from the various hedging strategies that the Investment Manager may use at portfolio level.

The list of available Currency Hedged Classes of Units is available on:

https://api.nnip.com/DocumentsApi/v1/downloads/EXISTING_SHARE_CLASSES_PDF/download

Minimum subscription and holding amount

The Management Company has set, unless otherwise stated in each Sub-Fund factsheet, minimum subscription and minimum holding amount per Class of Unit as listed below. These amounts are in EUR or the equivalent in another currency:

Class of Unit	Minimum subscription amount	Minimum holding amount
P	-	-
X	-	-
I	EUR 250,000	EUR 250,000
I (reserved to BPCE Vie)	EUR 2,500,000	EUR 2,500,000
S	EUR 1,000,000	EUR 1,000,000
V	-	-
Z	EUR 5,000,000	EUR 5,000,000
Zz	EUR 5,000,000	EUR 5,000,000

The Management Company has the discretion, from time to time, to waive or reduce any applicable minimum subscription and holding amounts.

The Management Company has the right to require a Unitholder to make additional subscriptions in order to reach the required minimum holding only if, as a result of the execution of a redemption order, transfer or conversion of Units requested by the Unitholder, the holding of the said Unitholder falls below the required minimum amount. In case the Unitholder does not comply with this request, the Management Company shall be entitled to repurchase all Units owned by the Unitholder. Under the same circumstances, the Management Company may convert the Units of a Class of Units into Units of another Class of Units from the same Sub-Fund with higher fees and charges.

If as a result of a redemption, conversion or transfer, a Unitholder is owner of a small balance of Units, which is considered as a value not above EUR 10 (or the equivalent amount in another currency), the Management Company may decide at its sole discretion to redeem such position and repay the proceeds to the Unitholder.

Typical Investor Profile

The Management Company has defined the following three categories - Defensive, Neutral and Dynamic - when describing the investment horizon for the investor and anticipated volatility of the Sub-Funds.

Categories	Definitions
Defensive	Sub-Funds in the Defensive category are typically suitable for investors with a short investment horizon. These Sub-Funds are intended as a core investment where there is a low expectation of capital loss and where income levels are expected to be regular and stable.
Neutral	Sub-Funds in the Neutral category are typically suitable for investors with at least a medium investment horizon. These Sub-Funds are intended as a core investment where there is exposure to the fixed income securities markets as defined in the individual Sub-Fund's investment policy and where investment is principally made in markets subject to moderate volatility.
Dynamic	Sub-Funds in the Dynamic category are typically suitable for investors with a long term investment horizon. These Sub-Funds are intended to provide additional exposure for more experienced investors where a high proportion of the assets may be invested in equity, or equity-related securities, or in bonds rated below Investment Grade in markets which may be subject to high volatility.

The descriptions defined in the above categories should be considered as indicative and do not provide any indication of likely returns. They should only be used for comparison purpose with other Sub-Funds of the Fund.

The Profile of the Typical Investor for an individual Sub-Fund is indicated in each Sub-Fund factsheet under the section "Typical Investor Profile".

Investors are encouraged to consult their financial advisor prior to investments in Sub-Funds of the Fund.

NN (L) Institutional FCR

Introduction

The Sub-Fund has been launched on 11 February 2008.

Investment objective and policy

The objective of this Sub-Fund is to seek exposure:

- on the Euro-denominated debt instruments markets between 50% and 80% of its net assets by investing directly in investment grade debt instruments, any other negotiable securities which carry the right to acquire any such instrument by subscription or exchange, structured products, debt instruments related financial derivative instruments and units of UCITS and/or other UCIs investing in debt instruments, the minimum average rating of the debt instruments being "A+"
- on the equity markets between 20% and 50% of its net assets by investing in worldwide equities and other securities equivalent to shares, any other negotiable securities which carry the right to acquire any such bond or share by subscription or exchange, structured products, equity related financial derivative instruments, units of UCITS and/or other UCIs investing in equities

Structured products are transferable securities organised solely with a view to restructuring the investment characteristics of certain other investments (underlying investment) and are issued by top-rated financial institutions. These institutions issue transferable securities (structured products) backed up by or linked to the interests of the underlying investment. The latter must be in line with the investment objective and policy of the Sub-Fund previously outlined and must be taken into account when determining the investment limits set out in the "Part III: Additional information" of the Fund's prospectus, Chapter III. "Investment restrictions". Structured products are exposed to risks linked to underlying investments and are subject to higher volatility than direct investments in the underlying investments.

The Sub-Fund may be exposed to various exchange risks linked to investments in securities denominated in currencies other than that of the Sub-Fund or in derivative instruments with underlying exchange rates or currencies.

Fixed-income transferable securities and/or money market instruments issued or guaranteed by the government of France and/or Germany and their local public authorities may represent more than 35% of the net asset value of the Sub-fund, provided such exposure does comply with the principle of risk spreading described in Article 45(1) of the 2010 Law.

The Sub-Fund may also invest a maximum of 30% of its net assets in other transferable securities (including warrants on transferable securities up to a maximum 10% of the Sub-Fund's net assets and asset back securities up to a maximum 20%), in money market instruments, in type 144A transferable securities, in other units of UCITS and other UCIs and in deposits as described in the "Part III: Additional information" of the Fund's prospectus, Chapter III. "Investment restrictions".

The Sub-Fund may have recourse to financial derivative instruments for hedging purposes, for efficient portfolio management and/or as part of the investment strategy of the Sub-Fund. The Sub-Fund may therefore invest in all derivative financial instruments authorised by Luxembourg law, including (not exclusively):

Derivative financial instruments linked to market fluctuations such as call and put options, swaps and futures contracts on securities, indices, baskets of securities or any other financial instruments, Contracts For Differences ("CFD") that are derivative financial instruments linked to an arrangement made in a futures contract whereby differences in settlement are made through cash payments, rather than the delivery of physical securities and Total Return Swaps that are derivative financial instruments linked to a swap agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains.

- Derivative financial instruments linked to exchange rate or currency fluctuations of all types, such as currency futures contracts or currency call and put options, currency swaps, currency futures transactions and proxy hedging through which the Sub-Fund carries out a cover transaction in its reference currency (index or reference currency) against exposure in a single currency by selling or buying another currency closely linked to its reference currency;
- Derivative financial instruments linked to interest rate risks, such as call and put options on interest rates, interest rate swaps, future rate agreements, interest rate futures transactions, swaptions whereby a counterparty receives a fee in exchange for processing a future swap at a rate previously agreed should a certain contingent event arise, for example where future rates are set according to a reference index, caps and floors and for which the seller, in exchange for a premium paid in advance agrees to compensate the buyer if interest rates go above or below a strike price at certain pre-defined dates during the lifetime of the agreement.
- Derivative financial instruments linked to credit risks such as credit derivatives designed to isolate and transfer the credit risk associated with a given reference rate, such as rate difference derivatives or credit default swaps and according to which a counter party (the buyer of the protection) pays a periodic fee in exchange for a contingent payment by the seller of the protection after a credit incident by a reference issuer. The buyer of the protection must either sell certain bonds issued by the reference issuer at par value (or at another reference value or at a determined strike price) when a credit incident occurs, or receive payment in cash based on the difference between the market price and reference price. A credit incident is commonly defined as a drop in the rating awarded by a rating agency, bankruptcy, insolvency, sequestration, debt restructuring or default in payment. Credit default swaps may involve a larger risk than direct investments in bonds. The credit default swap market may sometimes be less liquid than bond markets.

Securities lending and repurchase agreements (opérations à réméré)

The Sub-Fund may also engage in securities lending and repurchase agreements.

Risk profile of the Sub-Fund

The overall market risk associated with the financial instruments used to reach investment objectives is considered as medium. These financial instruments are impacted by various

factors. These include, but are not limited to, the development of the financial market, the economic development of issuers of these financial instruments who are themselves affected by the general world economic situation and the economic and political conditions in each country. Expected credit risk, the risk of failure of the issuers of underlying investments is medium. Moreover, currency fluctuation may impact the Sub-Fund's performance. No guarantee is provided as to recovery of the initial investment. The risk associated with the financial derivative instruments is detailed in the "Part III: Additional information" of the Fund's prospectus, Chapter II. "Risks linked to the investment universe".

The global exposure of this Sub-Fund is determined using the VaR method.

Typical investor profile

Neutral

Fund type

Investment in a diversified portfolio of mixed financial instruments

Reference currency

Euro (EUR)

Investment Manager of the Sub-Fund

NN Investment Partners B.V.

Other

The Sub-Fund is not included in the Swinging Single Pricing process as more described in the "Part III: Additional information" of the Fund's prospectus, Chapter X. "Net Asset Value".

Classes of Units of the Sub-Fund NN (L) Institutional FCR

Information applicable to each Class of Unit of the Sub-Fund

Dividend payment (distribution units only)

Annually. In cash, in principle payable in December

Class of Unit	Maximum Management fee per year	Initial subscription price
I (restricted to BPCE VIE)	0.25%	EUR 100

NN (L) Institutional Global Enhanced

Introduction

The Sub-Fund has been launched on 27 June 2008.

Investment objective and policy

The Sub-Fund mainly invests in a diversified portfolio of equities and/or transferable securities (warrants on transferable securities – up to a maximum of 10% of the Sub-Fund's net assets – and convertible bonds) issued by companies established, listed or traded in any country worldwide. Measured over a period of several years this Sub-Fund aims to beat the performance of the benchmark MSCI World (Net).

Moreover, the Sub-Fund reserves the right to invest up to 20% of its net assets in Rule 144A Securities.

The Sub-Fund may also invest, on an ancillary basis, in other transferable, money market instruments, units of UCITS and other UCIs and deposits as described in the "Part III: Additional information" of the Fund's prospectus, Chapter III. "Investment restrictions". However, investments in UCITS and UCIs may not exceed a total of 10% of the net assets. Where the Sub-Fund invests in warrants on transferable securities, note that the Net Asset Value may fluctuate more than if the Sub-Fund were invested in the underlying assets because of the higher volatility of the value of the warrant.

The Sub-Fund may have recourse to financial derivative instruments for hedging purposes, for efficient portfolio management and/or as part of the investment strategy of the Sub-Fund. The Sub-Fund may therefore invest in all derivative financial instruments authorised by Luxembourg law, including (not exclusively):

- Derivative financial instruments linked to market fluctuations such as call and put options, swaps and futures contracts on securities, indices or baskets of securities.
- Derivative financial instruments linked to exchange rate or currency fluctuations of all types, such as currency futures contracts or currency call and put options, currency swaps, currency futures transactions and proxy hedging through which the Sub-Fund carries out a cover transaction in its reference currency (index or reference currency) against exposure in a single currency by selling or buying another currency closely linked to its reference currency.

Securities lending and repurchase agreements (opérations à réméré)

The Sub-Fund may also engage in securities lending and repurchase agreements.

Risk profile of the Sub-Fund

The overall market risk associated with the financial instruments used to reach investment objectives is considered as high. These financial instruments are impacted by various factors. These include, but are not limited to, the development of the financial market, the economic development of issuers of these financial instruments who are themselves affected by the general world economic situation and the economic and political conditions in each country. Moreover, currency fluctuation may impact highly on the Sub-Fund's performance. No guarantee is provided as to the recovery of the initial investment. The risk associated with the financial

derivative instruments is detailed in the "Part III: Additional information" of the Fund's prospectus, Chapter II. "Risks linked to the investment universe".

The global exposure of this Sub-Fund is determined using the commitment method.

Typical investor profile

Dynamic

Fund type

Investment in equities

Reference currency

Euro (EUR)

Investment Manager of the Sub-Fund

NN Investment Partners B.V.

Other

The Sub-Fund is included in the Swinging Single Pricing process as more described in the "Part III: Additional information" of the Fund's prospectus, Chapter X. "Net Asset Value".

Classes of Units of the Sub-Fund NN (L) Institutional Global Enhanced

Information applicable to each Class of Unit of the Sub-Fund

**Subscription fee payable
to the distributor(s)**

Maximum 2% for I, S and V Classes of Units

**Dividend payment
(distribution units only)**

Annually. In cash, in principle payable in December

Additional Information

All profits, losses and expenses associated with a currency hedging transaction entered into in relation to the Hedged Unit-Class will be allocated solely to the Hedged Unit-Class.
An additional maximum Unit-Class Overlay Fee of 0,04% is charged for Overlay Unit-Classes.
The list of available Unit-Classes of this Sub-Fund is available on www.nnip.com

Class of Unit	Maximum Service Fee	Maximum Management fee per year	Initial subscription price
I	-	0.36%	EUR 5,000
S	-	0.36%	EUR 5,000
V	-	1.30%	EUR 100
Z	0.20%	-	EUR 5,000
Zz	N/A	N/A	EUR 5,000

PART III: ADDITIONAL INFORMATION

I. The Fund

The Fund is a mutual investment fund ("fonds commun de placement") organised under the laws of the Grand-Duchy of Luxembourg. The Fund is not a separate legal entity and is structured as a co-ownership arrangement. Its assets are held in common by, and managed in the interest of, those persons entitled to an undivided co-ownership of the assets and income of the Fund by the Management Company, a company incorporated under the laws of Luxembourg and having its registered office in Luxembourg. The assets of the Fund are segregated from those of the Management Company. The Fund is organised in Luxembourg pursuant to the part I of the Law of 2010 regarding undertakings for collective investment in transferable securities (the "Law of 2010").

The Management Company manages the Fund in accordance with Management Regulations available at the Registre de Commerce et des Sociétés of the Grand-Duchy of Luxembourg, where they may be inspected and where copies may be obtained. A notice advising of the deposit of the Management Regulations with the Registre de Commerce et des Sociétés has been published on 12 August, 2015 in the "Mémorial C, Recueil des Sociétés et Associations".

The Fund is structured as an umbrella fund, which means that it is composed of Sub-Funds which have separate assets and liabilities. Ownership of a Unit in a Sub-Fund affords the Unitholder the opportunity of having his investment diversified over the whole range of securities held by such Sub-Fund. The Sub-Funds may have similar or different investment objectives and policies.

The Management Company may issue Units in several classes in each Sub-Fund having: (i) a specific sales and redemption charge structure and/or (ii) a specific management or advisory fee structure and/or (iii) different distribution, Unitholder servicing or other fees and/or (iv) different types of targeted investors and/or (v) a different hedging structure and/or (vi) such other features as may be determined by the Board of Directors of the Management Company from time to time.

The specifications of each Sub-Fund and class are described in the relevant Sub-Funds factsheet in the "Part II: Sub-Fund factsheets" of this Prospectus.

The Management Company may, at any time, decide to create further Sub-Funds and in such case this Prospectus will be updated by adding the corresponding Sub-Funds factsheets.

Such updated and amended Prospectus or new separate Sub-Funds factsheet will not be circulated to existing Unitholders except in connection with their subscription for Units of such Sub-Funds.

Each Unit represents the proportion of each Unitholder's ownership interest in the assets and liabilities comprising the Fund and to which each Unitholder is beneficially entitled. Ownership of Units shall entitle each Unitholder to participate and share in the property comprising the Fund including, without limitation, income, interest, dividends, profits and other similar amounts derived or generated from the investment of such property received by the Fund as they arise in the Fund ("Gross Income"). Units of each class of each Sub-Fund are equally entitled to Gross Income attributable to that class.

The minimum capital is laid down in the Luxembourg Law of 2010. In case where one or several Sub-Funds of the Fund hold Units that have been issued by one or several other Sub-Funds of the Fund their value will not be taken into account for the

calculation of the net assets of the Fund for the determination of the above mentioned minimum capital.

II. Risks linked to the investment universe

General remarks regarding risks

The investments of each Sub-Fund are subject to market fluctuations and the risks inherent to investments in transferable securities and other eligible assets. There is no guarantee that the investment objective and policy will be achieved. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial investments.

The risks inherent to the different Sub-Funds depend on their investment objective and policy, i.e. among others the markets invested in, the investments held in portfolio, etc.

Investors must be fully aware of the risks linked to investments in the Units of the Fund and ensure that they consult their legal, tax and financial adviser, auditor or other adviser in order to obtain complete information on (i) the appropriate nature of an investment in Units, depending on their personal financial and tax situation and on their particular circumstances, (ii) the information contained herein and (iii) the investment policy of the Sub-Fund (as described in the relevant factsheet for each Sub-Fund), before making any investment decision.

Investors should also be aware of the risks inherent to the following instruments or investment objectives, although this list is in no way exhaustive:

Market risk

This is a general risk which affects all investments. Price for financial instruments are mainly determined by the financial markets and by the economic development of the issuers, who are themselves affected by the overall situation of the global economy and by the economic and political conditions prevailing in each relevant country (market risk).

Interest rate risk

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro-economic factors, speculation and central bank and government policies or intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Units. Fluctuations in interest rates of the currency in which the Units are denominated and/or fluctuations in interest rates of the currency or currencies in which the Sub-Fund's assets are denominated may affect the value of the Units.

The value of investments may be affected by exchange rate fluctuations in the Sub-Funds where investments are allowed in a currency other than the Sub-Fund's reference currency.

Credit risk

Investors must be aware that any such investment may involve credit risks. Bonds and debt securities effectively involve issuer credit risk, which can be calculated using the issuer's credit rating. Bonds and debt securities issued by entities with a low rating are generally considered to have higher credit risk and issuer default

probability than those issued by issuers with a higher rating. If the issuer of bonds or debt securities runs into financial or economic difficulty, the value of the bonds or debt securities (which may become null and void) and the payments made on account of these bonds or debt securities (which may become null and void) may be affected.

Risk of issuer default

In parallel to the general trends prevailing on the financial markets, developments particular to each issuer can affect the value of an investment. Even a careful selection of transferable securities cannot eliminate the risk of losses caused by the inability of an issuer to face its contractual payment obligations.

Liquidity risk

Liquidity risk may take two forms: asset liquidity risk and funding liquidity risk. Asset liquidity risk refers to the inability of a Sub-Fund to purchase or sell a security or position at its quoted price or market value due to such factors as a sudden change in the perceived value or credit worthiness of the position, or due to adverse market conditions generally. Funding liquidity risk refers to the inability of a Sub-Fund to meet a redemption request, due to the inability of the Sub-Fund to sell securities or positions in order to raise sufficient cash to meet the redemption request. Markets where the Sub-Fund's securities are traded could also experience such adverse conditions as to cause stock-exchanges to suspend trading activities. Reduced liquidity due to these factors may have an adverse impact on the Net Asset Value of the Sub-Fund and on its ability to meet redemption requests in a timely manner.

Risk arising from investments in Currency Hedged Class of Unit

Hedged Class of Unit will make use of derivative financial instruments to achieve the stated objective of the specific Class of Unit and which can be distinguished by making reference to Currency Hedged Class of Unit. Investors in such Class of Unit may be exposed to additional risks such as market risk compared with the main Class of Unit of the respective Sub-Fund depending on the level of the hedge performed. Additionally, the changes in the Net Asset Value of this Class of Unit may not be correlated with the main Class of Unit of the respective Sub-Fund.

Risk on cross liabilities for all Classes of Units (Standard, Currency Hedged)

The right of Unitholders of any Class of Unit to participate in the assets of the Sub-Fund is limited to the assets of the relevant Sub-Fund and all the assets comprising a Sub-Fund will be available to meet all of the liabilities of the Sub-Fund, regardless of the different amounts stated to be payable on the separate Classes of Unit. Although the Management Company of the Fund may enter into a derivative contract in respect of a specific Class of Unit, any liability in respect of such derivative transaction will affect the Sub-Fund and its Unitholders as a whole, including Unitholders of non-Currency Hedged Classes of Unit. Investors should be aware that this may lead the Sub-Fund to hold larger cash balances than would be the case in the absence of such active Classes of Unit.

Risks arising from investments in derivatives (including Total Return Swaps)

The Management Company on behalf of the Fund may use various derivative instruments to reduce risks or costs or to

generate additional capital or income in order to meet the investment objectives of a Sub-Fund. Certain Sub-Funds may also use derivatives extensively and/or for more complex strategies as further described in their respective investment objectives. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks associated with more traditional investments. The use of derivatives may give rise to a form of leverage, which may cause the Net Asset Value of these Sub-Funds to be more volatile and/or change by greater amounts than if they had not been leveraged, since leverage tends to exaggerate the effect of any increase or decrease in the value of the respective Sub-Funds' portfolio securities.

Before investing in Units, investors must ensure to understand that their investments may be subject to the following risk factors relating to the use of derivative instruments:

- *Market risk:* Where the value of the underlying asset of a derivative instrument changes, the value of the instrument will become positive or negative, depending on the performance of the underlying asset. For non-option derivatives the absolute size of the fluctuation in value of a derivative will be very similar to the fluctuation in value of the underlying security or reference benchmark. In the case of options, the absolute change in value of an option will not necessarily be similar to the change in value of the underlying because, as explained further below, changes in options values are dependent on a number of other variables.
- *Liquidity risk:* If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, a Sub-Fund will only enter into OTC derivative contracts if it is allowed to liquidate such transactions at any time at fair value).
- *Counterparty risk:* When OTC derivative contracts are entered into, the Sub-Funds may be exposed to risks arising from the solvency and liquidity of its counterparties and from their ability to respect the conditions of these contracts. The Management Company on behalf of the Fund may enter into forwards, options and swap contracts, or use other derivative techniques, each of which involves the risk that the counterpart will fail to respect its commitments under the terms of each contract. The counterparty risk associated with any of the Classes of Units of the Sub-Fund is borne by the Sub-Fund as a whole. In order to mitigate the risk, the Fund will ensure that the trading of bilateral OTC derivative instruments is conducted on the basis of the following criteria:
 - Only high quality counterparties are selected for the trading of bilateral OTC derivative instruments. In principle, a bilateral OTC derivative counterparty must at least have an investment grade rating by Fitch, Moody's and/or Standard & Poor's;
 - Bilateral OTC derivatives are traded only if covered by a robust legal framework, typically an International Swap and Derivative Association Inc. (ISDA) master agreement and a Credit Support Annex (CSA);
 - With the exception of the short-term currency forward contracts used for Unit-Class hedging, bilateral OTC financial derivative instruments should be covered by a collateral process conducted on a NAV frequency basis;
 - The creditworthiness of the counterparties should be reassessed at least annually;

- All policies in relation to the trading of bilateral OTC derivative instruments should be reviewed at least annually;
- The counterparty risk to a single counterparty is maximised to 5% or 10% of net assets.
- **Settlement risk:** Settlement risk exists when a derivative instrument is not settled in a timely manner, thereby increasing counterparty risk prior to settlement and potentially incurring funding costs that would otherwise not be experienced. Should the settlement never occur the loss incurred by the Sub-Fund will correspond to the difference in value between the original and the replacement contracts. If the original transaction is not replaced, the loss incurred by the Sub-Fund will be equal to the value of the contract at the time it becomes void.
- **Other risks:** Other risks in using derivative instruments include the risk of mispricing or improper valuation. Some derivative instruments, in particular OTC derivative instruments, do not have prices observable on an exchange and so involve the use of formulae, with prices of underlying securities or reference benchmarks obtained from other sources of market price data. OTC options involve the use of models, with assumptions, which increases the risk of pricing errors. Improper valuations could result in increased cash payment requirements to counterparties or a loss of value to the Sub-Funds. Derivative instruments do not always perfectly or even highly correlate or track the value of the assets, rates or indices they are designed to track. Consequently, the Sub-Funds' use of derivative instruments may not always be an effective means of, and sometimes could be counterproductive to, furthering the Sub-Funds' investment objective. In adverse situations, the Sub-Funds' use of derivative instruments may become ineffective and the Sub-Funds may suffer significant losses.

A non-exhaustive list of the derivative instruments most commonly used by the relevant Sub-Funds is set out below:

- **Equity Index, Single Stock, Interest Rate and Bond Futures:** Futures contracts are forward contracts, meaning they represent a pledge to make a certain economic transfer at a future date. The exchange of value occurs by the date specified in the contract. The majority of contracts have to be cash settled and where physical delivery is an option the underlying instrument is actually rarely exchanged. Futures are distinguished from generic forward contracts in that they contain standardised terms, trade on a formal exchange, are regulated by overseeing agencies, and are guaranteed by clearing firms. Also, in order to ensure that payment will occur, futures have both an initial margin and a margin requirement which moves in line with the market value of the underlying asset that must be settled daily. The main risk to the buyer or seller of an exchange-traded future consists in the change in value of the underlying reference index/security/contract/bond.
- **Foreign Exchange Contracts:** These contracts involve the exchange of an amount in one currency for an amount in a different currency on a specific date. Once a contract has been transacted the value of the contract will change depending on foreign exchange rate movements and, in the case of forwards, interest rate differentials. To the extent that such contracts are used to hedge non-base currency foreign currency exposures back to the base currency of the Sub-Fund, there is a risk that the hedge

may not be perfect and movements in its value may not exactly offset the change in value of the currency exposure being hedged. Since the gross amounts of the contract are exchanged on the specified date, there is a risk that if the counterparty with whom the contract has been agreed goes into default between the time of payment by the Sub-Fund but before receipt by the Sub-Fund of the amount due from the counterparty, then the Sub-Fund will be exposed to the counterparty risk of the amount not received and the entire principal of a transaction could be lost.

- **Interest Rate Swaps:** An interest rate swap is an OTC agreement between two parties which normally involves exchanging a fixed interest amount per payment period for a payment that is based on a floating rate benchmark. The notional principal of an interest rate swap is never exchanged, only the fixed and floating amounts. Where the payment dates of the two interest amounts coincide there is normally one net settlement. The market risk of this type of instrument is driven by the change in the reference benchmarks used for the fixed and floating legs. Each party to the interest rate swap bears the counterpart's credit risk and collateral is arranged to mitigate this risk.
- **Credit Default Swaps (CDSs):** Credit default swaps are bilateral financial contracts in which one counterparty (the "protection buyer") pays a periodic fee in return for a contingent payment by the other counterparty (the "protection seller") following a credit event of a reference issuer. The protection buyer acquires the right to exchange particular bonds or loans issued by the reference issuer with the protection seller for its or their par value, in an aggregate amount up to the notional value of the contract, when a credit event occurs. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. A credit default swap allows the transfer of default risk and carries a higher risk than direct investments in bonds. If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. The market for credit default swaps may sometimes be more illiquid than bond markets. A Sub-Fund entering into credit default swaps must at all times be able to meet redemption requests.
- **Total Return Swaps (TRS):** These contracts represent a combined market and credit default derivative and their value will change as a result of fluctuations in interest rates as well as credit events and credit outlook. A TRS involves that receiving the total return is similar in risk profile to actually owning the underlying reference security. Furthermore, these transactions may be less liquid than interest rate swaps as there is no standardization of the underlying reference benchmark and this may adversely affect the ability to close out a TRS position or the price at which such a close out is transacted. The swap contract is an agreement between two parties and therefore each party bears the other's counterparty risk and collateral is arranged to mitigate this risk. All the revenues arising from TRS will be returned to the relevant Sub-Fund.
- **Exchange-traded and OTC Options:** Options are complex instruments whose value depends on many variables including the strike price of the underlying (versus the spot price both at the time the option is transacted and subsequently), the time to maturity of the option, the type

of option (European or American or other type) and volatility among others. The most significant contributor to market risk resulting from options is the market risk associated with the underlying when the option has an intrinsic value (i.e. it is 'in-the-money'), or the strike price is near the price of the underlying ('near-the money'). In these circumstances the change in value of the underlying will have a significant influence on the change in value of the option. The other variables will also have an influence, which will likely to be greater the further away the strike price is from the price of the underlying. Unlike exchange traded option contracts (which are settled through a clearing firm), OTC option contracts are privately negotiated between two parties and are not standardized. Further, the two parties must bear each other's credit risk and collateral is arranged to mitigate this risk. The liquidity of an OTC option can be less than an exchange traded option and this may adversely affect the ability to close out the option position, or the price at which such a close out is transacted.

Risk arising from 144A securities

Rule 144A securities are US securities transferable via a private placement regime (i.e. without registration with the Securities and Exchange Commission), to which a "registration right" registered under the Securities Act may be attached, such registration rights providing for an exchange right into equivalent debt securities or into equity units. The selling of such Rule 144A securities is restricted to qualified institutional buyers (as defined by the Securities Act). The advantage for investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions in Rule 144A securities is restricted and only available to qualified institutional buyers. This might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular Rule 144A security.

Risks arising from the use of SFTs (including Securities Lending Transactions, Repurchase Transactions and Reverse Repurchase Transactions)

Securities Lending Transactions, Repurchase Transactions and Reverse Repurchase Transactions involve certain risks. There is no assurance that a Sub-Fund will achieve the objective for which it entered into such a transaction. In the event of a counterparty default or an operational difficulty, securities lent may be recovered late and only in part which might restrict the Sub-Fund's ability to complete the sale of securities or to meet redemption requests. The Sub-Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will forfeit its collateral if it defaults on the transaction. If the collateral is in the form of securities, there is a risk that when it is sold it will realize insufficient cash to settle the counterparty's debt to the Sub-Fund or to purchase replacements for the securities that were lent to the counterparty. In the event that the Sub-Fund reinvests cash collateral, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested. There is also a risk that the investment will become illiquid, which would restrict the Sub-Fund's ability to recover its securities on loan, which might restrict the Sub-Fund's ability to complete the sale or to meet redemption requests.

Risk arising from investments in Russia

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of

securities. In Russia this is evidenced by entries in the books of a company or its registrar. No certificates representing ownership of Russian companies will be held by the Depositary or any correspondent or in an effective central depositary system. As a result of this system, the lack of state regulation or enforcement and the concept of fiduciary duty not being well established, the Fund could lose its registration and ownership of Russian securities through fraud, negligence or even mere oversight by management, without satisfactory legal remedy, which may lead to Unitholders suffering a dilution or loss of investment.

Some Sub-Funds may invest a significant portion of their net assets in securities or corporate bonds issued by companies domiciled, established or operating in Russia as well as, as the case may be, in debt securities issued by the Russian government as described in more detail in the relevant Sub-Fund factsheets. Investments in Transferable Securities and money market instruments which are not listed on stock exchanges or traded on a Regulated Market or on another Regulated Market in a Member or other State within the meaning of the Law of 2010 which include Russian Transferable Securities and money market instruments may not exceed 10% of the assets of the relevant Sub-Funds. The Russian markets might indeed be exposed to liquidity risks, and liquidation of assets could therefore sometimes be lengthy or difficult. However, investments in Transferable Securities and money market instruments which are listed or traded on the Moscow Interbank Currency Exchange – Russian Trade System (MICEX-RTS) are not limited to 10% of the assets of the relevant Sub-Funds as such markets are recognized as Regulated Markets.

Warrants

The gearing effect of investments in warrants and the volatility of warrant prices make the risks attached to investments in warrants higher than in the case of investment in equities. Because of the volatility of warrants, the volatility of the Unit price of any Sub-Fund investing in warrants may potentially increase. Investment in any Sub-Fund investing into warrants is therefore only suitable for investors willing to accept such increased risk.

III. Investment restrictions

A. Eligible Investments

In the interests of Unitholders and in order to ensure a wide diversification of the risks, the Management Company has resolved that the Fund may only invest in:

Transferable Securities and Money Market Instruments

1. transferable securities and money market instruments admitted to official listing on a stock exchange in an Eligible State (an "Official Listing"); and/or
2. transferable securities and money market instruments which are dealt in on another regulated market which operates regularly and is recognised and open to the public in an Eligible State (a "Regulated Market"); and/or
3. 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 an Official Listing or a Regulated Market and such admission is achieved within a year of the issue.

For this purpose an "Eligible State" shall mean a member State of the Organisation for Economic Cooperation and Development ("OECD") and all other countries of Europe, the American Continents, Africa, Asia, the Pacific Basin and Oceania.

4. money market instruments other than those admitted to an Official Listing or dealt in on a Regulated Market, which are liquid and whose value can be determined with precision at any time, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
 - a. issued or guaranteed by a central, regional or local authority or central bank of a Member State of the European Union ("Member State"), the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - b. issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on Regulated Markets referred to in items (1) and (2) above, or
 - c. issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community Law such as a credit institution which has its registered office in a country which is an OECD member state and a State participating to the Financial Action Task Force on Money Laundering (FATF State), or
 - d. 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 and the third indents 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.

The Fund may also invest in transferable securities and money market instruments other than those referred to in points 1 to 4 above provided that the total of such investment shall not exceed 10 percent of the net assets attributable to any Sub-Fund.

5. Rule 144A transferable securities, as described in the provisions of the US Code of Federal Regulations, Title 17, Par 230, 144A, provided that:
 - a. the securities include an exchange contract registered under the Securities Act of 1933 that foresees a right to exchange the 144A for similar registered securities that are traded on the US OTC fixed income market;
 - b. where the exchange contract has not been asserted within one year after the acquisition of the securities, the securities will be subject to the limit described under section B. "Investment Limits", point 1 hereunder.

Units of Undertakings for Collective Investment

6. units of undertakings for collective investment in transferable securities ("UCITS") authorised according to UCITS Directive, as amended, and/or other undertakings for

collective investment ("UCI") within the meaning of Article 1, paragraph (2) first and second indents of UCITS Directive, should they be situated in a Member State or not, provided that:

- a. such other UCIs are authorised under laws which provide that they are subject to supervision considered by the *Commission de Surveillance du Secteur Financier* ("CSSF") to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured, such as UCIs which have been authorised under the laws of any Member State or under the laws of Canada, Hong Kong, Jersey, Japan, Norway, Switzerland or the United States of America;
- b. the level of protection for Unitholders in the other UCIs is equivalent to that provided for Unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, uncovered sales of transferable securities and money market instruments are equivalent to the requirements of UCITS Directive, as amended;
- c. the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- d. no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of the relevant Sub-Fund), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs.

No subscription or redemption fees may be charged to the Fund if the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding. Management fees may however be charged at both levels (Fund and target UCITS/UCIs).

Deposits with credit institutions

7. deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered seat in a Member State or, if the registered seat of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law such as a credit institution which has its registered office in a country which is an OECD member state and a FAFT state.

Financial Derivative instruments

8. financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market referred to in points 1 and 2 above; and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
 - a. the underlying consists of instruments described in points 1 to 4, financial indices, interest rates, foreign exchange rates, or currencies, in which the Sub-Funds may invest in accordance with their investment policies,
 - b. the counterparts to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and

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

Financial derivatives transactions may be used for hedging purposes of the investment positions, for efficient portfolio management and/or as part of the investment policy of the Sub-Funds.

The Sub-Funds may use all the financial derivative instruments authorised by the Luxembourg Law or by Circulars issued by the Luxembourg supervisory authority and in particular, but not exclusively, the following financial derivative instruments and techniques:

- a. financial derivative instruments linked to market movements such as call and put options, swaps or futures contracts on securities, indices, baskets or any kind of financial instruments;
- b. financial derivative instruments linked to currency fluctuations such as forward currency contracts or call and put options on currencies, currency swaps, forward foreign exchange transactions, proxy-hedging whereby a Sub-Fund effects a hedge of the reference currency of the Sub-Fund (or benchmark or currency exposure of the Sub-Fund) against exposure in one currency by instead selling (or purchasing) another currency closely related to it, cross-hedging whereby a Sub-Fund sells a currency to which it is exposed and purchases more of another currency to which the Sub-Fund may also be exposed, the level of the base currency being left unchanged, and anticipatory hedging whereby the decision to take a position on a given currency and the decision to have some securities held in a Sub-Fund's portfolio denominated in that currency are separate.

Cross-Investments

9. units issued by one or several other Sub-Funds of the Fund, as provided in the Law of 2010, provided that:
 - i. the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund;
 - ii. no more than 10% of the assets of the target Sub-Fund whose acquisition is contemplated may be invested pursuant to its investment objectives in Units of other target Sub-Funds of the Fund;
 - iii. voting rights attached to the relevant Units are suspended for as long as they are held by the investing Sub-Fund and without prejudice to the appropriate processing in the accounts and periodic reports;
 - iv. for as long as the target Sub-Fund's Units are held by the investing Sub-Fund their value will not be taken into consideration for the calculation of the net assets of the Fund for the purpose of verifying the minimum threshold of the net assets imposed by the Law of 2010;
 - v. there is no duplication of management, subscription or redemption fees between those at the level of the Sub-Fund having invested in the target Sub-Fund and this target Sub-Fund;

Others

10. units of a master UCITS or a master Sub-Fund of such UCITS.

B. Investment Limits

The following limits are applicable to the eligible assets mentioned in the section A above:

Transferable Securities and Money Market Instruments

1. No more than 10% of the net assets of any Sub-Fund may be invested in transferable securities or money market instruments issued by the same issuer.
2. Moreover, where a Sub-Fund holds investments in transferable securities or money market instruments of any issuing body which by issuer exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of the Sub-Fund.
3. The limit of 10% laid down in point 1 above may be increased to a maximum of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a Member State, by its local authorities, by another Eligible State or by public international bodies of which one or more Member States are members, and such securities need not be included in the calculation of the limit of 40% stated in point 2.
4. **Notwithstanding the limits set forth under points 1 and 3 above, each Sub-Fund is authorised to invest in accordance with the principle of risk spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by any other member state of the Organisation for Economic Cooperation and Development ("OECD") or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues, and (ii) the securities from any one issue do not account for more than 30% of the net assets of such Sub-Fund.**
5. The limit of 10% laid down in point 1 above may be increased to a maximum of 25% in respect of certain debt securities if they are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Such debt securities need not be included in the calculation of the limit of 40% stated in point 2. But where a Sub-Fund holds investments in such debt securities of any issuing body which individually exceed 5% of its net assets, the total of all such investments must not account for more than 80% of the total net assets of the Sub-Fund.
6. Without prejudice to the limits laid down in point 14, the limit of 10% laid down in point 1 above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment objective and policy of a given Sub-Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:
 - a. the composition of the index is sufficiently diversified,

- b. the index represents an adequate benchmark for the market to which it refers,
- c. it is published in an appropriate manner.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in point 6 need not be included in the calculation of the limit of 40% stated in point 2.

Units of Undertakings for Collective Investment

7. Each Sub-Fund may acquire units in UCITS and/or other UCIs as referred to in section A. "Eligible Investments", point 6, on condition that :
 - a. it does not invest more than 20% of its net assets in the same UCITS or other UCI. For the purposes of applying this investment limit, each Sub-Fund of an umbrella UCITS or UCI is to be regarded as a separate issuer, provided the principle of segregation of the liabilities of the different Sub-Funds in relation to third parties is ensured.
 - b. Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of each Sub-Fund. Where a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in points 1, 2, 3, 4 and 5 above.
 - c. Where a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company to which the management company is linked through common management or control, or through a substantial direct or indirect holding, the said management company or other company may not charge subscription or redemption fees on the Sub-Fund's investment in the units of such other UCITS and/or UCIs.
 - d. Where a Sub-Fund invests significant assets in other UCITS and/or other UCIs, the management fees that are chargeable to both, the Sub-Fund itself and other UCITS and/or other UCIs in which it intends to invest may not exceed 3% of its overall net assets invested in such UCITS and/or UCIs.

Deposits with credit institutions

8. No more than 20 % of the net assets of each Sub-Fund may be invested in deposits made with the same body.

Financial Derivative instruments

9. The risk exposure to a counterparty of the Fund in an OTC derivative transaction may not exceed 10% of the net assets of a Sub-Fund when the counterparty is a credit institution referred to above in section A. "Eligible Investments", point 7 or 5% of its net assets in other cases.
10. The global exposure relating to derivatives may not exceed the total net assets of a Sub-Fund.

The global exposure of the underlying assets shall not exceed the investment limits laid down under points 1, 2, 3, 5, 8, 9, 11 and 12. The underlying assets of index based

derivative instruments are not combined to the investment limits laid down under points 1, 2, 3, 5, 8, 9, 11 and 12.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

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

The exposure of a Sub-Fund resulting from the sale of credit default swaps may not exceed 20% of the net assets of the Sub-Fund.

Maximum exposure to a single body

11. The Fund may not combine:

- a. investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in point 1, and/or
- b. deposits made with the same body and subject to the limit mentioned in point 8; and/or
- c. exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in point 9

in excess of 20 % of the net assets of any Sub-Fund.

The Fund may not combine:

- a. investments in transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned in point 3; and/or
- b. investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in point 5; and/or
- c. deposits made with the same body and subject to the 20% limit by body mentioned in point 8; and/or
- d. exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in point 10.

in excess of 35 % of the net assets of any Sub-Fund.

Eligible assets issued by the same group

12. Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the investment limits mentioned in points 1, 2, 3, 5, 8, 9 and 11.
13. The Fund may invest up to 20% of the net assets of any Sub-Fund in transferable securities and/or money market instruments within the same group.

Acquisition Limits by Issuer of Eligible Assets

14. The Fund will not:

- a. acquire units carrying voting rights which would enable the Fund to take legal or management control or to exercise significant influence over the management of the issuing body.

- b. own in any one Sub-Fund or the Fund as a whole, more than 10% of the non-voting units of any issuer;
- c. own in any one Sub-Fund or the Fund as a whole, more than 10% of the debt securities of any issuer;
- d. own in any one Sub-Fund or the Fund as a whole, more than 10% of the money market instruments of any issuer;
- e. own in any one Sub-Fund or the Fund as a whole, more than 25% of the units of the same UCITS or other UCI (all Sub-Funds thereof combined).

The limitations mentioned under letter c, d and e above may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of money market instruments or of UCITS/UCI or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above do not apply in respect of:

- a. transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- b. transferable securities and money market instruments issued or guaranteed by any other Eligible State which is not a Member State;
- c. transferable securities and money market instruments issued or guaranteed by a public international body of which one or more Member State(s) are member(s);
- d. units in the capital of a company which is incorporated under or organised pursuant to the laws of a State which is not a Member State provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investment objective and policy the restrictions referred to in this Prospectus.

If the limitations in section B. "Investment Limits" are exceeded for reasons beyond the control of the Fund or as a result of redemption requests for Units of the Fund or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.

While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from the limitations in section B. "Investment Limits" other than those mentioned in sub-paragraphs i) and n) for a period of six months following the date of their launch.

C. Liquid Assets

The Sub-Funds may hold ancillary liquid assets.

D. Unauthorised Investments

The Sub-Funds will not:

- 1. make investments in, or enter into transactions involving, precious metals and certificates involving these, commodities, commodities contracts, or certificates representing commodities;
- 2. purchase or sell real estate or any option, right or interest therein, provided the Sub-Fund may invest in securities

secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;

- 3. carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in section A. "Eligible Investments"; provided that this restriction shall not prevent the Sub-Fund from making deposits or carrying out other accounts in connection with financial derivatives instruments, permitted within the limits referred to above, provided further that liquid assets may be used to cover the exposure resulting from financial derivative instruments;
- 4. make loans to, or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction i) the acquisition of transferable securities, money market instruments or other financial instruments referred to in section A. "Eligible Investments", in fully or partly paid form and ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;
- 5. borrow amounts in excess of 10% of its total net assets at market value, any such borrowing to be from a bank and to be effected only as a temporary measure for extraordinary purposes including the redemption of Units. However, the Sub-Funds may acquire foreign currency by way of a back-to-back loan.

The Fund will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Units are marketed.

IV. Techniques and instruments

A. General provisions

- 1. For the purpose of efficient portfolio management and/or to protect their assets and commitments, the Fund, the Management Company or the Investment Manager, as the case may be, may arrange for the Sub-Funds to make use of techniques and instruments relating to transferable securities and money market instruments.
 - a. In the case of investments in financial derivatives, the overall risk for the underlying instruments may not exceed the investment limits set forth under the section entitled "Investment Limits" above. Investments in index-based derivatives need not be taken into account in the case of the investment limits set forth in the points 1, 2, 3, 4 and 5 in the "Part III: Additional information" of the Fund's Prospectus, Chapter III "Investment restrictions", section B. "Investment Limits".
 - b. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the rules set forth under this section.

The risks are calculated taking into account guidelines provided in the Law of 2010, and related regulations or circulars issued by the CSSF. As for the global exposure relating to financial derivative instruments it may be calculated through the Value at Risk ("VaR") methodology or the commitment approach.

- 2. The Management Company will calculate the global exposure of each Sub-Fund in accordance with the relevant laws and regulations. The Management Company will use for each Sub-Fund either the commitment approach, the relative Value-at-Risk approach or the absolute Value-at-Risk approach. For those Sub-Funds for which either the relative Value-at-Risk

approach or the absolute Value-at-Risk approach is used, the expected level of leverage is outlined in the table below. For those Sub-Funds for which the relative Value-at-Risk approach is used, the respective reference portfolio is also specified below.

The expected maximum level of leverage is expressed as the ratio between the market risk exposure of the Sub-Fund's positions and its net asset value. The ratio is expressed as a percentage calculated in accordance with the commitment method ("net approach") and the sum of notional method ("gross approach"). While the net approach takes into account netting and hedging arrangements, the gross approach does not take into account such arrangements, hence triggering results that are generally higher and not necessarily representative from an economic exposure point of view. Irrespective of the approach used, the expected level of leverage is an indicator and not a regulatory limit. A Sub-Fund's level of leverage may be higher than the expected level as long as it remains in line with its risk profile and complies with its VaR limit. Depending on market movements, the expected level

of leverage may vary over time. In case no derivatives positions are included in the portfolio, the base value for the leverage is "1" (i.e. 100%).

The expected leverage is a measure which aims to approximate the impact of the use of derivatives instruments on the overall market risk of a given Sub-Fund. For a complete picture of the risk profile associated to each Sub-Fund, please refer to the risk profile section disclosed in each Sub-Fund's Factsheet.

- Under no circumstances will the use of transactions with respect to derivative instruments or other techniques and financial instruments cause the Fund, the Management Company or the Investment Manager, as the case may be, to deviate from the investment policy set forth each Sub-Fund in this prospectus.

Unitholders are informed that, in accordance with Regulation (EU) No 2015/2365, information regarding the type of assets that can be subject to TRS and SFTs, as well as the maximum and expected proportion that can be subject to them are disclosed in the table attached as Appendix I to this Prospectus.

Sub-Funds Name	Approach	Expected level of leverage (Commitment)	Expected level of leverage (Sum of notionals)	Reference Portfolio
NN (L) Institutional FCR	Absolute Value at Risk	150%	200%	N/A

¹⁾ Sub-Funds to be launched upon decision of the Management Company.

B. Restrictions on SFTs (including Securities Lending Transactions, Repurchase Transactions and Reverse Repurchase Transactions)

For the purpose of generating additional capital or income for reducing its costs or risks, the Fund may with respect to the assets of each Sub-Fund engage in SFTs provided that these transactions comply with applicable laws and regulations, including CSSF Circular 08/356 and CSSF Circular 14/592, as amended or supplemented from time to time.

In case the Sub-Fund enters into SFTs, it has to be ensured that at any time the full amount of cash or any security that has been lent or sold can be recalled at any time and any securities lending and/or repurchase agreement entered into can be terminated.

It shall also be ensured that the amount of transactions is kept at a level such that the Sub-Fund is able, at all times, to meet its redemption obligations towards its unitholders. Furthermore, the use of SFTs should not result in a change of the investment objective of the Sub-Fund nor add substantial supplementary risks in comparison to the risk profile as stated in the Sub-Fund factsheet.

All the revenues arising from SFTs are returned to the participating Sub-Fund. The Management Company performs the oversight of the program and Goldman Sachs International Bank is appointed as the Fund's securities lending agent. Goldman Sachs International Bank is neither related to the Management Company nor related to the Depositary.

Each Sub-Fund may lend/sell the securities included in its portfolio to a borrower/buyer (the "Counterparty") either directly or through a standardised lending system organised by

a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by European Community Law and specialised in this type of transactions. The Counterparty must be of high quality and meet the requirements of a "financial counterparty" pursuant to article 3 of Regulation (EU) 2015/2365 (i.e. the counterparty must at least have an investment grade rating by Fitch, Moody's and/or Standard & Poor's, being structured as a public limited liability company, and have its parent company registered office located in OECD countries) and be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by European Community Law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending/repurchase agreement. Further information on the counterparty (ies) is made available in the Annual Report which can be obtained free of charges from the registered office of the Management Company of the Fund.

C. Management of collateral for OTC Derivative Transactions (including Total Return Swaps) and SFTs (including Securities Lending Transactions, Repurchase Transactions and Reverse Repurchase Transactions)

In order to reduce counterparty risk, arising from the use of OTC derivative transactions and SFTs, a guarantee ("collateral") can be put in place with the counterparts. Such collateral process will comply with applicable laws and regulations, including CSSF Circular 08/356 and CSSF Circular 14/592, as they may be amended or supplemented from time to time.

The Fund must proceed on a daily basis to the valuation of the collateral received with exchange (including variation margins) performed on a NAV frequency basis. It is to be noticed that there is at least two business days' operational delay between the derivative exposure and the amount of collateral received or posted in relation to that exposure. The collateral must normally take the form of:

1. Liquid assets which include not only cash and short term bank certificates, but also money market instruments;
2. Bonds issued or guaranteed by a highly rated country;
3. Bonds issued or guaranteed by first class issuers offering an adequate liquidity, or
4. Shares admitted to or dealt in on a regulated market of a highly rated country, on the condition that these shares are included in a main index.

Each Sub-Fund must make sure that it is able to claim its rights on the collateral in case of the occurrence of an event requiring the execution thereof. Therefore, the collateral must be available at all times, either directly or through the intermediary of a first class financial institution or a wholly-owned subsidiary of this institution, in such a manner that the Sub-Fund is able to appropriate or realise the assets given as collateral, without delay, if the counterparty does not comply with its obligation.

The Fund will ensure that the collateral received under OTC derivative transactions and SFTs meet the following conditions:

1. Assets received as security will be valued daily at the market price. In order to minimize the risk of having the value of the collateral held by a Sub-Fund being less than the exposure to the counterparty, a prudent haircut policy is applied both to collateral received in the course of (i) OTC derivatives and (ii) SFTs. A haircut is a discount applied to the value of a collateral asset and intends to absorb the volatility in the collateral value between two margin calls or during the required time to liquidate the collateral. It embeds a liquidity element in terms of remaining time to maturity and a credit quality element in terms of the rating of the security. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and potential currency mismatches. Haircuts applied to cash, high-quality government bonds and corporate bonds typically range from 0-15% and haircuts applied to equities from 10 – 20%. In exceptional market conditions a different level of haircut may be applied. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is intended that any collateral received shall have a value, adjusted in the light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.
2. Collateral received must be sufficiently liquid (e.g. first-class government bonds or cash) so that it can be sold quickly at a price that is close to its pre-sale valuation.
3. Collateral received will be held by the Depositary or by a sub-custodian of the Management Company on behalf of the Fund provided the Depositary has delegated the custody of the collateral to such sub-custodian and that the Depositary remains liable if the collateral is lost by the sub-custodian.
4. Collateral received will comply with the diversification and correlation requirements specified in CSSF Circular 14/592. During the duration of the agreement, the collateral cannot be sold, reinvested or pledged. Cash received as collateral

may be reinvested, in compliance with the diversification rules specified in the Art.43 (-e) of the afore mentioned CSSF Circular exclusively in eligible risk free assets, mainly short-term money market funds (as defined in the Guidelines on a Common Definition of European Money Market Funds) and overnight deposits with entities prescribed in Article 50 (f) of the UCITS Directive; on a residual basis, in high quality government bonds.

Further information on the collateral received by each sub-fund is made available in the Annual Report which can be obtained free of charges from the registered office of the Management Company of the Fund.

D. Pooling

For the purpose of efficient portfolio management, the Management Company may choose, where the investment policies of a Sub-Fund so permit, to co-manage part or all of the assets of two or more Sub-Funds within or outside the Fund. In such cases, assets of different Sub-Funds will be managed in common. The assets under co-management are referred to as a "pool", whereby such pools are, however, exclusively used for internal management purposes. These pooling arrangements are an administrative device designed to reduce operational charges and other expenses while allowing wider diversification of the investments. Pooling arrangements do not change the legal rights and obligations of Unitholders. The pools do not constitute separate entities and are not directly accessible to investors. Each of the co-managed Sub-Funds shall remain entitled to its specific assets. Where the assets of more than one Sub-Fund are pooled, the assets attributable to each participating Sub-Fund will initially be determined by reference to its initial allocation of assets to such a pool. Thereafter, the composition of the assets will vary according to additional allocations or withdrawals. The assets of each Sub-Fund are clearly identifiable and are ring-fenced such that in the event of a Sub-Fund being liquidated, the value of such assets can be determined. The entitlement of each participating Sub-Fund to the co-managed assets applies with regard to each individual asset of such a pool. Additional investments made on behalf of the co-managed Sub-Funds shall be allocated to such Sub-Fund in accordance with their respective entitlement, whereas assets sold shall be levied similarly on the assets attributable to each participating Sub-Fund. Swinging Single Pricing (in accordance with the provisions of the "Part III: Additional information" of the Fund's prospectus; Chapter X. "Net Asset Value") may be applied. The Management Company shall resolve on the use of pooling, and will define the limits thereof.

V. The Management Company of the Fund

The Management Company has been incorporated in the form of a public limited company (société anonyme) in compliance with the Law of 10 August 1915 on commercial companies and the Law of 2010 on undertakings for collective investment. The Management Company was established for an indefinite period by deed dated 4 February 2004 and published in the Mémorial C on 25 February 2004. Its registered office is situated at 3, rue Jean Piret L-2350, Luxembourg. The Management Company was registered under number B 98 977 in the Trade and Companies Register of the District Court of Luxembourg. As at 3 June 2015 its subscribed capital amounted to EUR 6,727,000 with all shares being fully paid up.

The Board of Directors of the Management Company is composed as follows:

- **Mr Georges Wolff**
Chairman
NN Investment Partners Luxembourg S.A.

3, rue Jean Piret, L-2350 Luxembourg

- **Mr Bob van Overbeek**
Head of Technology and Operations
NN Investment Partners ("the Group")
65 Schenkade, The Hague 2595 AS, The Netherlands
- **Mr Erno Berkhout**
Head of Finance
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret – L2350 Luxembourg
- **Mrs Corine Gerardy**
Chief Operating Officer
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret, L-2350 Luxembourg
- **Mr Dirk Zunker**
Head of Legal & Compliance
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret, L-2350 Luxembourg

The Board of Directors of the Management Company has appointed the following persons as managers of the Management Company:

- **Mrs Corine Gerardy**
Chief Operating Officer
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret, L-2350 Luxembourg
- **Mr Georges Wolff**
Country Manager
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret, L-2350 Luxembourg
- **Mr Erno Berkhout**
Head of Finance
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret – L2350 Luxembourg
- **Mr Mathieu d'Alés**
Head of Risk Management
NN Investment Partners Luxembourg S.A.
3, rue Jean Piret – L2350 Luxembourg

The corporate object of the Management Company is the collective portfolio management of Luxembourg and/or foreign UCITS approved in accordance with UCITS Directive, as amended, as well as other Luxembourg or foreign UCIs which do not fall within the scope of this directive, with the management of its own assets remaining an ancillary activity. The activities of collective portfolio management of UCITS and UCIs include in particular:

1. Portfolio management: in this respect, the Management Company may, on behalf of the UCITS and/or other UCIs under management, provide advice and recommendations regarding the investments to be made, enter into contracts, purchase, sell, exchange and deliver any transferable securities and any other assets, and may exercise the voting rights attached to the transferable securities constituting the assets of such UCITS and/or other UCIs on their behalf. This list is not exhaustive but rather indicative. In the context of exercising voting rights, the Management Company has adopted a voting policy which can be obtained free of charge upon request at the

registered office of the Management Company or which can be consulted on the following website:

https://api.nnip.com/DocumentsApi/v1/downloads/RW_S_P_180008/download

2. Central administration of UCITS and UCIs: this consists in carrying out the tasks listed in annex II of the Law of 2010 on undertakings for collective investment, in particular, valuating the portfolio and determining the value of shares and/or units of UCITS and UCIs, the issue and redemption of shares and/or units of UCITS and UCIs, maintaining the register of UCITS and UCIs and keeping records of transactions. This list is not exhaustive but rather indicative.
3. Marketing shares/units of UCITS and UCIs in Luxembourg or abroad.

In compliance with the legislation and regulations currently in force, the Management Company is authorised to delegate all or part of its duties to other companies that it deems appropriate, on condition that the Management Company remains responsible for the acts and omissions of these delegates as regards the tasks entrusted to them, as if these acts and omissions had been carried out by the Management Company itself.

The Management Company has adopted a remuneration policy and report detailing the general remuneration principles, governance, as well as the remuneration of identified staff and relevant quantitative information which may be obtained free of charge upon request at the registered office of the Management Company or consulted on the following website: <https://www.nnip.com/corporate/LU/en/About-us/Our-policies.htm> The remuneration policy might be subject to adjustments due to anticipated regulatory developments in the area of remuneration.

When establishing and applying the remuneration policy, the Management Company shall comply with the following principles, among others:

1. the remuneration policy and practice is consistent with sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Management Company manages;
2. the remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the investors in such UCITS, and includes measures to avoid conflicts of interest;
3. the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the UCITS and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period; and
4. the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components.

The Management Company, acting as alternative investment fund manager according to the law of 12 July 2013 on alternative

investment fund managers, is currently managing the following common alternative investment fund:

- EOLE.

In addition, the Management Company is also currently managing investment companies with variable share capital (SICAV).

VI. Investment Managers

For the purpose of efficiency, the Management Company may delegate, at its own expense, while still retaining responsibility, control and coordination, the portfolio management activities of the different Sub-Funds of the Fund to third parties ("Investment Managers").

The role of an Investment Manager is to pursue the investment policy of the Sub-Funds in accordance with the respective Sub-Funds' investment objectives and policy, to manage the day-to-day business of the portfolio (under the supervision, control and responsibility of the Management Company) and to provide other related services. Investment Managers are at all times subject to the investment objectives and policy set out in the Prospectus for each Sub-Fund, the investment restrictions, the Fund's Management Regulations and any other applicable legal restrictions.

An Investment Manager has full investment discretion over the assets of a Sub-Fund. An Investment Manager may use and select brokers of its own choosing to settle transactions and may, at its own expense and responsibility, consult or delegate duties to third parties. In principle, an Investment Manager bears all expenses it incurs in connection with the services it provides for a Sub-Fund.

In case portfolio management activities of a Sub-Fund are delegated or the Investment Manager has delegated his duties to one or more Sub-Investment Manager(s), the name(s) of the respective (Sub-) Investment Managers are indicated in the respective Sub-Fund's factsheet. The full name of the (Sub-) Investment Managers are listed in the "Part I: Essential information regarding the Fund" of the Fund's prospectus.

VII. Depositary, Paying Agent, Registrar and Transfer Agent and Central Administrative Agent

A. Depositary

The Management Company appointed Brown Brothers Harriman (Luxembourg) S.C.A. to be the depositary of the assets of the Fund (the "Depositary") pursuant to the terms of a depositary agreement, as amended from time to time (the "Depositary Agreement"). Brown Brothers Harriman (Luxembourg) S.C.A. is registered with the Luxembourg Company Register (RCS) under number B29923 and has been incorporated under the laws of Luxembourg on 9 February 1989. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector. Brown Brothers Harriman (Luxembourg) S.C.A. is a bank organised as a *société en commandite par actions* in and under the laws of Grand Duchy of Luxembourg and maintains its registered office at 80 route d'Esch, L-1470 Luxembourg.

BBH has established adequate corporate governance and employs detailed corporate policies requiring all lines of business to have policies and procedures to comply with applicable laws and regulations. BBH's governance structure and policies are defined and monitored by its board of managers, its executive committee (including the authorised

management), as well as internal compliance, internal audit and risk management functions.

BBH shall take all reasonable steps to identify and mitigate potential conflicts of interest. These steps include the implementation of its conflicts of interest policies that are appropriate for the scale, complexity and nature of its business. This policy identifies the circumstances that give rise or may give rise to a conflict of interest and includes the procedures to be followed and measures to be adopted in order to manage any conflict of interest. A conflict of interest register is maintained and monitored by the Depositary.

As BBH also acts as Central Administrative Agent and Registrar and Transfer Agent for the Fund, appropriate policies and procedures have been established and are maintained by BBH relating to the management of conflicts of interest that may arise through the provision of its services to the Management Company as Depositary, Registrar and Transfer Agent, Paying Agent and Central Administrative Agent.

BBH has implemented appropriate segregation of activities between the depositary and the administrative services, including escalation processes and governance. For this purpose, the depositary function is hierarchically and functionally segregated from the administration and registrar services unit.

According to BBH's conflicts of interest policy, all material conflicts of interest involving internal or external parties shall be promptly disclosed, escalated to senior management, registered, mitigated and/or prevented. In the event a conflict of interest may not be avoided, BBH shall maintain and operate effective organizational and administrative arrangements in order to take all reasonable steps to properly (i) disclose conflicts of interest to the Management Company as well as (ii) manage and monitor such conflicts.

BBH ensures that all employees are informed, trained and advised of applicable conflicts of interest policies and procedures and that duties and responsibilities are segregated appropriately to prevent issues.

The Depositary shall assume its functions and responsibilities as a fund depositary in accordance with the Depositary Agreement and the UCITS Directive and applicable Luxembourg law, rules and regulations (the "Law") regarding (i) the safekeeping of financial instruments of the Fund to be held in custody and the supervision of other assets of the Fund that are not held or capable of being held in custody, (ii) the monitoring of the Fund's cash flow and (iii) the following oversight duties:

- i. ensuring that the sale, issue, repurchase, redemption and cancellation of the Units are carried out in accordance with the Articles/Management Regulations and applicable Luxembourg law, rules and regulations;
- ii. ensuring that the value of the Units is calculated in accordance with the Articles/Management Regulations and the Law;
- iii. ensuring that in transactions involving the Fund's assets any consideration is remitted to the Management Company within the usual time limits;
- iv. ensuring that the Fund's income is applied in accordance with the Articles/Management Regulations and the Law; and
- v. ensuring that instructions from the Management Company did not conflict with the Articles/Management Regulations and the Law.

The Depositary should hold in custody all financial instruments that can be physically delivered to it, as well as all financial instruments of the Fund that:

- can be registered or held in an account directly or indirectly in the name of the Depositary;

- are only directly registered with the issuer itself or its agent in the name of the Depositary;
- are held by a third party to whom safekeeping functions are delegated.

The Depositary should ensure that the custody risk is properly assessed, that due-diligence and segregation obligations have been maintained throughout the whole custody chain, to make sure that financial instruments held in custody are subject to due care and protection at all times.

The Depositary should at all times have a comprehensive overview of all assets that are not financial instruments to be held in custody and must verify the ownership and maintain a record of all assets for which it is satisfied that the Fund holds ownership.

In accordance with its oversight obligations, the Depositary shall set up appropriate procedures to verify on an ex-post basis that the Management Company' investments are consistent with the investment objectives and policies of the Fund and Sub-Funds as described in the Prospectus and the Articles and to ensure that the relevant investment restrictions are complied with.

The Depositary shall also properly monitor the Fund's cash flows so as to ensure, inter alia, that all payments made by, or on behalf of, investors upon the subscription of the Units have been received, and that all the cash has been booked in one or more account(s) opened at an eligible banking institution.

In accordance with the provisions of the Depositary Agreement, the Law of 2010 and applicable Luxembourg laws, rules, and regulations, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate to one or more correspondents appointed by the Depositary from time to time, part or all of its safe-keeping duties with regard to financial instruments that can be held in custody. (i.e. financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary). For this purpose, the Depositary has established and maintains appropriate procedures designed to select, monitor and supervise the highest quality third-party provider(s) in each market, in accordance with local laws and regulations. A list of such correspondents (and, if applicable their sub-delegates) as well as the conflicts of interest which may result from such a delegation shall be available to unitholders upon request or can be consulted on the following websites:

<https://nnip.com/private/LU/en/About-us/Policies/Subcustodian-and-Contracting-Party-Regulators.htm>

or

<https://nnip.com/institutional/LU/en/About-us/Policies/Subcustodian-and-Contracting-Party-Regulators.htm>

The list of correspondents may be updated from time to time.

When selecting and appointing a correspondent, the Depositary shall exercise all due skill, care and diligence as required by the Law to ensure that it entrusts the Fund's assets only to a correspondent who may provide an adequate standard of protection. The Depositary shall also periodically assess whether correspondents fulfill applicable legal and regulatory requirements and shall exercise ongoing supervision over each correspondent to ensure that the obligations of the correspondents continue to be appropriately discharged.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and no local entities satisfy the delegation requirements laid down in the Law of 2010, the Depositary may delegate its functions to such a local entity only to the extent required by the law of the third

country and only for as long as there are no local entities that satisfy the delegation requirements. The Depositary's liability shall not be affected by any such delegation. The Depositary is liable to the Management Company or the Unitholders of the Fund pursuant to the provisions of applicable Luxembourg laws, rules and regulations.

A potential risk of conflicts of interest may occur in situations where the correspondents may enter into or have a separate commercial and/or business relationship with the Depositary in parallel to the safekeeping delegation relationship. In the conduct of its business, conflicts of interest may arise between the Depositary and the correspondent. Where a correspondent shall have a group link with the Depositary, the Depositary undertakes to identify potential conflicts of interests arising from that link, if any, and to take all reasonable steps to mitigate those conflicts of interest.

The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to any correspondent. The Depositary will notify the Management Company of the Fund of any such conflict should it so arise.

To the extent that any other potential conflicts of interest exist pertaining to the Depositary, they have been identified, mitigated and addressed in accordance with the Depositary's policies and procedures.

Updated information on the Depositary's custody duties and conflicts of interest that may arise may be obtained, free of charge and upon request, from the Depositary.

The Law of 2010 provides for a strict liability of the Depositary in case of loss of financial instruments held in custody. In case of loss of these financial instruments, the Depositary shall return financial instruments of identical type of the corresponding amount to the Fund unless it can prove that the loss is the result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. Unitholders are informed that in certain circumstances financial instruments held by the Management Company with respect to the Fund will not qualify as financial instruments to be held in custody (i.e. financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary), so that the Depositary will be liable to the Management Company of the Fund or the Unitholders for the loss suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to applicable Luxembourg laws, rules and regulations.

Pursuant to the Depositary Agreement, Brown Brothers Harriman (Luxembourg) S.C.A. will receive a fee payable by each of the Company Sub-Funds as indicated in Part I, Chapter IV "Fees, expenses and taxation", Section A "Fees payable by the Company".

B. Registrar and Transfer Agent

The Management Company has further appointed Brown Brothers Harriman (Luxembourg) S.C.A. as Registrar and Transfer Agent of the Fund.

Brown Brothers Harriman (Luxembourg) S.C.A., as Registrar and Transfer agent of the Fund, is, in particular, responsible for the processing of the issue and sale of the Fund's Units, maintaining the register of Unitholders and the transfer of the Fund's Units to Unitholders, agents and third parties.

The investor acknowledges and agrees that its data will be shared on a cross-border basis and among various entities within Brown Brothers Harriman & Co. group for them to perform the required

services. The investor's consent to process its data on a cross-border basis may include the processing of data to entities situated in countries outside of the European Economic Area which may not have the same data protection laws as the Grand Duchy of Luxembourg. The process of data to the aforementioned entities may transit via and/or be processed in countries which may not have data protection requirements deemed equivalent to those prevailing in the European Economic Area.

C. Paying Agent

The Management Company has further appointed Brown Brothers Harriman (Luxembourg) S.C.A. as Paying Agent of the Fund.

As main Paying Agent, Brown Brothers Harriman (Luxembourg) S.C.A. is responsible for the distribution of income and dividends to the Unitholders.

D. Central Administrative Agent

The Management Company has been entrusted with the administration of the Fund. In this capacity the Management Company is responsible for all administrative duties required by Luxembourg law, in particular for the registration of the Fund, for the preparation of documentation, for drawing up distribution notifications, for processing and dispatching the Prospectus and the Key Investor Information Document, for preparing financial statements and other investor relations documents, for liaising with the administrative authorities, the investors and all other relevant parties. The responsibilities of the Management Company in that regard also include bookkeeping and calculation of the Net Asset Value of the Fund's Units, the processing of applications for subscription, redemption and conversion of Units, accepting payments, the safekeeping of the Fund's register of Unitholders, and preparation and supervision of the mailing of statements, reports, notices and other documents to Unitholders.

In addition to its function as Depositary of the Fund, the Management Company has outsourced to Brown Brothers Harriman (Luxembourg) S.C.A. also substantial functions of central administration and other duties, particularly fund accounting, the calculation of the Net Asset Value as well as the subsequent monitoring of investment limits and restrictions.

VIII. Distributors

The Management Company, on behalf of the Fund, may enter into agreements with Distributors to market and place Units of each of the Sub-Fund's in different countries worldwide, with the exception of such countries where such activity is prohibited.

The Management Company and the Distributors will ensure that they fulfil all obligations imposed on them by laws, regulations and directives on combating money laundering and take steps, to the extent possible, that these obligations are adhered to.

IX. Units

Any legal entity or individual may acquire Units of the Fund in accordance with the provisions set forth in the "Part I: Essential information regarding the Fund" of the Fund's prospectus, Chapter III. "Subscriptions, redemptions and conversions".

The Units are issued without reference to a value. When new Units are issued, the existing Unitholders do not benefit from any preferential subscription rights.

The Management Company may issue one or more Classes of Units for each Sub-Fund. These may be limited to a specific group of investors (e.g. investors from a specific country or region or institutional investors), may differ from another one with regard to the cost structure, the initial investment required, the reference currency in which the Net Asset Value is expressed or any other feature.

The Management Company may impose obligations for initial investments in a certain Class of Unit, in a specific Sub-Fund or in the Fund.

Other Classes of Units may be created by the Management Company. These other Classes of Units are specified in each of the Sub-Funds factsheets containing these classes.

Whenever dividends are distributed on distribution Units, the portion of net assets of the Class of Unit to be allocated to all distribution Units will subsequently be reduced by an amount equal to the amounts of the dividends distributed, thus leading to a reduction in the percentage of net assets allocated to all distribution Units, whereas the portion of net assets allocated to all capitalisation Units will remain the same.

Any payment of dividends coincides with an increase between the ratio of the value of capitalisation Units to distribution Units of the type and Sub-Fund concerned. This ratio is known as parity.

Within a single Sub-Fund, all the Units have equal rights with regard to dividends, the proceeds of liquidation and redemption (subject to the respective rights of the distribution Units and capitalisation Units, taking account of the parity at the time).

The Management Company may decide to issue fractions of Units. These fractional units do not confer any voting rights upon their holders, but do enable them to participate pro rata in the net assets of the Fund. Only full units, regardless of their value, carry a voting right.

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

Units will be issued in registered form. Units for any Class of Unit of the Fund will no longer be issued in physical form. Units may also be held and transferred through accounts maintained with clearing systems.

X. Net asset value

The Net Asset Value per Unit of each class within each Sub-Fund shall be expressed in the reference currency of the relevant Class within the relevant Sub-Fund and determined, as disclosed in the Prospectus, on each Valuation Day by dividing the value of the net assets of the Sub-Fund attributable to such Class of Unit less the liabilities (including the fees, costs, charges and expenses set out in this Prospectus and any other provisions considered by the Management Company to be necessary or prudent) of the Sub-Fund attributable to such Class of Unit by the total number of Units outstanding in the relevant Class at the time of the determination of the Net Asset Value on the relevant Valuation Day.

The value of the assets of each Sub-Fund shall be determined as follows:

1. the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash

dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is reasonably considered by the Administrative Agent or its agents unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as may be considered appropriate in such case to reflect the true value thereof;

2. equity and debt securities are valued on the basis of dealer-supplied quotations or by pricing services as determined by the Administrative Agent. The prices derived by a pricing agent reflect broker/dealer-supplied valuations and electronic data processing techniques;
3. securities for which no price quotation is available or for which the price referred to in the previous indent is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonably foreseeable sales prices pursuant to the policies established in good faith by the Management Company;
4. the value of money market instruments not listed or dealt in on any stock exchange or other Regulated Market and with remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less will be valued by the amortised cost method;
5. the liquidating value of futures, forward and options contracts not traded on a stock exchange or other Regulated Market shall mean their net liquidating value determined, pursuant to the policies established in good faith by the Management Company, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on stock exchanges or other Regulated Markets, shall be based upon the last available settlement prices of these contracts on stock exchanges or other Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Management Company may deem fair and reasonable.
6. values expressed in a currency other than the reference currency of a Sub-Fund shall be converted on the basis of the rate of exchange prevailing on the relevant valuation day or such other exchange rate as the Management Company may determine is appropriate to provide a fair market value.

In the event that extraordinary circumstances render valuations as aforesaid impracticable or inadequate, the Management Company is authorised, prudently and in good faith, to follow other rules in order to achieve a fair valuation of the assets of the Fund.

If since the time of determination of the Net Asset Value per unit of any class in a particular Sub-Fund there has been a material change in the quotations in the markets on which a substantial portion of the investments of such Sub-Fund are dealt in or quoted, the Management Company may, in order to safeguard the interests of the Unitholders and the Fund, cancel the first valuation of the Net Asset Value per unit and carry out a second valuation. All the subscription, redemption and exchange orders to be dealt with on such day will be dealt with at the second Net Asset Value per unit.

Each Sub-Fund shall be valued so that all agreements to purchase or sell securities are reflected as of the date of execution, and all dividends receivable and distributions receivable in respect of such securities are accrued as of the relevant ex-dividend dates in respect of such securities.

Transactions, including transactions in kind, in or out of a Sub-Fund can create "dilution" of a Sub-Fund's assets because the price at which an investor subscribes or redeems units in a Sub-Fund may not entirely reflect the dealing and other costs that arise when the Investment Manager has to trade in securities to accommodate cash inflows and outflows. In order to mitigate this effect and enhance the protection of existing Unitholders, the mechanism known as "Swinging Single Pricing" (SSP) may be applied at the discretion of the Management Company for each of the Sub-Funds of the Fund. By applying the SSP mechanism, the Net Asset Value of the relevant Sub-Fund may be adjusted by an amount (the "Swing Factor"), to compensate expected transaction costs resulting from the difference between capital inflows and outflows (the "Net Capital Flows"). In case of Net Capital Inflows, the Swing Factor may be added to the respective Sub-Fund's Net Asset Value to reflect subscriptions made whereas in case of Net Capital Outflows the Swing Factor may be deducted from the respective Sub-Fund's Net Asset Value to reflect redemptions requested. In both cases, the same Net Asset Value applies to all subscribing and redeeming investors on a particular date.

In principle, the Swing Factor will not exceed 1.50% of the respective Sub-Fund's Net Asset Value except for Sub-Funds investing in fixed income instruments which may apply a maximum Swing Factor of 3.00%.

Each Sub-Fund may apply a different Swing Factor subject to the maximum Swing Factor set out above and level of threshold. In case the Net Capital Flow exceeds a predefined percentage of a Sub-Fund's Net Asset Value (the "threshold") SSP will automatically be triggered. The level of thresholds, if and when applicable, will be decided on the basis of certain parameters which include, but are not limited to, the liquidity of the underlying market in which the respective Sub-Fund invests, the cash management of the respective Sub-Fund or the type of instruments that are used to manage Net Capital Inflows/Outflows. The Swing Factor is, amongst others, based on the estimated transaction costs of the financial instruments in which the respective Sub-Fund may invest. The different levels of thresholds and Swing Factors are reviewed on a regular basis and may be adjusted. For an individual Sub-Fund an applicable threshold could mean SSP is not or rarely applied.

The current levels of thresholds and Swing Factors for each Sub-Fund are disclosed and updated on the website www.nnip.com.

If on a Valuation Day the consolidated issues and redemptions of all the categories of units of a Sub-Fund result in an increase or decrease of the Sub-Funds capital, the Management Company may decide to adjust the Net Asset Value depending on the anticipated transaction cost that results from the purchase or sale of assets as may be required. Such adjustment will have as a result an increase of the Net Asset Value in case of an increase of capital and a decrease of the Net Asset Value in case of a decrease of capital.

XI. Temporary suspension of the calculation of the Net Asset Value and resulting suspension of dealing

The Management Company is authorised to temporarily suspend the calculation of the Net Asset Value of one or several Sub-Funds and/or the issue, redemption and conversion of units in the following cases:

1. in the event of the closure, for periods other than normal holidays, of a stock exchange or other regulated and recognised market which is operating regularly and is open to the public and supplies prices for a significant part of the assets of one or more Sub-Funds are closed, or in the event that transactions on such an exchange or market are suspended, subject to restrictions or impossible to execute in the required quantities;
2. where there is a breakdown in the means of communication normally employed in determining the price of any of the investments comprised in the Fund or the current price on any investment exchange or when for any reason the prices of any investments cannot be promptly and accurately ascertained;
3. where exchange or capital transfer restrictions prevent the execution of transactions in one or more Sub-Funds or where purchase or sale transactions on behalf of one or more Sub-Funds cannot be executed at normal exchange rates;
4. where factors dependent inter alia upon political, economic, military or monetary situation, and which are beyond the control and responsibility of the Management Company, prevent it from disposing of the assets of the Fund and determining its Net Asset Value in a normal or reasonable way;
5. following any decision to dissolve one, several or all Sub-Funds of the Fund;
6. where the market of a currency in which a significant part of the assets of one or more Sub-Funds is expressed is closed for periods other than normal holidays, or where transactions on such a market are either suspended or subject to restrictions;
7. to establish the exchange parities in the context of a merger, contribution of assets, splits or any restructuring operation, within, by or in one or more Sub-Funds;
8. in case of a merger of a Sub-Fund with another Sub-Fund of the Fund or of another UCITS or UCI (or a Sub-Fund thereof), provided such suspension is in the best interest of the Unitholders;
9. in case of a feeder Sub-Fund of the Fund, if the net asset calculation of the master Sub-Fund or the Master UCITS is suspended.

Furthermore, in order to prevent market timing opportunities arising when a Net Asset Value is calculated on the basis of market prices which are no longer up to date, the Management Company is authorised to temporarily suspend issues, redemptions and conversions of Units of one or several Sub-Fund(s).

In all the above cases, the received orders will be executed at the first Net Asset Value applicable to the expiry of the suspension period.

In exceptional circumstances that may have an adverse effect on the interests of Unitholders, in the event of large volumes of subscription, redemption or conversion requests or in the event of a lack of liquidity on the markets, the Management Company reserves the right to set the Net Asset Value of the Fund only after carrying out the required purchases and sales of securities required (for redemptions, "large volumes" shall mean that the total value of Units in all redemption requests in one Valuation Day exceeds 10% of the total Net Asset Value of the Sub-Fund on the same Valuation Day). In this case, any subscriptions, redemptions and conversions simultaneously pending will be

executed on the basis of one single Net Asset Value per Class of Units within the relevant Sub-Fund.

The temporary suspension of the calculation of the Net Asset Value and resulting suspension of dealing of one or more Sub-Funds, will be notified through all possible means and more specifically by a publication in the press, unless the Management Company is of the opinion that a publication is not useful in view of the short period of the suspension.

Such a suspension decision will be notified to any Unitholders requesting subscription, redemption or conversion of their Units.

XII. Accounting year and periodic reports

The Management Company publishes annually a detailed audited report on the Fund activities and on the management of the assets of the Fund expressed in Euro; such report shall include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund, a report from the Auditor, as well as the relevant information on remuneration.

The Management Company further publishes semi-annual unaudited reports, including, inter alia, a description of the assets of each Sub-Fund.

The aforementioned documents will be made available within four months from the end of the fiscal year for the annual reports and two months for the semi-annual reports of the date thereof and copies may be obtained free of charge by any person at the registered offices of the Administrative Agent and the Depositary.

Any other financial information concerning the Fund or the Management Company, including the periodic calculation of the Net Asset Value per Unit of each class within each Sub-Fund, the issue, redemption and conversion prices of the Units and any suspension of the valuation of Units will be made available at the registered offices of the Administrative Agent and the Depositary.

XIII. Dividends

The Management Company will set the amount of the dividend within the framework of the legal limits and those of the Management Regulations set out to this effect, being understood that the Management Company may distribute interim dividends.

It may be decided to distribute (1) realised capital gains and other income, (2) unrealised capital gains and (3) capital in accordance with Article 31 of the Law of 2010.

Under no circumstances distributions may be made if doing so would result in the net assets of all Sub-Funds to an amount that is below the minimum capital provided for by the Law of 2010.

In compliance with the law, the Management Company will determine both the dates where the dividends will be paid and the manner in which their payment will be announced to the Unitholders.

Dividends that have not been claimed within five years of the date of release for payment shall be forfeited and will revert to the relevant Sub-Funds of the Fund. No interest shall be paid on a dividend declared by the Fund and kept by it at the disposal of its beneficiary.

XIV. Liquidation, mergers and contributions of Sub-Funds or Classes of Units

The Sub-Funds and Classes of Units have been established for an unlimited period of time. However, if the value of the assets of a Sub-Fund or any Class of Unit within a Sub-Fund has decreased to, or has not reached, an amount determined by the Management Company to be the minimum level needed for such a Sub-Fund or Class of Unit to operate in an economically efficient manner, or in

the event of a substantial change in the political, economic or monetary situation, or in the framework of an economic restructuring, the Management Company may decide, with the prior consent of the Depositary (such consent not to be unreasonably withheld), to compulsorily redeem all the Units of the relevant Sub-Fund or Class of Units at the Net Asset Value per Unit (taking into account the costs of liquidation as well as the sale prices of investments and expenses relating thereto) calculated on the Valuation Day on which such decision takes effect. In accordance with the Law the (registered) Unitholders will be informed in writing of the reasons and the redemption procedure before the compulsory redemption enters into force. If decision is made to liquidate a Sub-Fund or a Class of Unit, such event will be released through registered letter and/or publication in at least one daily Luxembourgish newspaper ("Luxemburger Wort" or "Tageblatt").

Unless decided in the interest of, or in order to ensure equal treatment between Unitholders, the Unitholders of the Sub-Fund or the Class of Units concerned may continue to request the redemption or conversion of their Units free of charge (but taking into account the costs of liquidation as well as the sale prices of investments and expenses relating thereto) prior the effective date of the compulsory redemption. The issue of Units will be suspended as soon as the decision is taken to liquidate a Sub-Fund or a Class of Units.

As far as the liquidation of any Sub-Fund or Class of Unit is concerned, the assets which could not be distributed to their beneficiaries due to, inter alia, non-availability of the Unitholder at its registered address or incorrect bank details at the time of the redemption will be transferred to the Caisse de Consignation on behalf of the beneficiaries which will hold said sums at their disposal for the period contemplated by the law. After the expiry of this period, the balance will revert to the State of Luxembourg.

The liquidation of a Sub-Fund or of a Class of Unit cannot be requested by a Unitholder.

Under the same circumstances as specified in the first paragraph and subject to the provisions of the Law of 2010 as well as applicable Luxembourg regulations, the Management Company may, with the prior consent of the Depositary (such consent not to be unreasonably withheld), decide to merge the assets of any Sub-Fund (the "merging Sub-Fund") (1) with another Sub-Fund within the Fund or (2) with a Sub-Fund of another undertaking for collective investment governed by the Luxembourg Law, as amended, (the "receiving Sub-Fund") and to re-designate the Units of the Class or Classes concerned as Units of the receiving Sub-Fund (following a split or consolidation, if necessary, and the payment of any amounts corresponding to fractional Shares to Unitholders). The Unitholders of the merging as well as the receiving Sub-Funds will be informed about the decision to merge as specified in the Law of 2010 and applicable Luxembourg regulations at least thirty days before the last date for requesting redemption, or as the case may be, conversion of Units free of charge. Unitholders who have not requested the redemption of their Units will be legally transferred to the new Sub-Fund.

XV. Dissolution of the Fund

The Fund has been established for an unlimited period of time. However, the Fund may be terminated at any time by decision of the Management Company, with the prior consent of the Depositary (such consent not to be unreasonably withheld). The Management Company may, in particular and with the consent of the Depositary (not to be unreasonably withheld), decide such dissolution where the value of the net assets of the Fund has decreased to an amount determined by the Management

Company to be the minimum level for the Fund to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation.

The liquidation of the Fund cannot be requested by a Unitholder.

The event leading to dissolution of the Fund must be announced by a notice published in the Mémorial. In addition, the event leading to dissolution of the Fund must be announced in at least two newspapers with appropriate distribution, at least one of which must be a Luxembourg newspaper. Such event will also be notified to the Unitholders in such other manner as may be deemed appropriate by the Management Company.

In the event of the dissolution of the Fund, the liquidation shall be carried out by one or more liquidators, who may be natural persons or legal entities and who shall be appointed by the Management Company. The latter will determine their powers and compensation.

The liquidation will take place in accordance with the Law of 2010 on undertakings for collective investment, specifying the distribution amongst the Unitholders of the net liquidation proceeds after deduction of liquidation costs; the liquidation proceeds shall be distributed to Unitholders in proportion to their rights, taking parities into due consideration.

At the close of liquidation of the Fund, the proceeds thereof corresponding to Units not surrendered will be kept in safe custody with the Luxembourg Caisse de Consignation until the prescription period has elapsed. After the expiry of this period, the balance will revert to the State of Luxembourg.

Units may be redeemed, provided that Unitholders are treated equally.

Pursuant to the Law of 2010 on undertakings for collective investment, the Management Company must inform the CSSF without delay if the net assets of the Fund have fallen below two thirds of the legal minimum, as provided by the Law. In such a case, the CSSF may, having regard to the circumstances, compel the Management Company to put the Fund into liquidation.

The order addressed to the Management Company by the CSSF to put the Fund into liquidation shall be published without delay by the Management Company or the Depositary. Failing this, the notice shall be published by the CSSF at the expense of the Fund. The notice shall be published in the Mémorial and in at least two newspapers with adequate circulation, one of which at least must be a Luxembourg newspaper.

XVI. Applicable law and jurisdiction

The Management Regulations are governed by the laws of Luxembourg and any dispute arising between the Unitholders, the Management Company and the Depositary will be subject to the jurisdiction of the District Court of Luxembourg.

Notwithstanding the foregoing, the Management Company and the Depositary may, but shall not be obliged to, subject themselves and the Fund to the jurisdiction of the courts of the countries in which the Units of the Fund are offered and sold, with respect to claims by investors resident in such countries, and, with respect to matters relating to subscription and repurchase by Unitholders resident in such countries, to the laws of such countries.

XVII. Prevention of money laundering and the financing of terrorism

Within the context of the fight against money laundering and the financing of terrorism, the Management Company will ensure that the relevant Luxembourg legislation is at any time complied with and that the identification of subscribers will take place in

Luxembourg in accordance with the regulations currently in force in the following cases:

1. in the event of direct subscription to the units of the Fund;
2. in the event of subscription of the professional financial sector residing in a country that is not subject to an identification obligation equivalent to Luxembourg standards with regard to the prevention of money laundering and against the financing of terrorism;
3. in the event of subscription through a subsidiary or branch whose parent company is subject to an identification obligation equivalent to the one required by Luxembourg law, if the law applicable to the parent company does not oblige it to ensure compliance with these provisions for its subsidiaries and branches.

Furthermore, the Management Company of the Fund must identify the origin and the destination of the funds in the event respectively of subscription or redemption through financial establishments that are not subject to an identification obligation equivalent to that required by Luxembourg law. Subscriptions and redemptions may be blocked temporarily until the origin and the destination of the funds have been identified.

It is generally accepted that professionals of the financial sector residing in countries that have adhered to the recommendations of the GAFI report (Financial Action Group on Money Laundering) are deemed to have an identification obligation equivalent to that required by Luxembourg law.

XVIII. Conflicts of Interest

The Management Company, the Investment Manager and any investment advisers, the Depositary and the Paying Agent, the Administrative Agent, the Register and Transfer Agent, together with their subsidiaries, administrators, directors or Unitholders (collectively the "Parties") are, or may be, involved in other professional and financial activities that are liable to create a conflict of interests with the management and administration of the Fund. This includes in particular the management of other funds, the purchase and sale of securities, brokerage service, custody of securities and the fact of acting as a member of the board, director, consultant or representative with power of attorney of other funds or companies in which the Fund may invest.

Each Party undertakes respectively to ensure that the execution of his obligations vis-à-vis the Fund is not compromised by such involvements. In the event of a proven conflict of interest, the Parties concerned undertake to resolve this in an equitable manner within a reasonable period of time and in the exclusive interests of the Unitholders of the Fund. No conflict of interest has been identified between the Management Company of the Fund and the Parties.

The Fund applies the Conflicts of Interest Policy of the Management Company which is available for consultation on the website www.nnip.com.

XIX. Nominees

If a Unitholder subscribes for Units through a particular Distributor, the Distributor may open an account in its own name and have the Units registered exclusively in its own name acting as Nominee or in the name of the investor. In case the Distributor acts as Nominee all subsequent applications for subscription, redemption or conversion and other instructions must then be made through the relevant Distributor. Certain Nominees may not offer their clients all the Sub-Funds or

Classes of Units or the option to make subscriptions or redemptions in all currencies. For more information on this, the clients concerned are invited to consult their Nominee.

Furthermore, the intervention of a nominee is subject to compliance with the following conditions:

1. investors must be able to invest directly in the Sub-Fund of their choice without using the nominee as a broker;
2. contracts between the nominee and investors must contain a cancellation clause that confers on the investor the right to claim, at any time, direct ownership of the securities subscribed to through a nominee.

It is understood that the conditions laid down in (1) and (2) above will not be applicable in the event that recourse to the services of a nominee is indispensable, and even mandatory, for legal or regulatory reasons or restrictive practices.

In the event of the appointment of a nominee, the latter must comply with the rules related to the prevention of money laundering and financing of terrorism as laid out in this prospectus.

Nominees are not authorised to delegate all or part of their duties and powers.

XX. Stock Exchange Listing

The Management Company may authorise the listing of Units of any Sub-Fund of the Fund on the Luxembourg Stock Exchange or on other exchanges for trading on organized markets. However, the Fund is aware that – without its approval – Units of Sub-Funds were being traded on certain markets at the time of the printing this Prospectus. It cannot be ruled out that such trading will be suspended in the short term or that Units in Sub-Funds will be introduced to other markets or are already being traded there.

The market price of Units traded on exchanges or on other markets is not determined exclusively by the value of the assets held by the Sub-Fund; the price is also determined by supply and demand. For this reason, the market price may deviate from the unit price per Unit determined for a Class of Unit.

Appendix I: Assets subject to TRS and SFT - Table

In accordance with Regulation (EU) No 2015/2365, information regarding the type of assets that can be subject to TRS and SFTs, as well as the maximum and expected proportion that can be subject to them, are disclosed in the following table. It is to be noticed that the maximum and expected proportions of TRS are calculating as a contribution to each Sub-Fund's global exposure using the sum of notional method ("gross approach"), hence without taking into account any netting arrangement. The expected and maximum levels of TRS and SFTs are indicators and not regulatory limits. A Sub-Fund's use of TRS and/or SFTs may temporarily be higher than the levels disclosed in the below table as long as it remains in line with its risk profile and complies with its global exposure's limit. Depending on market circumstances, the expected and maximum levels of TRS and SFTs may vary over time. In case neither TRS nor SFTs are included in the portfolio, the base value for their contribution is "0" (i.e. 0%).

Sub-Fund Name	Type of assets subject to SFTs	Type of assets subject to TRS	Expected SFT contribution (Market value)	Max SFT contribution (Market value)	Expected TRS contribution (Sum of notionals)	Max TRS contribution (Sum of notionals)
NN (L) Institutional FCR	Fixed-income and/or equity securities	Basket of shares, equity index and/or fixed-income index	10%	20%	5%	10%
NN (L) Institutional Global Enhanced	Equity securities	The sub-fund has no intention to be exposed to TRS	10%	20%	0%	0%

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