

**DB PWM I**  
**(a Luxembourg *société d'investissement à capital variable*)**

**PROSPECTUS**

**October 2017**

**DB PWM I is an umbrella fund composed of sub-funds. Subscription to the Company's shares can only be validly made on the basis of the information contained in the current Prospectus accompanied by a copy of the latest annual report as well as the latest semi-annual report if this is published after the last annual report. No person is authorised to give to third parties any information other than that contained in this Prospectus or the documents mentioned herein.**

## **IMPORTANT INFORMATION**

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

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

No person is authorised to give third parties any information other than that contained in this Prospectus or the documents mentioned herein which can be consulted by the general public. Neither the delivery of this Prospectus nor the offer, placement, subscription or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.

The distribution of this Prospectus and supplementary documentation and the offering of Shares may be restricted in certain countries. It cannot be used for the purpose of offering and promoting sales in any country or any circumstances where such offers or promotions are not authorised. Investors wishing to apply for Shares are advised to inform themselves and seek professional advice so that they are fully informed of the possible legal, administrative or tax consequences and the possible effects of foreign exchange restrictions, controls or operations which might be required in connection with the subscription, purchase, holding, redemption, conversion and sale of shares under the laws in force in their countries of residence, domicile or establishment. Accordingly, no person receiving a copy of this Prospectus and/or an application form or subscription agreement in any territory may treat the same as constituting an invitation to him to purchase or subscribe for Shares nor should he in any event use such an application form or subscription agreement unless in the relevant territory such an invitation could lawfully be made without compliance with any registration or other legal requirement.

This Prospectus does not constitute an offer or solicitation by anyone in any country in which such offer or solicitation is not lawful or authorised, or to any person to whom it is unlawful to make such offer or solicitation. Investors should note that not all of the protections provided under their relevant regulatory regime may apply and there may be no right to compensation under such regulatory regime, if such scheme exists.

This Prospectus may be updated with important amendments. Consequently, subscribers are advised to ask the Company for the most recent issue of the Prospectus.

This Prospectus is valid only if it is accompanied by the latest available annual report and by the latest semi-annual report if the latter is published after the last annual report. These reports are an integral part of the Prospectus.

### **Safeguarding the rights of shareholders**

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

### **Data Protection**

The Company collects, stores, and processes by electronic or other means the data supplied by shareholders at the time of their subscription for the purpose of fulfilling the services required by the shareholders and complying with its legal obligations.

The data processed includes the name, address and invested amount of each shareholder (the "Personal Data").

The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Company. In this case however the Company may reject his/her/its request for subscription of shares in the Company. In particular, the data supplied by shareholders is processed for the purpose of (i) maintaining the register of shareholders, (ii) processing subscriptions, redemptions and conversions of shares and payments of dividends to shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules. The Company can delegate to another entity (the "Processors") located in the European Union (such as the Administrative Agent, the Registrar and Transfer Agent and the Promoter) the processing of the Personal Data. Each shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and incomplete. In relation thereto, the shareholder can ask for a rectification by letter addressed to the Company.

The shareholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by letter addressed to the Company.

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

**The price of Shares in the Company and the income from them may go down as well as up and an Investor may not get back the amount invested.**

Copies of this Prospectus can be obtained from and enquiries regarding the Company should be addressed to the registered office of the Company.

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## DEFINITIONS

<b>"2010 Law"</b>	Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended
<b>"Accumulation Shares" or "Acc Shares"</b>	Shares which accumulate their income so that the income is included in the price of the shares.
<b>"Administration Fee"</b>	The fee which is paid by the Fund to the Management Company to meet the administrative and certain operating costs of the Company as well as costs of certain distribution arrangements.
<b>"Administrator"</b>	Sal. Oppenheim jr. & Cie. Luxembourg S.A., Luxembourg, acting as fund administrator, registrar and transfer agent.
<b>" Management Fee"</b>	The fee includes the Administration Fee as well as the Investment Advisor Fee.
<b>"Articles"</b>	The articles of incorporation of the Company as amended from time to time.
<b>"Business Day"</b>	A week day on which banks are normally open for business in Luxembourg, except for 24 and 31 December of each year, unless otherwise defined for a Fund in Appendix III.
<b>"Company"</b>	DB PWM I, which term shall include any Fund from time to time thereof.
<b>"Depository"</b>	Sal. Oppenheim jr. & Cie. Luxembourg S.A., Luxembourg, acting as Depository bank.
<b>"CSSF"</b>	<i>Commission de Surveillance du Secteur Financier.</i>
<b>"Dealing Currency"</b>	The currency or currencies in which applicants may currently subscribe for the Shares of any Fund as indicated under Section 1.3.

<b>"Dealing Day"</b>	Unless otherwise provided for in the Fund's details in Appendix III, a Business Day which does not fall within a period of suspension of calculation of the Net Asset Value per Share of the relevant Fund and such other day as the Directors may decide from time to time.
<b>"Directors"</b>	The Board of Directors of the Company.
<b>"Distributor"</b>	any person or entity duly appointed from time to time to distribute or arrange for the distribution of Shares.
<b>"Distribution Period"</b>	The period from one date on which dividends are paid by the Company to the next. This may be annual or shorter where dividends are paid more regularly.
<b>"Distribution Shares" or "Dist Shares"</b>	Shares which distribute their income.
<b>"EEA"</b>	European Economic Area.
<b>"Eligible Market"</b>	An official stock exchange or another Regulated Market.
<b>"Eligible State"</b>	includes any member state of the European Union ("EU"), any member state of the Organisation for Economic Co-operation and Development ("OECD"), and any other state which the Directors deem appropriate with regard to the investment objective of each Fund.
<b>"EMU"</b>	Economic and Monetary Union.
<b>"EU"</b>	European Union.
<b>"EUR"</b>	The European currency unit (also referred to as the Euro).
<b>"Fund"</b>	A separate portfolio of assets for which a specific investment policy applies and to which specific liabilities, income and expenditure will be applied. The assets of a Fund are exclusively available to satisfy the rights of shareholders in relation to that Fund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of that Fund.

<b>"Initial Subscription Period"</b>	The period during which Shares in relation to a Fund may be subscribed at the Initial Issue Price, as specified in Appendix III for each Fund.
<b>"Initial Issue Price"</b>	The price at which Shares may be subscribed to during the Initial Subscription Period of each Fund, as provided for in Appendix III.
<b>"Investment Advisor"</b>	Deutsche Bank (Suisse) S.A., Geneva, Switzerland
<b>"Investment Advisor Fee"</b>	The fee which is paid out of the Management Fee to meet the costs of the Investment Advisor.
<b>"Investor"</b>	A subscriber for Shares.
<b>"Management Company"</b>	Oppenheim Asset Management Services S.à r.l., Luxembourg
<b>"Minimum / Additional / Subscription Amount"</b>	As defined in Appendix III for each Fund.
<b>"Minimum Subscription Amount"</b>	As defined in Appendix III for each Fund.
<b>"Net Asset Value"</b>	Net Asset Value per Share multiplied by the number of Shares.
<b>"Net Asset Value per Share"</b>	The value per Share of any Share Class determined in accordance with the relevant provisions described under "Calculation of Net Asset Value".
<b>"Promoter"</b>	Deutsche Bank (Suisse) S.A., Geneva, Switzerland
<b>"Reference Currency"</b>	As defined in Appendix III for each Fund.



<b>"Regulated Market"</b>	A market defined in article 4 paragraph 1 item 14 of directive 2004/39/EC of 21 April 2004 on markets in financial instruments as well as any other market which is regulated, operates regularly and is recognised and open to the public.
<b>"Share Class"</b>	A class of Shares with a specific fee structure or other distinctive features.
<b>"Share"</b>	A share of no par value in any one Share Class in the capital of the Company.
<b>"Shareholder"</b>	A holder of Shares.
<b>"UCITS"</b>	An "undertaking for collective investment in transferable securities" within the meaning of Article 1(2) of Council Directive 85/611/EEC of 20 December 1985, as amended.
<b>"UCI"</b>	An "other undertaking for collective Investment" within the meaning of the first and second indent of Article 1(2) of Council Directive 85/611/EEC of 20 December 1985, as amended.
<b>"UK"</b>	United Kingdom.
<b>"USA" or "US"</b>	United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.
<b>"USD"</b>	United States Dollar.
<b>"VaR"</b>	Value at risk

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

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

## BOARD OF DIRECTORS

Stéphane Junod, Managing Director, Deutsche Bank (Suisse) S.A., 3, Place des Bergues, CH-1211 Geneva, Switzerland

Christoph Bosshard, Director, Deutsche Bank (Suisse) S.A., 3 Place des Bergues, CH-1211 Geneva, Switzerland

Alfons Klein, Managing Director, Sal. Oppenheim jr. & Cie. Luxembourg S.A.,  
2, Boulevard Konrad Adenauer, L – 1115 Luxembourg, Grand Duchy of Luxembourg

Stephanie Schreiner, Oppenheim Asset Management Services S.à r.l.  
2, Boulevard Konrad Adenauer, L – 1115 Luxembourg, Grand Duchy of Luxembourg

## ADMINISTRATION

### **Registered Office of the Company**

2, Boulevard Konrad Adenauer, L – 1115 Luxembourg, Grand Duchy of Luxembourg.

### **Management Company and Domiciliary Agent**

Oppenheim Asset Management Services S.à r.l.  
2, Boulevard Konrad Adenauer, L – 1115 Luxembourg, Grand Duchy of Luxembourg.

### Board of Directors of the Management Company

#### *Chairman*

Dr. Matthias Liermann

#### *Members*

Heinz-Wilhelm Fesser  
Florian Stanienda

### **Conducting Officers of the Management Company**

Thomas Albert  
Ralf Rauch  
Stephan Rudolph

### **Depository**

Sal. Oppenheim jr. & Cie. Luxembourg S.A.  
2, Boulevard Konrad Adenauer L – 1115 Luxembourg, Grand Duchy of Luxembourg.

**Registrar and Transfer Agent**

Sal. Oppenheim jr. & Cie. Luxembourg S.A.

2, Boulevard Konrad Adenauer, L – 1115 Luxembourg, Grand Duchy of Luxembourg.

**Auditor**

KPMG Luxembourg, Société Coopérative

39, Avenue John F. Kennedy, L–1855 Luxembourg, Grand Duchy of Luxembourg.

## 1. THE COMPANY

### 1.1 STRUCTURE

The Company is an open-ended investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d'investissement à capital variable* ("SICAV") under part I of the 2010 Law. The Company operates separate Funds, each of which is represented by one or more Share Classes. The Funds are distinguished by their specific investment policy or any other specific features.

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

The Directors may at any time resolve to set up new Funds and/or create within each Fund one or more Share Classes and this Prospectus will be updated accordingly. The Directors may also at any time resolve to close a Fund, or one or more Share Classes within a Fund to further subscriptions. The Directors may choose to assert such right in respect of all investors, or just new investors or accept subscriptions from some investors but not others.

### 1.2 INVESTMENT OBJECTIVES AND POLICIES

The exclusive objective of the Company is to place the funds available to it in transferable securities and other permitted assets of any kind, including financial derivative instruments, with the purpose of spreading investment risks and affording its Shareholders the results of the management of its portfolios.

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

The investments of each Fund shall at any time comply with the restrictions set out in Appendix I, and Investors should, prior to any investment being made, take due account of the risks of investments set out in Appendix II.

### 1.3 SHARE CLASSES

The Directors may decide to issue within each Fund different Share Classes or Classes of Shares (each, a "Class" or "Share Class") whose assets will be commonly invested pursuant to the specific investment policy of the relevant Fund, but where a specific fee structure, currency of denomination, dividend policy or other specific feature may apply to each Share Class. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Share Class. The Shares and Classes available at the date of this Prospectus and the particular features of each Class or Class of Shares per Fund are disclosed in Appendix III.

Shares may be differentiated between Accumulation Shares or Distribution Shares. Investors may enquire at the Administrator or their Distributor whether any Accumulation or Distribution Shares are available within each Share Class and Fund.

Assets of the Classes may be hedged against different currency risks as further specified in Appendix III in relation to each Fund.

Investors are informed that not all Distributors offer all Share Classes or Funds.

In case of the creation of additional Classes of Shares, this Prospectus and the relevant KII will be updated accordingly.

**Minimum Subscription Amount and Minimum Additional Subscription Amount (as indicated or equivalent in any freely convertible currencies)**

The Minimum Subscription Amount and Minimum Additional Subscription Amount that may be applied can vary according to the Fund and the Share Class, and are provided for in Appendix III.

The Directors may at their absolute discretion from time to time waive the Minimum Subscription Amount and Minimum Additional Subscription Amount, if any.

## 2. SHARE DEALING

### 2.1. ISSUE AND REDEMPTION OF SHARES

Shares may be purchased and redeemed at the offices of the Management Company, the Depositary and the Paying Agents. In addition it is possible to purchase Shares through third parties, in particular through other banks and financial services providers. The Management Company, Depositary and other distributors shall at all times comply with statutory and other regulations relating to the prevention of money laundering.

If completed application forms and cleared funds are received by the Administrator on any Business Day before 10.30 a.m. CET (“Cut-Off-Time”), shares will normally be issued at the relevant Net Asset Value per Share as calculated on the following Dealing Day, as defined below under “Calculation of Net Asset Value” (incorporating any applicable subscription fee). The Company may determine a different Cut-Off-Time for subscriptions of each Fund. For details regarding each Fund please refer to Appendix III.

Redemption instructions accepted by the Administrator on any Business Day before 10.30 a.m. CET will normally be executed at the relevant Net Asset Value per Share as calculated on the following Dealing Day (less any applicable redemption charge). The redemption price shall be paid without delay after this Dealing Day in the currency of the relevant Fund. The Company may determine a different Cut-Off-Time for redemptions of each Fund. For details regarding each Fund please refer to Appendix III.

The Shares shall be issued as soon as the issue price has been paid to the Depositary. However, the Management Company reserves the right to suspend the issue of Shares temporarily or permanently; in such cases, any payments already made shall be refunded without delay.

The Depositary shall be required to make payment only where no statutory provisions, for example foreign exchange regulations, or other circumstances beyond the control of the Depositary that prevent remittance of the redemption price.

The subscription and redemption of Shares should be for investment purposes only. The Management Company does not tolerate “market timing” or other excessive trading practices, as described under 2.5.

### **Publications**

The Management Company will ensure that information intended for the Shareholders is published or communicated to them in an appropriate manner. This includes, in particular, publication of the Share prices in those countries in which fund Shares are offered for sale to the

public. The issue and redemption prices can also be obtained from the Management Company as well as from the Depositary and the Paying Agents. The Annual and Semi-Annual Reports as well as the Full and Simplified Prospectuses and the Company's Articles are also available free of charge from these parties.

**Different procedures may apply if subscriptions or redemptions are made through Distributors.**

**All applications to subscribe for Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.**

### **Types of Shares**

Shares will be issued in registered form only. Registered Shares are in non-certificated form. Fractional entitlements to registered Shares will be rounded down to three decimal places.

### **General**

Instructions to subscribe, once given, are irrevocable, except in the case of a suspension or deferral of dealing. The Company in its absolute discretion reserves the right to reject any application in whole or in part. If an application is rejected, any subscription money received will be refunded at the cost and risk of the Investor without interest. Prospective Investors should inform themselves as to the relevant legal, tax and exchange control regulations in force in the countries of their respective citizenship, residence or domicile.

### **Anti-Money Laundering Procedures**

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the CSSF, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar and transfer agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber unless the subscription order has already been verified by an eligible professional subject to identification requirements equivalent to those imposed by Luxembourg laws and regulations. The registrar and transfer agent may require subscribers to provide acceptable proof of identity and for subscribers who are legal entities, an extract from the registrar of companies or articles of incorporation or other official documentation. In any case, the registrar and transfer agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons.

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

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

### **Restrictions applying to certain investors**

#### **General**

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

#### **US Investors**

**Shares are not offered in the United States and may not be offered to or purchased by a citizen or resident thereof.** The Shares have not been registered under the United States Securities Act of 1933; they may therefore not be publicly offered or sold in the United States of America, or in any of its territories subject to its jurisdiction or to or for the benefit of a United States person. The term “United States person”, as used herein, means any citizen or resident of the United States of America (including any corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof) or any estate or trust that is subject to United States federal income taxation regardless of the source of its income.



## 2.2. SWITCHING OF SHARES

### **Switching Procedure**

A switch transaction is a transaction by which the holding of a Shareholder is converted either into another Share Class within the same Fund or in different Funds within the Company provided they have similar settlement periods.

Acceptance by the Administrator of switching instructions will be subject to the availability of the new Share Class/Fund and to the compliance with any eligibility requirements and/or other specific conditions attached to the new Share Class (such as minimum subscription and holding amounts, if any). The switching procedure is processed as redemption followed by a new subscription. A switch transaction may only be processed on the first Dealing Day on which both the Net Asset Values of the Funds involved in the said transaction are calculated.

Shareholders may request at any time the conversion of all or part of their holdings into shares of another Fund or Share Class.

Switch requests should be sent to the Administrator by indicating the name of the Fund into which the shares are to be converted and specifying the Share Class to be converted, the Share Class of the new Fund to be issued.

Provided the application together with the required documentation is received prior to 10.30 a.m. CET or another Cut-Off-Time as detailed in Appendix III, on the Dealing Day, the shares will be converted based on the Net Asset Value per Share applicable for the applicable Dealing Day.

Subject to a suspension of the calculation of the Net Asset Value, shares may be converted on any Dealing Day.

Shareholders should seek advice from their local tax advisers to be informed on the local tax consequences of such transaction.

### **General**

Confirmations of transactions will normally be dispatched by the Administrator on the next Business Day after Shares are switched. Shareholders should promptly check these confirmations to ensure that they are correct in every detail. Delay in providing the relevant documents may cause the instruction to be delayed or lapse and be cancelled. Due to the settlement period necessary for redemptions, switch transactions will not normally be completed until the proceeds from the redemption are available.

Switch requests will be considered binding and irrevocable by the Company and will, at the discretion of the Company, only be executed where the relevant Shares have been duly issued.

Switches may not be completed until such time as the original subscription has been settled in full.

**Different switching procedures may apply if instructions to switch Shares are communicated via Distributors. All instructions to switch Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.**

### 2.3. CALCULATION OF NET ASSET VALUE

#### **Reference Currency**

The Net Asset Value is expressed in the reference currency set for each Share Class. The Net Asset Value of the Company is expressed in EURO, and consolidation of the various Sub-Funds is obtained by translating the Net Asset Value of all Sub-Funds into Euros and adding them up.

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

- (A) The Net Asset Value per Share of each Share Class will be calculated on each Dealing Day in the Dealing Currency of the relevant Share Class. It will be calculated by dividing the total net asset value attributable to each Share Class, being the proportionate value of its assets less its liabilities, by the number of Shares of such Share Class then in issue. The resulting Net Asset Value per Share shall be rounded to the nearest three decimal places.
- (B) In valuing total assets, the following rules will apply:
  - (1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.
  - (2) The value of such securities, financial derivative instruments and assets will be determined on the basis of the closing or last available price on the stock exchange or any other Regulated Market as aforesaid on which these securities or assets are traded or admitted for trading.
  - (3) If a security is not traded or admitted on any official stock exchange or any Regulated Market, or in the case of securities so traded or admitted the last available price of which does not reflect their true value, the Directors are required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.

- (4) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction. The reference to reliable and verifiable valuation shall be understood as a reference to a valuation, which does not rely only on market quotations of the counterparty and which fulfils the following criteria:
- (a) The basis of the valuation is either a reliable up-to-market value of the instrument, or, if such value is not available, a pricing model using an adequate recognised methodology.
  - (b) Verification of the valuation is carried out by one of the following:
    - (i) an appropriate third party which is independent from the counterparty of the OTC derivative, at an adequate frequency and in such a way that the Company is able to check it;
    - (ii) a unit within the Company which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.
- (5) Units or shares in undertakings for collective investments shall be valued on the basis of their last available net asset value as reported by such undertakings.
- (6) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.
- (7) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

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

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

#### 2.4. SUSPENSIONS OR DEFERRALS

- (A) The Company reserves the right not to accept instructions to redeem or switch on any one Dealing Day more than 10% of the total value of Shares in issue of any Fund. In these circumstances, the Directors may decide that the redemption of part or all Shares in excess of 10% for which a redemption or switch has been requested will be deferred for a period that the Directors consider to be in the best interest of the Fund, but normally not exceeding 15 Dealing Days. On the next Dealing Day following such period, deferred requests will be dealt with in priority to later requests and in the order that requests were initially received by the Administrator.
- (B) The Company reserves the right to extend the period of payment of redemption proceeds to such period, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of a Fund are invested or in exceptional circumstances where the liquidity of a Fund is not sufficient to meet the redemption requests.
- (C) The Company may suspend or defer the calculation of the Net Asset Value per Share of any Share Class in any Fund and/or the issue and/or redemption of any Share Class in such Fund, and/or the right to switch Shares of any Share Class in any Fund into Shares of the same Share Class of the same Fund or any other Fund:
  - (a) during any period when, according to the opinion of the Directors, any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the Company's investments of the relevant Share Class for the time being are quoted, is closed, or during which dealings are restricted or suspended; or
  - (b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Fund by the Company is impracticable; or

- (c) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange; or
  - (d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange; or
  - (e) if the Company is being or may be wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Company is proposed;
- (D) The suspension of the calculation of the Net Asset Value per Share of any Fund shall not affect the valuation of other Funds, unless these Funds are also affected.
- (E) During a period of suspension or deferral, a Shareholder may withdraw his request in respect of any Shares not redeemed or switched, by notice in writing received by the Administrator before the end of such period.

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

## 2.5. MARKET TIMING AND FREQUENT TRADING POLICY

Subscriptions, redemptions and conversions of shares should be made for investment purposes only. The Company does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm fund performance. To minimise harm to the Company and the shareholders, the Company and/or the Management Company have the right to reject any purchase or conversion order, or levy, in addition to any subscription or conversion fees which may be charged according to the relevant Fund Details in Appendix III, a fee of up to 6% of the value of the order for the benefit of the Company from any investor who is engaging in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Company and/or the Management Company, has been or may be disruptive to the Company or any of the Funds. In making this judgment, the Company and/or the Management Company may consider trading done in multiple accounts under common ownership or control. The Company and/or the Management Company also have the power to redeem all shares held by a shareholder who is or has been engaged in excessive trading. The Directors or the Company or the Management Company will not be held liable for any loss resulting from rejected orders or mandatory redemptions.

Subscriptions, redemptions and conversions are dealt with at an unknown Net Asset Value per share.

### 3. GENERAL INFORMATION

#### 3.1 ADMINISTRATION DETAILS

##### Management Company and Domiciliary Agent

The Directors have appointed Oppenheim Asset Management Services S.à r.l. as its management company to perform investment management, administration and marketing functions as described in Annex II of the 2010 Law.

The Management Company, Oppenheim Asset Management Services S.à r.l., a société à responsabilité limitée (limited liability company) under Luxembourg law, was originally established as Oppenheim Investment Management International S.A., a société anonyme (public limited company) under Luxembourg law, on 27 September 1988, changing its legal form on 31 August 2002 and its name lastly on 1 October 2007. Its articles of association were last amended on 30 August 2013 and filed with the Luxembourg Commercial Register on 6 September 2013. A notice of this filing was published in the Mémorial on 19 September 2013.

The Management Company is authorized under Chapter 15 of the Law of 20 December 2010 on undertakings for collective investment and fulfils the equity capital requirements of this law. The registered office of the Management Company is in the City of Luxembourg. The Management Company has been permitted by the Company to delegate certain administrative, distribution and investment management functions to specialised service providers. In that context, the Management Company has delegated certain administration functions to Sal. Oppenheim jr. & Cie. Luxembourg S.A. and may delegate certain marketing functions to the distributors.

The Management Company will monitor the activities of the third parties to which it has delegated functions on a continued basis. The agreements entered between the Management Company and the relevant third parties provide that the Management Company can give further instructions to such third parties, and that it can withdraw their mandate with immediate effect if this is in the interest of the Shareholders at any time. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties. The Management Company shall also ensure compliance with the investment restrictions and oversee the implementation of the Funds' strategies and investment policy by the Funds.

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

The Company pays Management Fees to the Management Company as specified in Appendix III per annum of the Net Asset Value of the Company. The level of Management Fees may vary at the Directors' discretion, as agreed with the Management Company, across Funds and Classes the

investor buys. Management Fees accrue daily, are based on the Net Asset Value of the relevant Class and are paid monthly based on the last available Net Asset Value of the relevant Class. Management Fees comprise without limitation all operation costs and expenses incurred by the Company and the Management Company, with the exception of the fees of the Depositary, and any taxes thereon. In addition, taxes payable by the Company such as subscription taxes, withholding taxes, legal expenses and certain investor relations expenses remain payable by the Company. However the minimum annual management fee amounts up to EUR 35,000.- per Sub-Fund, if applicable.

The Company has also appointed Oppenheim Asset Management Services S.à r.l. as Domiciliary Agent of the Company. In its capacity of Domiciliary Agent, Oppenheim Asset Management Services S.à r.l. will be responsible for all corporate agency duties required by Luxembourg law, and in particular for providing and supervising the mailing of statements, reports, notices and other documents to the shareholders, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

### **Remuneration policy**

The Management Company is included in the compensation strategy of the Deutsche Bank Group. All matters related to compensation as well as compliance with the regulatory requirements are monitored by the relevant committees of the Deutsche Bank Group. The Deutsche Bank Group employs a total compensation philosophy, which comprises fixed pay and variable compensation as well as deferred compensation components, which are linked to both individual future performance and the sustainable development of the Deutsche Bank Group. To determine the amount of the deferred compensation and the instruments linked to long-term performance (such as equities or fund units), the Deutsche Bank Group has defined a compensation system that avoids significant dependency on the variable compensation component.

Further details on the current compensation policy are published on the Internet at <https://www.db.com/cr/de/konkret-verguetungsstrukturen.htm> and in the linked Deutsche Bank AG Compensation Report. This includes a description of the calculation methods for remuneration and bonuses to specific employee groups, as well as the specification of the persons responsible for the allocation including members of the remuneration committee. The Management Company shall provide this information free of charge in paper form upon request.

Additionally, the compensation policy contains in particular the following information:

- a) The compensation policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Management Company manages;



- b) The compensation 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;
- c) 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. This ensures 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;
- d) Fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

### **Investment Advisor**

With the consent of the Directors, the Management Company has appointed Deutsche Bank (Suisse) SA, Geneva, as the Investment Advisor of the Company.

Established in 1980, Deutsche Bank (Suisse) S.A., with headquarters in Geneva and branch offices in Zurich and Lugano, is a wholly-owned subsidiary of Deutsche Bank AG and specialises in asset advisory and private wealth management services for sophisticated international customers. Its share capital amounts to 100 million Swiss francs.

The Investment Advisor is entitled to receive as remuneration for his services advisory fees, which will be paid out of the Management Fee. Such fees are calculated and accrued on each Dealing Day by reference to the Net Asset Values of the Funds and paid monthly in arrears.

For details of the Investment Advisor Fee applicable to a specific Class, please refer to Appendix III.

The Investment Advisor may, in addition to the Management Fee, be entitled to a performance fee. Details of such a performance fee (if applicable) are set out in Appendix III.

The Management Company may at its sole discretion share the Annual Management Fee and Performance Fees with selected Distributors and other entities engaged in distribution and investor relations of the Company.

## **Depository**

The Company has appointed Sal. Oppenheim jr. & Cie. Luxembourg S.A., Luxembourg, as Depository to provide the services of custody, deposit, delivery and receipt of securities and cash settlement on behalf of the Company. Sal. Oppenheim jr. & Cie. Luxembourg S.A. also acts as paying agent of the Fund. Sal. Oppenheim jr. & Cie. Luxembourg S.A. will carry out the payment of distributions, if any, and the payment of the redemption price by the Fund. Sal. Oppenheim jr. & Cie. Luxembourg S.A. was incorporated in Luxembourg as a société anonyme on 30 June 1993 and has its registered office at 2, Boulevard Konrad Adenauer, L – 1115 Luxembourg. It has engaged in banking activities since its incorporation.

The rights and obligations of the Depository are governed by the by-laws, this Sales Prospectus and the Depository agreement. Its particular duty is to hold in safe-keeping the assets of the Fund. In addition, the Depository performs special monitoring tasks. The Depository acts in the interests of the shareholders. The Company pays Fees to the Depository as specified in Appendix III per annum of the Net Asset Value of the Company. However the minimum annual depositary fee amounts up to EUR 20,000.-, per Sub-Fund, if applicable.

### **Safekeeping**

The Depository carries out its duties as follows:

- a) for financial instruments that can be held in custody:
  - (i) the Depository shall hold in custody all financial instruments that can be registered in a financial instruments account opened in the depositary's books and all financial instruments that can be physically delivered to the depositary;
  - (ii) the Depository shall ensure that all those financial instruments that can be registered in a financial instruments account opened in the depositary's books are registered in the depositary's books within segregated accounts opened in the name of the Investment Company, so that they can be clearly identified as belonging to the Investment Company in accordance with the applicable law at all times;
- b) for other assets, the Depository shall verify the ownership of the Company of such assets and shall maintain records of this.

### **Oversight**

In the context of the monitoring tasks, the Depository shall act shall:

- ensure that the sale, issue, re-purchase, redemption and cancellation of shares of the Investment Company are carried out in accordance with Luxembourg Law and the by-laws;

- ensure that the value of the shares of the Fund is calculated in accordance with the applicable Luxembourg Law and the by-laws;
- carry out the instructions of the Management Company, unless they conflict with Luxembourg Law or the by-laws;
- ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
- ensure that the Fund's income is applied in accordance with Luxembourg Law and the by-laws.

### Cash monitoring

The Depositary shall ensure, that the cash flows of the Fund are properly monitored and shall in particular ensure that all payments made by or on behalf of the investors upon the subscription of shares of the Fund have been received and that all cash of the Fund has been booked in cash accounts maintained according to the applicable legal provisions.

Where the law of a third country requires that certain financial Instruments be held in custody by a local entity and no local entity satisfies the delegation requirements as set out in the Law of 2010 and any other applicable rules and regulations, 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. At this point in time, no such delegation is made. If such a delegation is made, the Sales Prospectus will be updated accordingly. The designation of the Depositary and/or the sub-depositary may cause potential conflicts of interest, which are described in more detail in the section "Potential Conflicts of Interest".

### Particular Conflicts of Interest in Relation to the Depositary

The Depositary claims to have appropriate structures in place to prevent potential conflicts of interest. The allocation of duties within the depositary and its organizational structure meet the legal and regulatory requirements, including, in particular, the requirement to prevent conflicts of interest.

The Depositary's policy regarding conflicts of interest entails the implementation of different approaches for preventing such conflicts, including (in summarized form):

- a. Information-flow management: requirements regarding areas of confidentiality ("Chinese Walls") and the management of these areas (strict application of the "need-to-know" principle when passing on information internally).
- b. Relevant persons are specifically monitored.
- c. There are no harmful interconnections within the remuneration system.

Where conflicts of interest or potential conflict of interest cannot be prevented, the Depositary identifies these conflicts and communicates them to the Management Company. General

information about potential conflicts of interest under UCITS/AIFMD are available on the internet under <https://fundplatforms.deutscheam.com/Leistungsspektrum/Depotbank/Leistungsspektrum>.

The Depositary has entrusted different sub-depositaries with the safekeeping of assets in different countries. An updated list of the foreign sub-depositaries entrusted by the depositary with the safekeeping of such assets is available at <https://fundplatforms.deutscheam.com/Leistungsspektrum/Depotbank/Leistungsspektrum> to enable the Management Company to verify whether potential conflicts of interest are inherent to the set-up.

Service Providers appointed by the Management Company and the sub-depositaries may be directly or indirectly affiliated under corporate law, as may their staff. The partial identity of the involved entities can give rise to situations where, due to the non-separation in terms of location, staff and functions, the interests and objectives of the involved individuals or entities collide or conflict, therefore the Depositary has published a complete list of sub-depositary on the internet. When entrusting different sub-depositaries with depositary functions, such conflicts of interest mainly arise due to following types of interconnectedness:

- Cross-shareholding: The sub-depositary holds participating interests in the Management Company or vice versa. This may result in a situation where both entities influence one another in a way that, depending on the specific circumstances, may jeopardize the objectives connected to the Depositary's function.
- Financial consolidation: The Management Company and the sub-depositary are covered by the same group financial statement, i.e. shared financial objectives. This may result in a situation where these financial objectives and the objectives connected to the Depositary's function jeopardize each other.
- Joint management/supervision: Under these circumstances, decisions concerning both the Management Company and the sub-depositary are taken or supervised by the same individuals. This may result in a situation where the required objectivity of the decision makers or the supervisors is affected.
- Joint activities: A sub-depositary may simultaneously act as the depositary and oversee the portfolio management or execute the trades with regard to a sub-fund. This may result in a situation where the required objectivity within these functions is affected.

The list indicating the sub-custodians which is available on the internet at <https://fundplatforms.deutscheam.com/Leistungsspektrum/Depotbank/Leistungsspektrum> enables the Management Company to perform the necessary verifications.

#### Additional information

Upon request, the Management Company shall provide investors with the most up-to-date information on the Depositary and its obligations, on the sub-depositaries, as well as on possible conflicts of interest in connection with the activity of the Depositary or the sub-depositaries.

Both the Depositary and the Fund may terminate the Depositary agreement at any time by giving three months' written notice. Such termination will be effective when the Fund, with the authorization of the responsible supervisory authority, appoints another bank as Depositary and that bank assumes the responsibilities and functions as Depositary; until then the previous Depositary shall continue to fulfill its responsibilities and functions as Depositary to the fullest extent in order to protect the interests of the shareholders.

The Depositary is bound to follow the instructions of the Fund, unless such instructions are in violation of the law, the by-laws or this Sales Prospectus.

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

With the consent of the Company, the Management Company has appointed Sal. Oppenheim jr. & Cie. Luxembourg S.A. as Administrator and Transfer Agent of the company.

The Registrar and Transfer Agent will be responsible for handling the processing of subscriptions for Shares, dealing with requests for redemptions and switches and accepting transfers of funds, for the safekeeping of the register of shareholders of the Company, the safekeeping of all non-issued Share certificates of the Company, for accepting Share certificates tendered for replacement, redemption or conversion, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

Sal. Oppenheim jr. & Cie. Luxembourg S.A. may receive from the Management Company a fee in relation to its administrative, registrar and transfer services.

Sal. Oppenheim jr. & Cie. Luxembourg S.A. will receive from the Management Company such fees as are in accordance with usual practice in Luxembourg. The administrative, registrar and transfer services are paid on a monthly basis and calculated and accrued on the end of the month considered.

Administrative, registrar and transfer fees may be subject to review by the Company and the Management Company from time to time.

Sal. Oppenheim jr. & Cie. Luxembourg S.A. has been appointed as paying agent of the Company (the "Paying Agent") responsible for the payment of distributions to shareholders. The Company may appoint additional paying agents in the future. In this case, the Prospectus will be updated accordingly.

In certain countries, investors may be charged with additional amounts in connection with the duties and services of local paying agents, correspondent banks or similar entities.

## 3.2 CHARGES AND EXPENSES BORNE BY THE COMPANY

### **Subscription and redemption fees**

The Company may levy subscription and redemption fees. For details of the subscription and / or redemption fees applicable to a Fund, please refer to Appendix III.

#### Formation and launching expenses of the Company and of new Funds

The costs and expenses of establishing the Company will be borne by, and payable out of the assets of, the Funds existing at launch of the Company and may be amortized over a period not exceeding five years.

The expenses incurred by the Company in relation to the launch of new Funds will be borne by, and payable out of the assets of, those Funds and may be amortized over a period not exceeding five years.

### **Other Charges and Expenses**

The Company will pay all charges and expenses incurred in the operation of the Company including, without limitation, taxes, expenses for legal and auditing services, brokerage, governmental duties and charges, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares of the Company may be marketed in different countries; costs of advertising; expenses incurred in the issue, switch and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs for measuring and analysing the performance and the risk of the Fund as well as for the execution of the Fund's performance attribution; costs of printing proxies, statements, Share certificates or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, explanatory brochures and any other periodical information or documentation for investor relations purposes.

The Company may indemnify any director, authorised officer, employee or agent, their heirs, executors and administrators, to the extent permitted by law, for all costs and expenses borne or paid by them in connection with any claim, action, law suit or proceedings brought against them in their capacity as director, authorised officer, employee or agent of the Company, except in cases where they are ultimately sentenced for gross negligence. In the case of an out of court settlement, such indemnification will only be granted if the Company's Legal Adviser is of the opinion that the director, authorised officer, employee or agent in question did not fail in their duty and only if

such an arrangement is approved beforehand by the Directors. The right to such indemnification does not exclude other rights to which the director, authorised officer, employee or agent are entitled. The rights to indemnification provided herein are separate and do not affect the other rights to which a director, authorised officer, employee or agent may now or later be entitled and shall be maintained for any person who has ceased their activity as director, authorised officer, employee or agent.

### **Soft commission agreements**

The Investment Advisor may enter into soft commission arrangements with brokers under which certain business services are obtained for third parties and are paid for by the brokers out of the commissions they receive from transactions of the Company. Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Company may be directed by the Investment Advisor to brokers dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such brokers dealers.

The Investment Advisor shall comply with the following conditions when entering into soft commission arrangements: (i) the Investment Advisor will act at all times in the best interest of the Company ; (ii) the services provided will be in direct relationship to the activities of the Investment Manager ; (iii) brokerage commissions on portfolio transactions for the Company will be directed by the Investment Advisor to broker-dealers that are entities and not to individuals; and (iv) the Investment Advisor will provide reports to the Directors with respect to soft commission arrangements including the nature of the services it receives.

### **Rebates**

The Investment Advisor and/or the Management Company shall be entitled to rebates with respect to brokerage fees and retrocession paid on behalf of the Fund. Such rebates may be credited to the Fund but may also be retained by the Investment Advisor and/or Distributors and are not required to be credited to the Fund. Any amounts so retained by the Investment Advisor shall be disclosed in the financial statements. The selection of investments for which rebates are paid shall be made in the best interests of the Fund and with reference to the principle of best execution.

The Board has authorized the Depositary to collect the aforementioned rebates and to delegate the allocation of rebates to a third party which allocates the rebates to the relevant Investment Advisor and/or Distributor and/or Fund. The costs related to the collection and allocation will be borne by the Fund and shall be disclosed in the financial statements.

## **Authorisation of and Indemnification for Instructions**

By giving any instructions by facsimile, or any other communication medium acceptable to the Administrator, Shareholders irrevocably authorise the Management Company and the Administrator to act upon such instructions and shall fully indemnify the Company, Management Company and Administrator on demand against any liability of any nature whatsoever arising to any of them as a result of them acting on such instructions. The Management Company and the Administrator may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instruction or other instrument believed, in good faith, to be genuine or to be signed by properly authorised persons.

### 3.3 COMPANY INFORMATION

The Company is an umbrella structured open-ended investment company with limited liability, organised as a *société anonyme* and qualifies as a *société d'investissement à capital variable* ("SICAV") under part I of the 2010 Law. The Company was incorporated on 4 March 2011 and its Articles were published in the Mémorial on 15 March 2011.

The Company is registered under Number B 159372 with the *Registre de Commerce et des Sociétés* of Luxembourg, where the Articles of the Company have been filed and are available for inspection. The Company exists for an indefinite period.

The minimum capital of the Company required by Luxembourg law is EUR 1,250,000. The share capital of the Company is represented by fully paid Shares of no par value and is at any time equal to its net asset value. Should the capital of the Company fall below two thirds of the minimum capital, an extraordinary general meeting of Shareholders must be convened to consider the dissolution of the Company. Any decision to liquidate the Company must be taken by a majority votes cast. Where the share capital falls below one quarter of the minimum capital, the Directors must convene an extraordinary general meeting of Shareholders to decide upon the liquidation of the Company. At that Meeting, the decision to liquidate the Company may be taken by Shareholders holding together one quarter of the votes cast.

The following material contracts, not being contracts entered into in the ordinary course of business, have been entered into:

- Investment Advisory Agreement with Deutsche Bank (Suisse) S.A.;
- Depositary Agreement with Sal. Oppenheim jr. & Cie. Luxembourg S.A.;
- Service Level Agreement with Sal. Oppenheim jr. & Cie. Luxembourg S.A; and
- Management Company Agreement with Oppenheim Asset Management Services S.à r.l.



The material contracts listed above may be amended from time to time by agreement between the parties thereto.

### **Documents of the Company**

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

## 3.4 DIVIDENDS

### **Dividend Policy**

The distribution policy of each Fund is laid down in Appendix III. In addition, the Directors may declare interim dividends in respect of Distribution Shares.

With respect to Accumulation Shares, the investment income attributable to the relevant Shares will not be paid to the investors but will be retained in the Share Class, thus increasing the Net Asset Value of the Shares of the relevant Class.

## 3.5 TAXATION

The following summary is based on the law and practice currently in force in the Grand Duchy of Luxembourg. It is therefore subject to any future changes.

The Company is not subject to any taxes in Luxembourg on income or capital gains. The only tax to which the Company in Luxembourg is subject is the "taxe d'abonnement" at a rate of 0.05% per annum based on the Net Asset Value of each Fund at the end of the relevant quarter, calculated and paid quarterly. In respect of any Share Class which comprises only institutional investors (within the meaning of article 174 of the 2010 Law), the tax levied will be at the rate of 0.01% per annum.

In case the Company invests in other Luxembourg investment funds, which in turn are subject to the *taxe d'abonnement*, the aforementioned tax is not due from the Fund on the portion of assets invested therein. Other taxes on the Company, for example on income, capital gains or distributions, are not levied in Luxembourg. However, income, capital gains or distributions of the Company may be subject to non-refundable withholding taxes or other taxes in countries in which the Company's assets are invested. Neither the Management Company nor the Depositary Bank will obtain receipts for such withholding taxes for individual or all Shareholders.

Income, capital gains or distributions of the Company are in general taxable for investors and are usually subject to a withholding tax in the Unit holder's country of origin.

## **FATCA**

The Foreign Account Tax Compliance provisions (commonly known as "FATCA") are contained in the Hiring Incentives to Restore Employment Act (the "Hire Act"), which was signed into US law in March 2010. These provisions are US legislation aimed at reducing tax evasion by US citizens. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis.

In general, a 30% withholding tax is imposed on certain US source income of FFIs that fail to comply with this requirement. This regime will become effective in phases between 1 July 2014 and 2017. Generally, non-US funds, such as the Company through its Sub-Funds, will be FFIs and will need to enter into FFI agreements with the IRS unless they qualify as "deemed-compliant" FFIs, or, if subject to a model 1 intergovernmental agreement ("IGA"), they can qualify as either a "reporting financial institution" or "non-reporting financial institution" under their local country IGA. IGAs are agreements between the US and foreign jurisdictions to implement FATCA compliance. On 28 March 2014, Luxembourg entered into a model 1 IGA with the US and a memorandum of understanding in respect thereof. The Company would hence in due course have to comply with such Luxembourg IGA.

The Company will continually assess the extent of the requirements that FATCA and notably the Luxembourg IGA places upon it. In order to comply, the Company may inter alia require all Shareholders to provide mandatory documentary evidence of their tax residence in order to verify whether they qualify as Specified US Persons.

Shareholders, and intermediaries acting for Shareholders, should note that it is the existing policy of the Company that Shares are not being offered or sold for the account of US Persons and that subsequent transfers of Shares to US Persons are prohibited. If Shares are beneficially owned by any US Person, the Company may in its discretion compulsorily redeem such Shares. Shareholders should moreover note that under the FATCA legislation, the definition of Specified US Persons will include a wider range of investors than the current US Person definition. The Board of Directors may therefore resolve, once further clarity about the implementation of the Luxembourg IGA becomes available, that it is in the interests of the Company to widen the type of investors prohibited from further investing in the Sub-Funds and to make proposals including mandatory redemptions regarding existing investor holdings in connection therewith.

## **Common Reporting Standard (“CRS”)**

The OECD received a mandate by the G8/G20 countries to develop a global reporting standard to achieve a comprehensive and multilateral automatic exchange of information on a global basis. The CRS has been incorporated in the amended Directive on Administrative Cooperation (now commonly referred to as “DAC 2”), adopted on 9 December 2014, which the EU Member States had to incorporate into their national laws by 31 December 2015. DAC 2 was transposed into Luxembourg law by a law dated 18 December 2015 (“CRS Law”). It was published in the Mémorial A – N° 244 on 24 December 2015.

The CRS law requires certain Luxembourg Financial Institutions (investment funds such as this Fund qualify, in principle, as Luxembourg Financial Institutions) to identify their account holders and establish where they are fiscally resident. In this respect, a Luxembourg Financial Institution which is classified as Luxembourg Reporting Financial Institution is required to obtain a self-certification to establish the CRS status and/or tax residence of its account holders at account opening.

Luxembourg Reporting Financial Institutions will need to perform their first reporting of financial account information for the year 2016 about account holders and (in certain cases) their Controlling Persons that are tax resident in a Reportable Jurisdiction (identified in a Grand Ducal Decree) to the Luxembourg tax authorities (*Administration des contributions directes*) by 30 June 2017. The Luxembourg tax authorities will automatically exchange this information with the competent foreign tax authorities by the end of September 2017.

### **Data protection**

According to the CRS Law and Luxembourg data protection rules, each natural person concerned, i.e. potentially reportable, shall be informed on the processing of his/her personal data before the Luxembourg Reporting Financial Institution processes the data.

If the Fund qualifies as a Reporting Financial Institution, it informs the natural persons who are Reportable Persons in the aforementioned context, in accordance with the Luxembourg data protection law.

- In this respect, the Reporting Luxembourg Financial Institution is responsible for the personal data processing and will act as data controller for the purpose of the CRS Law.
- The personal data is intended to be processed for the purpose of the CRS Law.
- The data may be reported to the Luxembourg tax authorities (*Administration des contributions directes*), which may in turn forward the data to the competent authorities of one or more Reportable Jurisdictions.

- For each information request for the purpose of the CRS Law sent to the natural person concerned, the answer from the natural person will be mandatory. Failure to respond within the prescribed timeframe may result in (incorrect or double) reporting of the account to the Luxembourg tax authorities.
- Each natural person concerned has a right to access any data reported to the Luxembourg tax authorities for the purpose of the CRS Law and, as the case may be, to have these data rectified in case of error.

**Investors should remain informed about and obtain professional advice on current legislation and regulations applying to the purchase, ownership or redemption of Shares in the Company.**

Details on the interest withholding tax levied on distributed and accumulated income of the Company are contained in the Annual Report and the announcements on the Company's taxation basis.

### 3.6 MEETINGS AND REPORTS

#### **Meetings**

The annual general meeting of Shareholders of the Company shall be held annually on the 4th Wednesday of January at 2.00 p.m., Luxembourg time and for the first time in 2012 at the registered office of the Company or any address specified in the notice of the meeting. If such a day is not a Business Day in Luxembourg, the annual general meeting shall be held on the next following Business Day. The annual general meeting shall be held in accordance with Luxembourg law. For all general meetings of Shareholders notices are sent to registered Shareholders by post at least eight days prior to the meeting. Notices will be published in the *Recueil Électronique des Sociétés et Associations* (RESA) and in (a) Luxembourg newspaper(s) if legally required and in such other newspapers as the Directors may decide. Such notices will include the agenda and specify the time and place of the meeting. The legal requirements as to notice, quorum and voting at all general and Fund or Share Class meetings are included in the Articles. Meetings of Shareholders of any given Fund or Share Class shall decide upon matters relating to that Fund or Share Class only.

#### **Reports**

The financial year of the Company ends on 30 September each year and for the first time on 30 September 2011. The audited annual report of the Company will be established as of 30 September 2011, and will be made available upon request to Shareholders ahead of the annual general

meeting of Shareholders. This annual report encloses the report of the Directors, a statement of the net assets of the Funds and statistical information, a statement of operations and of changes in net assets of the Funds, notes to the financial statements and the Independent Auditors' report. The unaudited half-yearly report will also be prepared as of 31 March. Such reports form an integral part of this Prospectus. Copies of the annual, semi-annual and financial reports may be obtained free of charge from the registered office of the Company.

### 3.7 DETAILS OF SHARES

#### **Shareholder rights**

- (A) The Shares issued by the Company are freely transferable and entitled to participate equally in the profits, and, in case of Distribution Shares, dividends of the Share Classes to which they relate, and in the net assets of such Share Class upon liquidation. The Shares carry no preferential and pre-emptive rights.

- (B) Voting:

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

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

- (C) Compulsory redemption:

The Directors may impose or relax restrictions on any Shares and, if necessary, require redemption of Shares to ensure that Shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or government or regulatory authority or which might have adverse taxation or other pecuniary consequences for the Company including a requirement to register under the laws and regulations of any country or authority. The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether the Shareholder is the beneficial owner of the Shares which they hold.

If it shall come to the attention of the Directors at any time that Shares are beneficially owned by any person prohibited from holding shares pursuant to section "US Investors" above, the Company will have the right to compulsorily redeem such Shares.

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

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

The decision to liquidate a Fund may also be made at a meeting of Shareholders of the particular Fund concerned.

### **Merger**

Under the same circumstances as described above, the Directors may decide to

- i) merge any Fund with one or more other Funds,
- ii) merge any Fund into another undertaking for collective investment governed by Part I of the 2010 Law,
- iii) merge any Fund with another undertaking for collective investment offering equivalent protection to that of an undertaking for collective investment subject to Part I of the 2010 Law, or
- iv) reorganise the Shares of a Fund into two or more Share Classes or combine two or more Share Classes into a single Share Class providing in each case it is in the interests of Shareholders of the relevant Funds. Publication or notification of the decision will be made as described above including details of the merger and will be made, where required, at least one calendar month prior to the merger taking effect during which time Shareholders of the Fund or Share Classes to be merged may request redemption of their Shares free of charge.

The decision to merge a Fund may also be made at a meeting of Shareholders of the particular Fund concerned.

Under the same circumstances as described above, the Directors may also decide upon the reorganisation of any Fund by means of a division into two or more separate Funds. Such decision will be published or notified in the same manner as described above and, in addition, the publication or notification will contain information in relation to the two or more separate Funds resulting from the reorganisation. Such publication or notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable Shareholders to request redemption or switch of their Shares before the reorganisation becomes effective.

Any liquidation proceeds remaining unclaimed after the closure of the liquidation of a Fund will be deposited in escrow at the *Caisse de Consignation*. Amounts not claimed from escrow within the period fixed by law may be liable to be forfeited in accordance with the provisions of Luxembourg law.

### 3.8 CO-MANAGEMENT AND POOLING

To ensure effective management of the Company, the Directors may decide to manage all or part of the assets of one or more Funds with those of other Funds in the Company (pooling technique) or, where applicable, to co-manage all or part of the assets, except for a cash reserve, if necessary, of one or more Funds with the assets of other Luxembourg investment funds or of one or more sub-funds of other Luxembourg investment funds (hereinafter referred to as the “Party(ies) to the co-managed assets”) for which the Company’s Depositary is the appointed Depositary bank. These assets will be managed in accordance with the respective investment policies of the Parties to the co-managed assets, each of which is pursuing identical or comparable objectives. Parties to the co-managed assets will only participate in co-managed assets which are in accordance with the stipulations of their respective prospectuses and investment restrictions.

Each Party to the co-managed assets will participate in the co-managed assets in proportion to the assets it has contributed to the co-management. Assets will be allocated to each Party to the co-managed assets in proportion to its contribution to the co-managed assets.

Each Party’s rights to the co-managed assets apply to each line of investment in the said co-managed assets.

The aforementioned co-managed assets will be formed by the transfer of cash or, where applicable, other assets from each of the Parties participating in the co-managed assets. Thereafter, the Directors may regularly make subsequent transfers to the co-managed assets. The assets can also be transferred back to a Party to the co-managed assets for an amount not exceeding the participation of the said Party to the co-managed assets.

Dividends, interest and other distributions deriving from income generated by the co-managed assets will accrue to each Party to the co-managed assets in proportion to its respective investment. Such income may be kept by the Party to the co-managed assets or reinvested in the co-managed assets.

All charges and expenses incurred in respect of the co-managed assets will be applied to these assets. Such charges and expenses will be allocated to each Party to the co-managed assets in proportion to its respective entitlement to the co-managed assets.

In the case of an infringement of the investment restrictions affecting a Fund of the Company, when such a Fund takes part in co-management and even if the manager has complied with the investment restrictions applicable to the co-managed assets in question, the Directors shall ask the manager to reduce the investment in question in proportion to the participation of the Sub-Fund concerned in the co-managed assets or, where applicable, reduce its participation in the co-managed assets to a level that respects the investment restrictions of the Fund.

When the Company is liquidated or when the Directors of the Company decide, without prior notice, to withdraw the participation of the Company or a Fund of the Company from co-managed assets, the co-managed assets will be allocated to the Parties to the co-managed assets in proportion to their respective participation in the co-managed assets.

**The investor must be aware of the fact that such co-managed assets are employed solely to ensure effective management, provided that all Parties to the co-managed assets have the same Depositary bank. Co-managed assets are not distinct legal entities and are not directly accessible to investors. However, the assets and liabilities of each Fund of the Company will be constantly identifiable.**



## APPENDIX I – INVESTMENT RESTRICTIONS

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

The investment restrictions imposed by Luxembourg law must be complied with by each Fund. The restrictions in section 1(D) below are applicable to the Company as a whole.

### 1. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS

#### (A) The Company will invest in:

- (i) transferable securities and money market instruments admitted to an official listing on a stock exchange in an Eligible State; and/or
- (ii) transferable securities and money market instruments dealt in on another Regulated Market; and/or
- (iii) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market and such admission is achieved within one year of the issue; and/or
- (iv) units or shares of UCITS and/or of other UCI whether situated in an EU member state or not, provided that:
  - such other UCIs have been authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU Law, and that cooperation between authorities is sufficiently ensured,
  - the level of protection for Shareholders in such other UCIs is equivalent to that provided for Shareholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of directive 85/611/EEC,

- the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
  - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units or shares of other UCITS or other UCIs; and/or
- (v) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is an EU member state or, if the registered office of the credit institution is situated in a non-EU member state, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU Law; and/or
- (vi) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
- the underlying consists of securities covered by this section 1(A), financial indices complying with Article 9 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the 2010 Law, interest rates, foreign exchange rates or currencies, in which the Funds may invest according to their investment objective;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.
- and/or
- (vii) money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of an EU member state, the European Central Bank, the EU or the European Investment Bank, a non-EU member state or, in case of a Federal

State, by one of the members making up the federation, or by a public international body to which one or more EU member states belong, or

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

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

- (B) Each Fund may hold ancillary liquid assets. Liquid assets used to back-up financial derivative exposure are not considered as ancillary liquid assets.
- (C)
  - (i) Each Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same issuing body (and in the case of structured financial instruments embedding derivative instruments, both the issuer of the structured financial instruments and the issuer of the underlying securities). Each Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph 1(A)(v) above or 5% of its net assets in other cases.
  - (ii) Furthermore, where any Fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the Net Asset Value of such Fund, the total value of all such investments must not account for more than 40% of the Net Asset Value of such Fund.

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

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

- investments in transferable securities or money market instruments issued by,
  - deposits made with, and/or
  - exposures arising from OTC derivative transactions undertaken with a single body in excess of 20% of its net assets.
- (iii) The limit of 10% laid down in paragraph (C)(i) above shall be 35% in respect of transferable securities or money market instruments which are issued or guaranteed by an EU member state, its local authorities or by an Eligible State or by public international bodies of which one or more EU member states are members.
- (iv) The limit of 10% laid down in paragraph (C)(i) above shall be 25% in respect of debt securities which are issued by highly rated credit institutions having their registered office in an EU member state and which are subject by law to a special public supervision for the purpose of protecting the holders of such debt securities, provided that the amount resulting from the issue of such debt securities are invested, pursuant to applicable provisions of the law, in assets which are sufficient to cover the liabilities arising from such debt securities during the whole period of validity thereof and which are assigned to the preferential repayment of capital and accrued interest in the case of a default by such issuer.
- If a Fund invests more than 5% of its assets in the debt securities referred to in the sub-paragraph above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of such Fund.
- (v) The transferable securities and money market instruments referred to in paragraphs (C)(iii) and (C)(iv) are not included in the calculation of the limit of 40% referred to in paragraph (C)(ii).

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

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

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

- (vi) Without prejudice to the limits laid down in paragraph (D), the limits laid down in this paragraph (C) shall be 20% for investments in shares and/or bonds issued by the same body when the aim of a Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Luxembourg supervisory authority, provided
- the composition of the index is sufficiently diversified,
  - the index represents an adequate benchmark for the market to which it refers,
  - it is published in an appropriate manner.

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

- (vii) **Where any Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities or by an OECD member state or other state as approved by the regulator, or by public international bodies of which one or more EU member states are members, the Company may invest 100% of the Net Asset Value of any Fund in such securities provided that such Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the Net Asset Value of the Fund.**

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

- (D) (i) The Company may not normally acquire shares carrying voting rights which would enable the Company to exercise significant influence over the management of the issuing body.
- (ii) The Company may acquire no more than (a) 10% of the non-voting shares of any single issuing body, (b) 10% of the value of debt securities of any single issuing body and/or (c) 10% of the money market instruments of the same issuing body. However, the limits laid down in (b) and (c) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of securities in issue cannot be calculated.

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

- (i) transferable securities and money market instruments issued or guaranteed by an EU member state or its local authorities;
  - (ii) transferable securities and money market instruments issued or guaranteed by any other Eligible State;
  - (iii) transferable securities and money market instruments issued by public international bodies of which one or more EU member states are members; or
  - (iv) shares held in the capital of a company incorporated in a non-EU member state which invests its assets mainly in the securities of issuing bodies having their registered office in that state where, under the legislation of that state, such holding represents the only way in which such Fund's assets may invest in the securities of the issuing bodies of that state, provided, however, that such company in its investment policy complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the 2010 Law.
- (E) If a Fund is limited to investing only 10% of its net assets in units or shares of UCITS or other UCIs this will be specifically provided for in Appendix III for a Fund. The following applies generally to investment in units or shares of UCITS or of the UCIs.
- a) The Company may acquire units of the UCITS and/or other UCIs referred to in paragraph 1. (A) (iv), provided that no more than 20% of a Fund's net assets be invested in units of a single UCITS or other UCI.

For the purpose of the application of the investment limit, each compartment of a UCI with multiple compartments is to be considered as a separate issuer provided

that the principle of segregation of the obligations of the various compartments vis-a-vis third parties is ensured.

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

In addition, the following limits shall apply:

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

In respect of a Fund's investments in UCITS and other UCIs linked to the Company as described in the preceding paragraph, there shall be no Management Company Fee charged to that portion of the assets of the relevant Fund. The Company will indicate in its annual report the total Management Company Fees charged both to the relevant Fund and to the UCITS and other UCIs in which such Fund has invested during the relevant period.

- (ii) Each Sub-Fund may acquire no more than 25% of the units or shares of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units or shares in issue cannot be calculated. In case of a UCITS or other UCI with multiple sub-funds, this restriction is applicable by reference to all units or shares issued by the relevant sub-fund, each sub-fund regarded as a separate issuer.
- (iii) The underlying investments held by the UCITS or other UCIs in which the Funds invest do not have to be considered for the purpose of the investment restrictions set forth under section 1(C) above.

## 2. INVESTMENT IN OTHER ASSETS

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

- (B) The Company will not purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (C) The Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sections 1(A)(iv), (vi) and (vii).
- (D) The Company may not borrow for the account of any Fund, other than amounts which do not in aggregate exceed 10% of the Net Asset Value of the Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.
- (E) The Company will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Fund, except as may be necessary in connection with the borrowings mentioned in paragraph (D) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the Net Asset Value of each Fund. In connection with swap transactions, option and forward exchange or futures transactions the deposit of securities or other assets in a separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.
- (F) The Company will not underwrite or sub-underwrite securities of other issuers.
- (G) The Company will on a Fund by Fund basis comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

### 3. FINANCIAL DERIVATIVE INSTRUMENTS

As specified in section 1(A)(vi) above, the Company may in respect of each Fund invest in financial derivative instruments.

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

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



Each Fund may invest, as a part of its investment policy and within the limits laid down in section 1(A)(vi) and section 1(C)(v), in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in sections 1(C)(i) to (vii). When a Fund invests in index-based financial derivative instruments compliant with the provisions of sections 1(C)(vi), these investments do not have to be combined with the limits laid down in section 1(C).

When a transferable security or money market instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of these instrument restrictions. The Funds may use financial derivative instruments for investment purposes and for hedging purposes, within the limits of the 2010 Law.

No Fund is authorised to use neither securities financing transactions, such as a repurchase transaction, securities or commodities lending and securities or commodities borrowing, a buy-sell back transaction or sell-buy back transaction or a margin lending transaction or total return swaps within the meaning of Regulation (EU) 2015/2365 dated of 25 November 2015 on transparency of securities financing transactions and of reuse. Should it however be intended that a Fund will use any of the above mentioned securities financing transactions, this Prospectus shall be amended accordingly and include all disclosure requirements under the latter Regulation.

Under no circumstances shall the use of these instruments and techniques cause a Fund to diverge from its investment policy or objective. The risks against which the Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

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

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down in the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the CSSF Circular 13/559, employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for efficient portfolio management purposes or to provide protection against exchange risk. Such techniques and instruments may include, but are not limited to, engaging in transactions in financial derivative instruments such as futures, forwards, options, swaps and swaptions and financial futures transactions as well as, among others, securities lending and security repurchasing transactions (*opérations à réméré, opérations de prise/mise en pension*), repurchase agreements and reverse repurchase agreements. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject as aforesaid) may employ such techniques and instruments in accordance with the Regulations.

In no case may the use of techniques and instruments and derivatives for efficient portfolio management lead to the Fund's deviation from the investment goals and investment limitations presented in this Sales Prospectus or lead to exposing the Fund to additional risk that goes beyond the risk described in this Sales Prospectus, or especially, lead to impairing its ability to execute redemption requests.

To the maximum extent allowed by, and within the limits set forth in, the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the 2010 Law and of (ii) CSSF Circular 08/356 and 13/559 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments (as these pieces of regulations may be amended or replaced from time to time), each Fund may for the purpose of generating additional capital or income or for reducing costs or risks (A) enter, either as purchaser or seller, into optional as well as non-optional repurchase transactions and (B) engage in securities lending transactions.

### **Risks and Costs:**

The opportunity to use the aforementioned business strategies may be limited by statutory provisions or by market conditions. Likewise, no assurance can be given that the investment and hedging purpose pursued with these strategies will be achieved. Option, future and swap transactions as well as other permissible derivatives are frequently associated with transaction costs and greater investment risks for the assets of the Fund to which the Fund is not exposed when these types of transactions are not used. The specific risks are described in greater detail under "Risk Information".

The Fund bears all transaction costs and expenses relative to derivative transactions and the use of techniques and instruments, including the costs for depositories and clearing houses. It must further be noted that the counterparty of a transaction may retain a minor portion of the earnings achieved as fees. Earnings which result from the use of securities lending and repurchase agreements shall generally – less the previously cited direct and indirect operational costs – flow into Fund assets. The management company has the right to charge the Fund a flat fee of up to 50% of the earnings from these transactions in return for the initiation, preparation and execution of securities lending transactions (including synthetic securities lending transactions) and repurchase agreements. The costs incurred in connection with the preparation and execution of such transactions including those payable to third parties (e.g. transaction costs to be paid to the Depositary bank, as well as costs for the use of specific information systems to ensure "best execution") are borne by the management company.

***Total Return Swaps:***

If the fund makes use of Total Return Swaps or other derivatives with similar characteristics having a significant influence on the investment strategy of the Fund, information concerning the underlying strategy or the counterparty will be found in the Special Section of this Sales Prospectus.

***OTC Derivatives:***

The Fund may enter into derivative transactions that are traded at an exchange or are a part of another organised market, as well as OTC transactions. A method allowing a precise and independent valuation of the value of the OTC derivatives is employed.

**Securities Lending and Repurchase Agreements:**

Depending on the particular investment policy of the Fund, the Fund may be permitted to assign securities in its assets portfolio for a certain period of time to a counterparty in return for compensation at market rates. In this case, the Fund will ensure that all securities assigned within the scope of a securities lending transaction can be reassigned at any time, and that all securities lending agreements can be terminated at any time.

***a) Securities Lending Transactions***

If the Fund is allowed to enter into securities lending transactions according to its particular investment guidelines, the applicable limitations will be found in the respectively valid Circular CSSF 08/356.

These transactions can be entered into for one or several of the following purposes:

- (i) risk reduction,
- (ii) cost reduction and
- (iii) achieving an increase in capital or earnings at a degree of risk that corresponds to the risk profile of the Fund and the provisions on risk diversification applicable to the Fund. These transactions may be executed in relation to the assets of the Fund provided
  - (i) that the transaction volume is kept at an appropriate value or the return of the securities lent out can be demanded in such a way that the Fund can meet its redemption obligations at any time, and
  - (ii) that these transactions do not jeopardise the management of the Fund assets in accordance with the investment policy of the respective sub-fund.

The risks of these transactions are controlled within the scope of the risk management process of the management company.

The Fund may enter into securities lending transactions only in accordance with the following requirements:

- (i) The Fund may lend securities only by using a standardised system operated by an authorised clearing house or a security lending programme operated by a first-rate financial institution, to the extent this financial institution specialises in these types of transactions and is subject to supervisory provisions that are comparable, in the opinion of the CSSF, to the provisions of European Community Law.
- (ii) The borrower must be subject to supervisory provisions that are comparable, in the opinion of the CSSF, to the provisions of the European Community Law.
- (iii) The counterparty risk arising from one or more securities lending transaction(s) with a single counterparty (which, for clarification, can be reduced by using collateral), if it is a credit institution falling under Nr. 1 (A) (v) of Appendix I – Investment Restrictions, may not exceed 10% of the Fund assets, or in all other cases, 5% of the Fund assets.

The management company discloses the total value of securities lent out in the annual and semi-annual reports of the Fund.

Securities lending transactions may also be done synthetically (“synthetic security lending”). Synthetic security lending takes place when a security is sold to a counterparty at the current market price. The sale takes place subject to the condition that the Fund simultaneously receives a securitised option without leverage from the counterparty giving the sub-fund the right, at a later point in time, to demand the delivery of securities of the same type, quality and amount as the securities that were sold. The price for the option (“option price”) corresponds to the current market price of the sale of the securities less a) the security lending fee, b) the earnings (e.g. dividends, interest payments, corporate actions) arising from the securities that must be returned upon exercising the option and c) the exercise price of the option. During the term, the option will be exercised at the exercise price. If, during the term of the option, the security underlying the synthetic securities lending transaction is sold because the investment strategy is being implemented, this may also be done by selling the option at the prevailing market price less the exercise price.

Securities lending transactions may also be entered into in relation to specific share classes by taking the respective particular characteristics and/or investor profiles into consideration, whereby all claims to earnings and collateral within the scope of such securities lending transactions apply at the level of the share class affected.

### *b) Repurchase Agreements*

If permitted by the particular investment guidelines of the Fund, the Fund may (i) engage in repurchase agreements consisting of the purchase and sale of securities and containing the right or the obligation of the seller to repurchase the securities sold from the buyer at a price and under conditions that have been agreed to contractually by both parties, and (ii) reverse repurchase transactions that consist of futures transactions upon the maturity of which the seller (counterparty) is obliged to buy back the securities sold, and the Fund is obliged to return the securities received within the scope of the transaction (together referred to as “repurchase agreements”).

Those transactions may be entered into for one or more of the following purposes: (i) generation of additional capital or income and (ii) secured short-term investment.

An overview of the current utilization rates for the relevant Sub-fund is disclosed on the Management Company’s website, if applicable.

In specific repurchase transactions or in a series of ongoing repurchase transactions the Fund may be either the buyer or the seller. However, participation in these transactions is subject to the following conditions:

- (i) The Fund may only buy or sell securities within the scope of repurchase transactions if the counterparty of this transaction is subject to supervisory provisions that are, in the opinion of the CSSF, comparable to the provisions of European Community Law.
- (ii) The counterparty risk arising from one or more repurchase transaction (s) with a single counterparty (which, for clarification, can be reduced by using collateral) may, if it is a credit institution falling under Nr. 1 (A) (v) of Appendix I – Investment Restrictions, not exceed 10% of the Fund assets, or in all other cases, 5% of its asset value.
- (iii) During the term of a repurchase agreement in which the Fund is the buyer, the Fund may sell the securities forming the subject matter of the agreement only after the counterparty has exercised its right to repurchase these securities, or the term for the repurchase has elapsed, unless the Fund has other means of funding.
- (iv) The securities purchased by the Fund within the scope of the repurchase agreement must accord with the investment policy and the investment limitations of the Fund and be limited to: short-term bank certificates or money market instruments according to the definition in Directive 2007/16/EC dated 19 March 2007.
  - These may be bonds of non-governmental issuers that have adequate liquidity, or
  - assets that are referred to above in the second, third and fourth sections of a) Securities Lending.

- (v) As of the cut-off date of its annual and semi-annual reports, the management company discloses the total amount of open repurchase agreements.

Repurchase agreements may also be entered into in relation to specific share classes by taking their respective special characteristics and/or investor profiles into consideration, whereby all claims to earnings and collateral within the scope of such repurchase transactions apply at the level of the share class affected.

### **Collateral Management of Derivatives and Techniques and Instruments:**

Securities received from contracting parties (also “counterparties”) within the scope of derivative transactions (with the exception of currency futures transactions), securities lending transactions, repurchase agreements and reverse repurchase agreements represent collateral.

The Fund may only engage in transactions with counterparties that are considered to be creditworthy by the management company. As a rule, permissible counterparties have a public rating of at least A-. Counterparties may not change the composition and the management of a portfolio of the Fund or the underlying value of a derivative used by the Fund at their discretion. No approval by the counterparty is required in connection with investment decisions made by the Fund.

If a collateral security satisfies a series of criteria such as the standards of liquidity, valuation and creditworthiness of the issuer, and if, even after receiving the collateral (by considering correlation) the risk diversification provisions according to Nr. 1 (C) of Appendix I – Investment Restrictions are met, it may be offset against the gross exposure of the counterparty. If a collateral security is offset, its value is reduced by a percentage (a “discount”) intended to capture, among other things, short-term fluctuations in the value of the exposure and the collateral. The amount of the required collateral will be maintained in order to ensure that the net exposure of the counterparties does not exceed the limits specified for counterparties in Nr. 1 (C) (i) of Appendix I – Investment Restrictions. Collateral may be deposited in the form of securities or cash. Collateral not deposited as cash is not sold, reinvested, encumbered or lent out further.

In order to reduce the risk of loss, reinvestment of cash collateral received is limited to high quality bonds issued or guaranteed (with at least investment grade rating) by a member state of the European Union or its administrative units, by a non-EU state or public international body of which at least one member state of the European Union is a member, and to deposits of up to three months at creditworthy credit institutions, reverse buyback agreements and short-term money market funds. If the Fund receives collateral for at least 30% of its assets, the respective liquidity risk is analysed.

The liquidity stress testing comprise the following:

- a) design of stress test scenario analysis including calibration, certification & sensitivity analysis;
- b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- c) reporting frequency and limit/loss tolerance threshold/s; and
- d) mitigation actions to reduce loss including haircut policy and gap risk protection.

For the time being the Fund only accepts cash and government bonds as collateral. For each bond received as collateral a specific haircut will be applied. The determination of the haircut depends on the type of bond and its liquidation assessment according to the above mentioned stress testing and ranges from 3-10%. The management company also ensures compliance with the risk spreading rules as defined in ESMA/2014/294.

### **Conflicts of Interest:**

The management company, the Depositary bank, the sales offices and, under certain circumstances, the investment manager belong to the same group that offers its customers all types of banking and capital investment services. The Fund is not barred from entering into transactions with the management company, the Depositary bank, the sales office or a possible investment manager or with any companies affiliated with such provided that these transactions take place under normal market conditions and on conventional terms and conditions. To the extent the Fund uses derivatives and other techniques and instruments, units of the same group may act as counterparty for financial futures transactions entered into by the Fund. Consequently, conflicts of interest may arise between the various activities of these companies and their responsibilities and duties with respect to the Fund.

## **5. RISK MANAGEMENT PROCESS**

The Management Company uses a risk management process for the Fund in accordance with the Law of 2010 and other applicable regulations, in particular Circulars CSSF 11/512 and 13/559. The risk management process enables the Management Company to assess and measure the exposure of the Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Fund.

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

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

If the Fund uses techniques and instruments according to Article 42 (2) of the law of 17 December 2010 on undertakings for collective investment, including repurchase agreements and securities lending, in order to increase its leverage or market risk, the management company has to take the relevant transactions into account when measuring the global exposure.

For detailed information regarding the global exposure of each Fund please refer to the Fund details in Appendix III.

6. MISCELLANEOUS

- (A) The Company may not make loans to other persons or act as a guarantor on behalf of third parties provided that for the purpose of this restriction the making of bank deposits and the acquisition of such securities referred to in paragraphs 1(A)(i), (ii) and (iii) or of ancillary liquid assets shall not be deemed to be the making of a loan and that the Company shall not be prevented from acquiring such securities above which are not fully paid.
- (B) The Company need not comply with the investment limit percentages when exercising subscription rights attached to securities which form part of its assets.
- (C) The Management Company, the Investment Managers, the Distributors, Depositary and any authorised agents or their associates may have dealings in the assets of the Company provided that any such transactions are effected on normal commercial terms negotiated at arm's length and provided that each such transaction complies with any of the following:
  - i) a certified valuation of such transaction is provided by a person approved by the Directors as independent and competent;
  - ii) the transaction has been executed on best terms, on and under the rules of an organised investment exchange; or

where neither i) or ii) is practical;

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



## APPENDIX II – RISKS OF INVESTMENT

### **General**

The following statements are intended to inform Investors of the uncertainties and risks associated with investments and transactions in transferable securities, money market instruments, structured financial instruments and other financial derivative instruments.

There are several risk factors that could hurt the relevant Fund's performance and cause you to lose money. The Net Asset Value per Share can go down as well as up and shareholders may also lose their entire investment.

Past performance is not necessarily a guide to future performance and Shares should be regarded as a medium to long-term investment. The value of investments and the income generated by them, if any, may go down as well as up and Shareholders may not get back the amount initially invested.

Where the Reference Currency of the relevant Fund varies from the Investor's home currency, or where the Reference Currency of the relevant Fund varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the Investor greater than the usual risks of investment.

### **Investment Objective Risk**

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macroeconomic environment, investment objectives may become more difficult or even impossible to achieve. There is no express or implied assurance as to the likelihood of achieving the investment objective for a Fund.

### **Regulatory Risk**

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

### **Risk of Suspension of Share dealings**

Investors are reminded that in certain circumstances their right to redeem or switch Shares may be suspended (see Section 2.4, "Suspensions or Deferrals").

### **Class Hedging Risk**

The Company may engage in currency hedging transactions with regards to a certain Class of Shares (the "Hedged Share Class"). Hedged Share Classes are designed (if and when disclosed in relation to a particular Class)

- (i) to reduce exchange rate fluctuations between the Dealing Currency of the Hedged Share Class and the Reference Currency of the Fund or
- (ii) to reduce exchange rate fluctuations between the Dealing Currency of the Hedged Share Class and other material currencies within the Fund's portfolio.

The hedging will be undertaken to reduce exchange rate fluctuations in case the Reference Currency of the Fund or other material currencies within the Fund (such as the Dealing Currency/ies is/are declining or increasing in value relative to the hedged currency. The hedging strategy employed will seek to reduce as far as possible the exposure of the Hedged Share Classes and no assurance can be given that the hedging objective will be achieved. In the case of a net flow to or from a Hedged Share Class the hedging may not be adjusted and reflected in the net asset value of the Hedged Share Class until the following or a subsequent Business Day following the Dealing Day on which the instruction was accepted.

Investors should be aware that the hedging strategy may substantially limit Shareholders of the relevant Hedged Share Class from benefiting from any potential increase in value of the Share Class expressed in the Dealing Currency/ies, if the Hedged Share Class currency falls against the Dealing Currency/ies. Additionally, Shareholders of the Hedged Share Class may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. The gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class.

Any financial instruments used to implement such hedging strategies with respect to one or more Classes of a Fund shall be assets and/or liabilities of such Fund as a whole, but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. However, due to the lack of segregated liabilities between Classes of the same Fund, costs which are principally attributed to a specific Class may be ultimately charged to the Fund as a whole.

Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated

to other Classes. No intentional leveraging should result from currency hedging transactions of a Class although hedging may exceed 100% for short periods between redemption instructions and execution of the hedge trade.

### **Interest Rate Risk**

The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with long durations or maturities. Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, a Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates.

### **Credit Risk**

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

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

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of an investment's volatility and liquidity. Although investment grade investments generally have lower credit risk than investments rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

### **Liquidity Risk**

Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investment in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

### **Financial Derivative Instrument Risk**

For Funds that use financial derivative instruments to meet their specific investment objectives, there is no guarantee that the performance of the financial derivative instruments will result in a positive effect for the Fund and its Shareholders.

### **Warrants Risk**

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

### **Credit Default Swaps Risk**

A credit default swap allows the transfer of default risk. This allows a Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). 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. In addition, if there is a credit event and the Fund does not hold the underlying reference obligation, there may be a market risk as the Fund may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

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

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

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

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

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

### **Credit Linked Note Risk**

There are particular risks associated with investments in credit linked notes. Firstly, a credit linked note is a debt instrument which assumes both credit risk of the relevant reference entity (or entities) and the issuer of the credit linked note. There is also a risk associated with the coupon payment: if a reference entity in a basket of credit linked notes suffers a credit event, the coupon will be re-set and is paid on the reduced nominal amount. Both the residual capital and coupon are exposed to further credit events. In extreme cases, the entire capital may be lost. There is also the risk that a note issuer may default.

### **Equity Linked Note Risk**

The return component of an equity linked note is based on the performance of a single security, a basket of securities or an equity index. Investment in these instruments may cause a capital loss if the value of the underlying security decreases. In extreme cases the entire capital may be lost. These risks are also found in investing in equity investments directly. The return payable for the note is determined at a specified time on a valuation date, irrespective of the fluctuations in the underlying stock price. There is no guarantee that a return or yield on an investment will be made. There is also the risk that a note issuer may default.

A Fund may use equity linked notes to gain access to certain markets, for example emerging and less developed markets, where direct investment is not possible. This approach may result in the following additional risks being incurred – lack of a secondary market in such instruments, illiquidity of the underlying securities, and difficulty selling these instruments at times when the underlying markets are closed.

### **OTC Derivative Transactions Risk**

Securities traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than securities principally traded on securities exchanges. Such securities may be less liquid than more widely traded securities. In addition, the prices of such securities may include an undisclosed dealer mark-up which a Fund may pay as part of the purchase price.

### **Issuer Risk**

As the result of a default by an issuer or counterparty, losses may be incurred by the Fund. Issuer risk describes the effect of specific changes relative to the respective issuer affecting the price of a security in addition to the general trend of the capital markets. Even after securities have been carefully selected, it cannot be precluded that losses will be incurred due to the financial collapse of issuers.

### **Counterparty Risk**

The Company conducts transactions through or with brokers, clearing houses, market counterparties and other agents. The Company will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Fund may invest into instruments such as notes, bonds or warrants the performance of which is linked to a market or investment to which the Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

Upon entering into OTC transactions (“Over-The-Counter”), the Fund may be exposed to risks relative to the creditworthiness of its counterparties and their ability to meet the conditions of these agreements. Thus, for example, the Fund may enter into futures, options and swap transactions or use other derivative techniques such as Total Return Swaps in which the Fund is respectively subject to the risk that the counterparty does not meet its obligations arising from the respective contract.

In the event of bankruptcy or insolvency of a counterparty, the Fund may suffer significant losses due to delays in liquidating its positions; this includes the loss in value of the investment while the Fund enforces its rights. Likewise, there is the possibility that the use of agreed techniques will be terminated, for example, as the result of bankruptcy, illegality or changes in the law compared with that in effect at the time the agreements were made.

Among other things, Funds may enter into transactions on OTC and interdealer markets. In contrast to participants in regulated markets, the participants in these markets are typically not subject to any financial supervision. A Fund investing in swaps, Total Return Swaps, derivatives, synthetic instruments or other OTC transactions on these markets bears the credit risk of the counterparty and is also subject to the counterparty’s default risk. These risks can be significantly different from those of transactions in regulated markets, because the latter are secured by guarantees, daily mark-to-market valuations, daily settlement and corresponding segregation, as well as minimum capital requirements. Transactions entered into directly between two counterparties generally do not benefit from this protection.

In addition, the Fund is subject to the risk that the counterparty may not execute the transaction as agreed because of a disagreement concerning the contractual conditions (regardless of whether in good faith or not) or because of a credit or liquidity problem. This may lead to losses in the respective Fund. This counterparty risk increases for agreements with longer maturities, as events may hamper agreement, or when the Fund has directed its transactions to a single counterparty or a small group of counterparties.

If the other side defaults, the Fund may be exposed to unfavourable market movements while taking measures to replace transactions. The Fund may enter into transactions with any counterparty. It may also enter into an unlimited number of transactions with a single counterparty. The Fund’s ability to enter into transactions with any counterparty, the absence of an informative and independent evaluation of the financial characteristics of the counterparty, and the absence of a regulated market for entering into agreements, may increase the loss potential of the Fund.

The Funds will only enter into OTC derivatives transactions with first class institutions which are subject to prudential supervision and specialising in these types of transactions. In principle, the counterparty risk for such derivative transactions entered into with first class institutions should not exceed 10% of the relevant Fund's net assets when the counterparty is a credit institution or 5% of its net assets in other cases. However, if a counterparty defaults, the actual losses may exceed these limitations.

### **Custody Risk**

Investors may enjoy a degree of protection when investing money with Depositaries in their home territory. This level of protection may be higher than that enjoyed by the Company.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Fund that are traded in such markets and which have been entrusted to such sub-depositaries may be exposed to risk in circumstances where the Depositary will have no liability. A Fund's cash account will usually be maintained on the Depositary's records, but the balances may be held by a sub-Depositary and therefore exposed to the risk of default of both the Depositary and the sub-Depositary.

### **Small Capitalisation Companies Risk**

A Fund which invests in smaller companies may fluctuate in value more than other Funds. Smaller companies may offer greater opportunities for capital appreciation than larger companies, but may also involve certain special risks. They are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperienced management group. Securities of smaller companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Consequently investments in smaller companies may be more vulnerable to adverse developments than those in larger companies and the Fund may have more difficulty establishing or closing out its securities positions in smaller companies at prevailing market prices. Also, there may be less publicly available information about smaller companies or less market interest in the securities, and it may take longer for the prices of the securities to reflect the full value of the issuers' earning potential or assets.

### **Debt Securities Risk – Lower Rated, Higher Yielding Instruments**

A Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate Investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial



condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in such Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.

### **Defaulted Debt Securities Risk**

The Fund may invest in debt securities on which the issuer is not currently making interest payments (defaulted debt securities). The Fund may buy defaulted debt securities if, in the opinion of the Investment Manager, it appears likely that the issuer may resume interest payments or other advantageous developments appear likely in the near future. These securities may become illiquid.

The risk of loss due to default may also be considerably greater with lower- quality securities because they are generally unsecured and are often subordinated to other creditors of the issuer. If the issuer of a security in the portfolio defaults, the Fund may have unrealised losses on the security, which may lower the Fund's Net Asset Value per Share. Defaulted securities tend to lose much of their value before they default. Thus, the Fund's Net Asset Value per Share may be adversely affected before an issuer defaults. In addition, the Fund may incur additional expenses if it must try to recover principal or interest payments on a defaulted security.

Included among the issuers of debt securities or obligations in which the Company may invest are entities organised and operated solely for the purpose of restructuring the investment characteristics of various securities or obligations. These entities may be organised by investment banking firms, which receive fees in connection with establishing each entity and arranging for the placement of its securities.

### **Country Risk – Emerging and Less Developed Markets**

In emerging and less developed markets, in which some of the Funds will invest, the legal, judicial and regulatory infrastructure is still developing but there is much legal uncertainty both for local market participants and their overseas counterparts. Some markets may carry higher risks for investors who should therefore ensure that, before investing, they understand the risks involved and are satisfied that an investment is suitable as part of their portfolio. Investments in emerging and less developed markets should be made only by sophisticated investors or professionals who have independent knowledge of the relevant markets, are able to consider and weigh the various risks presented by such investments, and have the financial resources necessary to bear the substantial risk of loss of investment in such investments.

Countries with emerging and less developed markets include, but are not limited to (1) countries that have an emerging stock market in a developing economy as defined by the International Finance Corporation, (2) countries that have low or middle income economies according to the

World Bank, and (3) countries listed in World Bank publication as developing. The list of emerging and less developed markets countries is subject to continuous change; broadly they include any country other than Austria, Australia, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.

### **Mortgage Backed Securities and Asset Backed Securities Risk**

Some Funds may invest in mortgage backed securities and asset backed securities. Mortgage backed securities differ from conventional debt securities because principal is paid back over the life of the security rather than at maturity. The Fund may receive unscheduled prepayments of principal before the security's maturity date due to voluntary prepayments, refinancing or foreclosure on the underlying mortgage loans. To the Fund this means a loss of anticipated interest, and a portion of its principal investment represented by any premium the Fund may have paid. Mortgage prepayments generally increase when interest rates fall.

Mortgage backed securities also are subject to extension risk. An unexpected rise in interest rates could reduce the rate of prepayments on mortgage backed securities and extend their life. This could cause the price of the mortgage backed securities to be more sensitive to interest rate changes. Issuers of asset backed securities may have limited ability to enforce the security interest in the underlying assets, and credit enhancements provided to support the securities, if any, may be inadequate to protect investors in the event of default. Like mortgage backed securities, asset backed securities are subject to prepayment and extension risks.

### **Non-Regulated Markets Risk**

Some Funds may invest in securities of issuers in countries whose markets do not qualify as regulated markets due to their economic, legal or regulatory structure, and therefore these Funds may not invest more than 10% of their net assets in such securities.

### **"Pre-Payment Risk"**

Certain fixed income securities give an issuer the right to call its securities, before their maturity date. The possibility of such "pre-payment risk" may force the Fund to reinvest the proceeds of such investments in securities offering lower yields, thereby reducing the Fund's interest income.

### **Political and Economic Risks**

- Economic and/or political instability could lead to legal, fiscal and regulatory changes or the reversal of legal / fiscal / regulatory / market reforms. Assets could be compulsorily reacquired without adequate compensation.
- A country's external debt position could lead to sudden imposition of taxes or exchange controls.
- High interest can mean that businesses have difficulty in obtaining working capital.
- Local management may be inexperienced in operating companies in free market conditions.
- A country may be heavily dependent on its commodity and natural resource exports and is therefore vulnerable to weaknesses in world prices for these products.
- Inflation/Deflation Risk – Inflation is the risk that a Fund's assets or income from a Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

### **Accounting Practices Risk**

- The accounting, auditing and financial reporting system may not accord with international standards.
- Even when reports have been brought into line with international standards, they may not always contain correct information.
- Obligations on companies to publish financial information may also be limited.

### **Market and Settlement Risks**

- The securities markets in some countries lack the liquidity, efficiency and regulatory controls of more developed markets.

- Lack of liquidity may adversely affect the ease of disposal of assets. The absence of reliable pricing information in a particular security held by a Fund may make it difficult to assess reliably the market value of assets.
- The share register may not be properly maintained and the ownership or interest may not be (or remain) fully protected.
- Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.
- The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Funds.
- Settlement procedures may be less developed and still be in physical as well as in dematerialised form.
- Limitations may exist with respect to the Funds ability to repatriate investment income, capital or the proceeds from the sale of securities by foreign investors. The Fund can be adversely affected by delays in, or refusal to grant, any required governmental approval for such repatriation.

### **Currency Risk**

- Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed.
- The value of the currency in some markets, in relation to other currencies, may decline such that the value of the investment is adversely affected.
- Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations.

### **Taxation Risk**

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Company invests or may invest in the future (in particular emerging markets) is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or

that the law might be changed with retrospective effect. As a result the Company could become subject to additional taxation in such countries that is not anticipated either at the date of this Prospectus or when investments are made, valued or disposed of.

### **Nomineeship Risk**

The legislative framework in some markets is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. Consequently the courts in such markets may consider that any nominee or Depositary as registered holder of securities would have full ownership thereof and that a beneficial owner may have no rights whatsoever in respect thereof.

### **Potential Conflicts of Interest**

The directors, the Management Company, the Investment Manager and persons appointed to carry out sales activities, the Depositary, the Transfer Agent, the investment advisor, the shareholders, as well as all subsidiaries, affiliated companies, representatives or agents of the aforementioned entities and persons (“Associated Persons”) may

- conduct among themselves any and all kinds of financial and banking transactions or other transactions, such as derivative transactions, securities lending transactions and (reverse) repurchase agreements, or enter into the corresponding contracts, including those that are directed at investments in securities or at investments by an Associated Person in a company or undertaking, such investment being a constituent part of the respective sub-fund’s assets, or be involved in such contracts or transactions; and/or
- for their own accounts or for the accounts of third parties, invest in shares, securities or assets of the same type as the components of the respective sub-fund’s assets and trade in them; and/or
- in their own names or in the names of third parties, participate in the purchase or sale of securities or other assets in or from the Company through or jointly with the fund manager, the designated sales agents and persons authorized to carry out the distribution, the Depositary, the investment advisor, or a subsidiary, an affiliated company, representative or agent of such.

Assets of the respective sub-fund in the form of liquid assets or securities may be deposited with an Associated Person in accordance with the legal provisions governing the Depositary. Liquid assets of the respective sub-fund may be invested in certificates of deposit issued by an Associated Person or in bank deposits offered by an Associated Person. Banking or comparable transactions may also be conducted with or through an Associated Person. Companies in the Deutsche Bank

Group and/or employees, representatives, affiliated companies or subsidiaries of companies in the Deutsche Bank Group (“DB Group Members”) may be counterparties in the Company’s derivatives transactions or derivatives contracts (“Counterparty”). Furthermore, in some cases a Counterparty may be required to evaluate such derivatives transactions or derivatives contracts. Such evaluations may constitute the basis for calculating the value of particular assets of the respective sub-fund. The Board of Directors of the Company is aware that DB Group Members may possibly be involved in a conflict of interest if they act as Counterparty and/or perform evaluations of this type. The evaluation will be adjusted and carried out in a manner that is verifiable. However, the Board of Directors of the Company believes that such conflicts can be handled appropriately and assumes that the Counterparty possesses the aptitude and competence to perform such evaluations.

In accordance with the respective terms agreed, DB Group Members may act as directors, sales agents and sub-agents, depositaries, fund managers or investment advisors, and may offer to provide sub-depository services to the Company. The Board of Directors of the Company is aware that conflicts of interest may arise due to the functions that DB Group Members perform in relation to the Company. In respect of such eventualities, each DB Group Member has undertaken to endeavor, to a reasonable extent, to resolve such conflicts of interest equitably (with regard to its respective duties and responsibilities), and to ensure that the interests of the Company and of the shareholders are not adversely affected. The Board of Directors of the Investment Company believes that DB Group Members possess the required aptitude and competence to perform such duties.

The Board of Directors of the Company believes that the interests of the Company might conflict with those of the entities mentioned above. The Company has taken reasonable steps to avoid conflicts of interest. In the event of unavoidable conflicts of interest, the Management Company of the Company will endeavor to resolve such conflicts in favor of the sub-fund(s). The Management Company is guided by the principle of undertaking all appropriate steps to create organizational structures and to implement effective administrative measures to identify, handle and monitor such conflicts. In addition, the directors of the Management Company shall ensure the appropriateness of the systems, controls and procedures for identifying, monitoring and resolving conflicts of interest.

For each sub-fund, transactions involving the respective sub-fund’s assets may be conducted with or between Associated Persons, provided that such transactions are in the best interests of the investors.

## ALLOCATION OF TRADING OPPORTUNITIES

The Investment Manager is required to act in a manner that it considers fair, reasonable and equitable in allocating investment opportunities to the Company, but otherwise has no specific obligations or requirements concerning the allocation of time, effort or investment opportunities to the Company, or any restrictions on the nature or timing of investments for the proprietary accounts of the Investment Manager or for other accounts which the Investment Manager or its affiliates may manage (collectively, "Other Accounts"). The Investment Manager is not obligated to devote any specific amount of time to the affairs of the Company, and it will not be required to accord exclusivity or priority to the Company in the event of limited investment opportunities.

When the Investment Manager determines that it would be appropriate for both the Company and any Other Account to participate in an investment opportunity, it will seek to execute orders for all of the participating accounts on an equitable basis. If the Investment Manager has determined to trade in the same direction in the same security at the same time for the Company and any Other Account, it will be authorised to combine the Company's order with orders for any Other Accounts and if all such orders are not filled at the same price, the Company's order may be filled at an average price, which normally will be the same price at which contemporaneously entered proprietary orders are filled on that day. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, the Investment Manager will allocate the trades among the different accounts on a basis that it considers equitable. Situations may occur where the Company could be disadvantaged because of the various other activities conducted by the Investment Manager or its affiliates. This allocation of opportunities will always be made under the control of the Board of Directors of the Company and in a manner preserving the interests of the Shareholders.

## SPECIFIC RISKS LINKED TO SECURITIES LENDING AND REPURCHASE TRANSACTIONS

In relation to repurchase transactions, investors must notably be aware that

- (A) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded;
- (B) (i) locking cash in transactions of excessive size or duration,  
(ii) delays in recovering cash placed out, or  
(iii) difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment; and
- (C) repurchase transactions will, as the case may be, further expose a Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of this prospectus.

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



### APPENDIX III – FUND DETAILS

The Company is designed to give Investors the flexibility to choose between investment portfolios with differing investment objectives and levels of risk.

All the Funds offer different share classes (“Classes” and individually “Class”) specified hereafter.

In respect of such additional Classes, the Fund may hedge the Shares of such Classes in relation to the Dealing Currency or in relation to currencies in which the relevant Fund's underlying assets are denominated (as detailed in relation to each Fund).

Where undertaken, the effects of this hedging will be reflected in the Net Asset Value and, therefore, in the performance of such Class. Similarly, any expenses arising from such hedging transactions will be borne by the Class in relation to which they have been incurred.

It should be noted that these hedging transactions may be entered into whether the Dealing Currency is declining or increasing in value relative to the relevant Reference Currency and so, where such hedging is undertaken it may substantially protect investors in the relevant Class against a decrease in the value of the Reference Currency relative to the Dealing Currency, but it may also preclude investors from benefiting from an increase in the value of the Reference Currency.

In addition the Fund may hedge the Fund Currency against the currencies in which the underlying assets of the Fund are denominated or the underlying unhedged assets of a target fund are denominated.

There can be no assurance that the currency hedging employed will fully eliminate the currency exposure to the Dealing Currency.

The specific investment objectives and policies of the different Funds are the following:

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## **DB PWM I – Diversified Growth Portfolio UCITS (GBP)**

### **1. Investment Objective & Policy:**

The Fund aims to grow capital in real terms over a minimum time period of 5 years through investment in a portfolio of equity, fixed income and alternative assets.

The Fund will invest principally in equity, fixed income and permitted alternative asset classes according to Appendix I “Investment Restrictions”, either directly or through investments in UCITS and/or UCIs (“Target Funds”), which comply with the provisions set in paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Adviser of the Fund or companies related to the Investment Adviser. A balanced or greater exposure to more volatile asset classes such as equities and commodities is likely to be maintained as standard albeit the strategy will be diversified through all major permitted asset classes as mentioned above. As part of its exposure to alternative assets the Fund may invest - subject to the limits laid down in Appendix I “Investment restrictions” of the Prospectus - in (i) units or shares of eligible UCITS-hedge funds and/or (ii) units or shares of UCITS and/or UCIs the principal objective of which is the investment in real estate and/or real estate related companies and/or (iii) future and forward contracts.

The Investment Advisor will seek to add value from both asset allocation (tactical and strategic) and underlying investment selection.

Underlying investments will be primarily focused UCITS and/or UCIs and eligible index tracker funds identified by the global fund selection group within Deutsche Asset & Wealth Management.

It is intended that the skills of some of the leading managers in the industry will be blended with index tracking investments to deliver a flexible, well balanced strategy.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging) and meeting the investment objectives and are subject to the limits laid down in Annex I “Investment restrictions” of the Prospectus.

There are no arrangements intended to produce a particular level of investment return from the investment objective of the Fund.

It is the normal policy of the Fund to be fully invested, but this will be subject to market conditions, and from time to time higher levels of cash may be retained. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

The base currency of the Fund is the GBP. Assets of the Fund may be hedged against currency movements when it invests in overseas securities.

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (please see also Nr.16).

Concerning the portion of the Fund's portfolio which is invested in units or shares of UCITS and/or UCIs (including eligible UCITS-hedge funds), the following rules shall apply as regards multiplication of fees:

in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCITS and/or UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor**

The Fund has been designed for investors seeking to grow capital in real terms over the minimum period of at least 5 years. Typical investors are prepared to accept an increased risk of major losses in the shorter term in return for capital appreciation.

The Fund is designed for investment only by those investors who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

## **3. Special risk considerations**

Investors should refer to the section "Profile of the typical investor" as detailed above and to Appendix II "Risks of Investment" of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.

- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

## 5. Initial Subscription Period and Initial Issue Date :

There will be no Initial Subscription Period.

Initial issue dates:

Class A Inc: 14 March 2011

Class A Acc: 16 May 2014

Class B Inc: 18 March 2011

Class B Acc: 16 May 2014

## 6. Classes of Shares and applicable fees

	<b>ISIN:</b>	<b>WKN:</b>
Class A Inc:	LU0596993930	A1JFLM
Class A Acc:	LU1042810520	A1XE7P
Class B Inc:	LU0596993856	A1JFLL
Class B Acc:	LU1042810793	A1XE7Q

Subscription to Classes B is open to any investor. Subscription to Classes A is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depositary Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A Acc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class A Inc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None

<b>Class B Acc</b>	GBP	0.04 %	0.09 %	up to 0.6 %	None
<b>Class B Inc</b>	GBP	0.04 %	0.09 %	up to 0.6 %	None

**7. Initial Issue Price:**

The Initial Issue Price for the Shares of Classes A and B is 1.00 GBP.

**8. Subscription and Redemption Fees**

Maximum Subscription Fee: 5 %

Redemption Fee: No redemption fees will be charged by the Fund.

**9. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

**10. Investment Advisor:**

**Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**Sub-Investment Advisor:**

Deutsche Asset Management (UK) Limited

One Appold Street, London, EC2A 2UU

**11. Reference Currency:**

GBP

**12. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day by the Management Company.

**13. Distribution policy:**

It is the Company's intention that Class A Inc and Class B Inc shares shall receive at least two annual distributions, normally payable no later than two months after the end of the accounting

period to which such dividends relate, comprising the income of the Fund attributable to this Class net of revenue expenses or, if greater, such amount.

Class A Acc and Class B Acc are income accumulating classes.

#### **14. Risk Management:**

To determine the global risk exposure the Management Company is using the relative VaR Method.

The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

24% MSCI World ex UK

28,50% FTSE 100

7.5% MSCI Emerging Markets

5% Barclays Overnight Cash index GBP

10% FTSE UK Conventional Gilts All-Stocks index

6% Markit iBoxx GBP Liquid Corporates Large Cap TRI Index

5% JPM US 1-10Y TR Index

4% Markit iBoxx Global Dev High Yield Capped Index (GBP hdg)

3% JPM EMBI Global Composite

7% Bloomberg Barclays Global Aggregate Credit Total Return Index Value Unhedged USD

The Management Company is expecting a leverage between 0% to 200% of the NAV.

The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

#### **15. Subscription Tax (Taxe d'abonnement)**

Classes A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes B shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

#### **16. United Kingdom Individual Savings Account**

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (ISA). An ISA is a

savings account on which the return is tax-free, and which qualifies for a favourable tax status. There are two components: (i) cash; and (ii) stocks and shares, and life assurance policies.

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## **DB PWM I – Dynamic Multi Asset Portfolio UCITS (GBP)**

### **1. Investment Objective & Policy:**

The Fund aims to enhance capital in real terms through investment portfolio in a portfolio of equity, fixed income and alternative assets without reference to a formal benchmark or predetermined structure.

The Fund seeks to deliver positive overall returns without reference to a formal benchmark or predetermined portfolio structure while seeking to control exposure to loss in any given year. The Fund may be managed actively with frequent switches between asset classes in line with changing market conditions. Investments may be made across all asset classes with no particular structural skew to any one of them. Investments may be made either directly or through investments in UCITS and/or UCIs which comply with the provisions set forth paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Advisor of the Fund or companies related to the Investment Advisor. As part of its exposure to alternative assets the Fund may invest - subject to the limits laid down in Appendix I “Investment restrictions” of the Prospectus - in (i) units or shares of eligible UCITS-hedge funds and/or (ii) units or shares of UCITS and/or UCIs the principal objective of which is the investment in real estate and/or real estate related companies and/or (iii) future and forward contracts.

The Investment Advisor will seek to add value from both asset allocation (tactical and strategic) and underlying investment selection.

Underlying investments will be primarily focused on UCITS and/or UCIs and eligible index tracker funds identified by the global fund selection group within Deutsche Asset & Wealth Management.

It is intended that the skills of some of the leading managers in the industry will be blended with index tracking investments to deliver a flexible, well balanced strategy.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging) and meeting the investment objectives and are subject to the limits laid down in Annex I “Investment restrictions” of the Prospectus.

The Fund may invest directly in fixed income securities (with maturities not exceeding 60 years) issued or guaranteed by governments of OECD member countries, by supranational organizations or by other issuers where the following quality criteria are satisfied - the issuer or guarantor is rated BBB or better by Standard and Poor's Corporation (S&P) or Baa3 or better by Moody's Investor Services or is considered to have an equivalent rating to issuers rated BBB or better by S&P or Baa3 by Moody's.



There are no arrangements intended to produce a particular level of investment return from the investment objective of the Fund.

It is the normal policy of the Fund to be fully invested, but this will be subject to market conditions, and from time to time higher levels of cash may be retained. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

The base currency of the Fund is the GBP. Assets of the Fund may be hedged against currency movements when it invests in overseas securities.

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (please see also Nr.16).

Concerning the portion of the Fund's portfolio which is invested in units or shares of UCITS and/or UCIs (including eligible UCITS-hedge funds), the following rules shall apply as regards multiplication of fees:

- in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCITS and/or UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

The Fund has been designed for investors seeking a balance between wealth preservation and capital creation. Some level of risk and loss tolerance must be accepted. Typical investors would be seeking an attractive return over time but with controlled exposure to loss in any given year.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs. It is appropriate for investors with a minimum time horizon of at least 3 years.

### 3. Special risk considerations

Investors should refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

### 4. Initial Subscription Period and Initial Issue Date:

There will be no Initial Subscription Period. Initial issue dates:

Class DPM: 14 March 2011

Class A Inc: 16 May 2014

Class A Acc: 16 May 2014

Class B Inc: 18 March 2011

Class B Acc: 16 May 2014

### 5. Classes of Shares and applicable fees

	<b>ISIN:</b>	<b>WKN:</b>
Class A Inc:	LU1042810876	A1XE7R
Class A Acc:	LU1042810959	A1XE7S
Class B Inc:	LU0596994078	A1JFLN
Class B Acc:	LU1042811098	A1XE7T
Class DPM:	LU0596994151	A1JFLP

Subscription to Classes B is open to any investor. Subscription to Classes A and DPM is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or

advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depository Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A Inc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class A Acc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class B Acc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None
<b>Class B Inc</b>	GBP	0.04 %	0.09 %	up to 1.0%	None
<b>Class DPM</b>	GBP	0.04 %	0.09 %	up to 0.1%	None

#### **6. Initial Issue Price:**

The Initial Issue Price for the Shares of Classes A and B is 1.00 GBP.

#### **7. Subscription and Redemption Fees**

Maximum Subscription Fee: 3%

Redemption Fee: No redemption fees will be charged by the Fund.

#### **8. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

#### **9. Investment Advisor:**

##### **Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

##### **Sub-Investment Advisor:**

Deutsche Asset Management (UK) Limited

One Appold Street, London, EC2A 2UU

**10. Reference Currency:**

GBP

**11. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day by the Management Company.

**12. Distribution policy:**

It is the Company's intention that Class DPM, the Class A Inc and Class B Inc shares shall receive at least two annual distributions, normally payable no later than two months after the end of the accounting period to which such dividends relate, comprising the income of the Fund attributable to this Class net of revenue expenses or, if greater, such amount.

Class A Acc and Class B Acc are income accumulating classes.

**13. Risk Management:**

To determine the global risk exposure the Management Company is using the absolute VaR Method.

The VaR will be limited to 15% of the Net Asset Value.

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

**14. Subscription Tax (Taxe d'abonnement)**

Classes DPM and A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes B shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

### **15. United Kingdom Individual Savings Account**

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (ISA). An ISA is a savings account on which the return is tax-free, and which qualifies for a favourable tax status. There are two components: (i) cash; and (ii) stocks and shares, and life assurance policies.

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## **DB PWM I – Global Allocation Tracker (EUR)**

### **1. Investment Objective & Policy:**

The investment strategy of the fund aims at delivering inflation adjusted growth over a five year investment horizon.

The Fund seeks to achieve its objective by investing primarily in UCITS and/or UCIs which comply with the provisions set in paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Advisor of the Fund or companies related to the Investment Advisor (“Target Funds”).

In addition to investing in Target Funds, the Fund may invest directly in securities and other financial instruments, including derivatives. For efficient portfolio management and/or hedging purposes, the Fund may use derivatives within the limits set forth in Appendix I “Investment Restrictions”.

The composition of the portfolio depends on the market expectations of the Management Company. The Fund may, as the Management Company may deem appropriate, invest a greater portion or all of its assets in other securities and may hold cash and cash equivalents including Money Market Instruments within the limits set forth in Appendix I “Investment Restrictions”. In this respect, time deposits in depository institutions and money market instruments which are regularly negotiated and which have a residual maturity of 12 months or less from the acquisition date shall be deemed to be cash equivalents. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

Concerning the portion of the Fund’s portfolio which is invested in units or shares of UCITS and/or UCIs, the following rules shall apply as regards multiplication of fees:

- in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;
- in addition, in case of investment by the Fund in Deutsche Bank funds, no subscription, redemption or conversion fees will be charged at the level of the Deutsche Bank underlying funds.

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in Deutsche Bank funds of third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

A typical investor should take into consideration that the Fund portfolio has a medium to high volatility and that a medium to longer time period could be required to pay out on the investment.

Investment in the Fund might entail an above-average risk and is only appropriate for persons who can accept the possibility of major capital losses, including the risk to lose their entire investment. DB PWM I and the Management Company however will seek to minimise such risks by a strict risk management and an adequate spreading of the risks involved.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

The time horizon for a typical investor should be 3- to 5- years.

## **3. Special risk considerations**

Investors should also refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the investment strategy of the Fund may result in multiple layer of fees and, for shareholders of the Fund, the accumulation of these costs may cause significantly higher costs and expenses than the costs and expenses that would have been charged to the Fund if the latter had invested directly in the underlying investment strategies implemented by the eligible UCITS and/or UCIs;
- the investment strategy of the Fund may result in a certain lack of transparency to the extent the Investment Advisor and the Management Company will not have access on a real time basis to information concerning the positions of underlying eligible UCITS and/or UCIs.

**4. Initial Subscription Period and Initial Issue Date:**

There will be no Initial Subscription Period.

Initial issue date will be: 11 July 2011.

**5. Classes of Shares, ISIN, WKN and applicable fees:**

Currently there are no different Share Classes within this Fund.

<u>ISIN / WKN</u>	<u>Dealing Currency</u>	<u>Depository Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>AF*</u>	<u>IAF**</u>	
LU0641972079 A1JB55	EUR	up to 0.08 %	up to 0.13 %	up to 1.0 %	See below

\*Administration Fee

\*\* Investment Advisor Fee

**Performance Fee:**

In addition to the Investment Advisor Fee, the Investment Advisor is entitled to receive a performance fee from the Share Class total net assets (the "**Performance Fee**"). The Performance Fee can be withdrawn semi-annually, for the periods beginning on 1 October and ends on 31 March and beginning on 1 April and ends on 30 September (each a "Calculation Period").

In case of a liquidation of the share class within the Calculation Period the entitlement of the performance fee will be calculated pro rata.

The Performance Fee is up to 25% of the amount, by which the performance of the net asset value per share on the last Valuation Day of each Calculation Period expressed exceeds the performance of the following Benchmark during one business half year.

The Benchmark for the purpose of calculation of the Performance Fee is considered as follows: 20% EONIA Total Return Index (Bloomberg Code "DBDCONIA Index") + 40% JP Morgan EMU Government Bond Index (Bloomberg Code "JNEU1R10 Index") + 20% EURO STOXX 50 (Bloomberg Code "SX5E Index") + 20% MSCI All country World Index EUR (Bloomberg Code "NDEEWPR Index"). The net asset value shall be adjusted to take account of any distributions paid.

Such a performance fee shall be calculated under the aforementioned provisions on every Valuation Day and accrued appropriately throughout the Calculation Period.

The net asset value shall be adjusted to take account of any distributions paid.

The performance of the previous Calculation Periods will not be taken into consideration.

This Performance Fee is only payable if the performance of the net Asset Value per Share is positive.

The Performance Fee is limited to 1.5% p.a. of the assets of the Share Class.



For the purpose of the calculation of the Performance Fee, the Net Asset Value per Share will be calculated on each Dealing Day and accrued appropriately throughout the business half year. Payment will be based on the last Dealing Day of the business half year as compared to the last Dealing Day of the previous business half year and paid in arrears. The latter business half year may be an abbreviated business half year and the Performance Fee will be calculated on a pro rata basis and paid in arrears.

Performance Fees are based on the Net Asset Value, which reflects both net realised and net unrealised gains and losses as at each payment date.

The amount of Performance Fees earned by the Investment Advisor in respect of any Calculation Period will be retained regardless of the subsequent performance of the relevant Fund.

The Initial Issue Price is: 100.00 EUR

## **6. Subscription and Redemption Fees**

Maximum Subscription Fee: up to 3%

Redemption Fee: No redemption fees will be charged by the Fund.

## **7. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions may be retained by Distributors and are not required to be credited to the Fund. Any amounts so retained shall be disclosed in the financial statements.

## **8. Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

## **9. Reference Currency:**

EUR

## **10. Dealing Day, Subscriptions and Redemptions:**

The Net Asset Value per share will be determined each Business day by the Management Company. A “Business Day” is understood to mean any day on which banks and stock exchanges are open for business in Luxembourg.

Subscription and redemption forms must be received no later than 10:30 CET one Business Day before the applicable Dealing Day.

## **11. Distribution policy:**

The shares of the fund are principally dividend roll-up shares.

## **12. Risk Management:**

To determine the global risk exposure the management company is using the relative VaR Method. The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

EONIA TR	20,00%
JPM EMU GOVERNMENT BOND	40,00%
DJ EURO STOXX 50	20,00%
MSCI AC WORLD	20,00%

Additional information about the risk benchmark will be provided free of charge by the Management Company upon request.

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

## **13. Subscription Tax (Taxe d'abonnement)**

The Fund is subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

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## **DB PWM I – Global Allocation Tracker (USD)**

### **1. Investment Objective & Policy:**

The investment strategy of the Fund aims at delivering inflation adjusted growth over a five year investment horizon.

The Fund seeks to achieve its objective by investing primarily in UCITS and/or UCIs which comply with the provisions set in paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Advisor of the Fund or companies related to the Investment Advisor (“Target Funds”).

In addition to investing in Target Funds, the Fund may invest directly in securities and other financial instruments, including derivatives. For efficient portfolio management and/or hedging purposes, the Fund may use derivatives within the limits set forth in Appendix I “Investment Restrictions”.

The composition of the portfolio depends on the market expectations of the Management Company. The Fund may, as the Management Company may deem appropriate, invest a greater portion or all of its assets in other securities and may hold cash and cash equivalents including Money Market Instruments within the limits set forth in Appendix I “Investment Restrictions”. In this respect, time deposits in depository institutions and money market instruments which are regularly negotiated and which have a residual maturity of 12 months or less from the acquisition date shall be deemed to be cash equivalents. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

Concerning the portion of the Fund’s portfolio which is invested in units or shares of UCITS and/or UCIs, the following rules shall apply as regards multiplication of fees:

- in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;
- in addition, in case of investment by the Fund in Deutsche Bank funds, no subscription, redemption or conversion fees will be charged at the level of the Deutsche Bank underlying funds.

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in Deutsche Bank funds of third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

A typical investor should take into consideration that the Fund portfolio has a medium to high volatility and that a medium to longer time period could be required to pay out on the investment.

Investment in the Fund might entail an above-average risk and is only appropriate for persons who can accept the possibility of major capital losses, including the risk to lose their entire investment. DB PWM I and the Management Company however will seek to minimise such risks by a strict risk management and an adequate spreading of the risks involved.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

The time horizon for a typical investor should be 3- to 5- years.

## **3. Special risk considerations**

Investors should also refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the investment strategy of the Fund may result in multiple layer of fees and, for shareholders of the Fund, the accumulation of these costs may cause significantly higher costs and expenses than the costs and expenses that would have been charged to the Fund if the latter had invested directly in the underlying investment strategies implemented by the eligible UCITS and/or UCIs;
- the investment strategy of the Fund may result in a certain lack of transparency to the extent the Investment Advisor and the Management Company will not have access on a real time basis to information concerning the positions of underlying eligible UCITS and/or UCIs.

**4. Initial Subscription Period and Initial Issue Date:**

There will be no Initial Subscription Period.

Initial issue date will be: 11 July 2011.

**5. Classes of Shares, ISIN, WKN and applicable fees:**

Currently there are no different Share Classes within this Fund.

<u>ISIN / WKN</u>	<u>Dealing Currency</u>	<u>Depository Fee</u>	<u>Management Fee</u> <u>AF*</u> <u>IAF**</u>	<u>Performance Fee</u>
LU0641972152 / A1JB56	USD	up to 0.08 %	up to 0.13 %    up to 1.0 %	see below

\*Administration Fee

\*\* Investment Advisor Fee

**Performance Fee:**

In addition to the Investment Advisor Fee, the Investment Advisor is entitled to receive a performance fee from the share class 's total net assets (the "**Performance Fee**"). The Performance Fee can be withdrawn semi-annually, for the periods beginning on 1 October and ends on 31 March and beginning on 1 April and ends on 30 September (each a "Calculation Period").

In case of a liquidation of the share class within the Calculation Period the entitlement of the performance fee will be calculated pro rata.

The Performance Fee is up to 25% of the amount, by which the performance of the net asset value per share on the last Valuation Day of each Calculation Period expressed exceeds the performance of the following Benchmark during one business half year.

The Benchmark for the purpose of calculation of the Performance Fee is considered as follows: 20% USD 1-Month Cash Deposit Index (Bloomberg Code "JPCAUS1M Index") + 40% JP Morgan US Government Bond Index (Bloomberg Code "JPMTU110 Index") + 20% S&P 100 Index (Bloomberg Code "OEX Index") + 20% MSCI All country World Index USD (Bloomberg Code "NDUEACWF Index"). The net asset value shall be adjusted to take account of any distributions paid.

Such a performance fee shall be calculated under the aforementioned provisions on every Valuation Day and accrued appropriately throughout the Calculation Period.

The net asset value shall be adjusted to take account of any distributions paid.

The performance of the previous Calculation Periods will not be taken into consideration.

This Performance Fee is only payable if the performance of the net Asset Value per Share is positive.

The Performance Fee is limited to 1.5% p.a. of the assets of the Share Class.

For the purpose of the calculation of the Performance Fee, the Net Asset Value per Share will be calculated on each Dealing Day and accrued appropriately throughout the business half year. Payment will be based on the last Dealing Day of the business half year as compared to the last Dealing Day of the previous business half year and paid in arrears. The latter business half year may be an abbreviated business half year and the Performance Fee will be calculated on a pro rata basis and paid in arrears.

Performance Fees are based on the Net Asset Value, which reflects both net realised and net unrealised gains and losses as at each payment date.

The amount of Performance Fees earned by the Investment Advisor in respect of any Calculation Period will be retained regardless of the subsequent performance of the relevant Fund.

**6. Initial Issue Price:**

The Initial Issue Price is: 100.00 USD

**7. Subscription and Redemption Fees**

Maximum Subscription Fee: up to 3%

Redemption Fee: No redemption fees will be charged by the Fund.

**8. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions may be retained by Distributors and are not required to be credited to the Fund. Any amounts so retained shall be disclosed in the financial statements.

**9. Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**10. Reference Currency:**

USD

**11. Dealing Day, Subscriptions and Redemptions:**

The Net Asset Value per share will be determined each Business day by the Management Company. A “Business Day” is understood to mean any day on which banks and stock exchanges are open for business in Luxembourg.

Subscription and redemption forms must be received no later than 10:30 CET one Business Day before the applicable Dealing Day.

**12. Distribution policy:**

The shares of the fund are principally dividend roll-up shares.

### **13. Risk Management:**

To determine the global risk exposure the management company is using the relative VaR Method. The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

JPM USD CASH 1M	20,00%
JPM US GOVERNMENT BOND	40,00%
S&P 100	20,00%
MSCI AC World	20,00%

Additional information about the risk benchmark will be provided free of charge by the Management Company upon request.

The Management Company is expecting a leverage between 0% to 200% of the NAV.

The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

### **14. Subscription Tax (Taxe d'abonnement)**

The Fund is subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

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## **DB PWM I – Maximum Growth Portfolio UCITS (GBP)**

### **1. Investment Objective & Policy:**

The Fund aims to achieve capital growth over a time period of at least 7 years primarily through investment in a portfolio of equity and equity-related securities.

The Fund invests globally without limitation on exposures to particular regions or countries. The Fund will, typically, be well diversified through region and underlying holding but not through asset class. The Fund may gain exposure to fixed income, commodities and alternative assets including real estate related investments, eligible UCITS-hedge funds and future and forward contracts and other permitted alternative asset classes according to Appendix I “Investment Restrictions”, either directly or through investments in UCITS and/or UCIs (“Target Funds”), which comply with the provisions set in paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Adviser of the Fund or companies related to the Investment Adviser.

Exposure to commodities will be achieved by investing in Exchange Traded Funds<sup>1</sup>, Exchange Traded Commodities<sup>1</sup> and certificates, which do not embed a derivative and provided the acquisition does not result in or grant a right to physical delivery. The Fund will not invest directly in physical commodities.

The Fund may gain access to real estate via Target Funds, including closed-ended real estate investment trusts (REITS)<sup>1</sup>, as well as via exchange traded notes (ETN)<sup>1</sup>.

The Investment Advisor will seek to add value from both asset allocation (tactical and strategic) and underlying investment selection.

Underlying investments will be primarily focused on UCITS and/or UCIs and eligible index tracker funds identified by the global fund selection group within Deutsche Asset & Wealth Management. It is intended that the skills of some of the leading managers in the industry will be blended with index tracking investments to deliver a flexible, well balanced strategy.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging) and meeting the investment objectives and are subject to the limits laid down in Annex I “Investment restrictions” of the Prospectus.

There are no arrangements intended to produce a particular level of investment return from the investment objective of the Fund.

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<sup>1</sup> which are in compliance with Article 41 I, of the 2010 Law and with the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the 2010 Law



It is the normal policy of the Fund to be fully invested, but this will be subject to market conditions, and from time to time higher levels of cash may be retained.

Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

The base currency of the Fund is the GBP. Assets of the Fund may be hedged against currency movements when it invests in overseas securities.

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (please see also Nr.16).

Concerning the portion of the Fund's portfolio which is invested in units or shares of UCITS and/or UCIs (including eligible UCITS-hedge funds), the following rules shall apply as regards multiplication of fees:

in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCITS and/or UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

The Fund has been designed for investors seeking a balance between wealth preservation and capital creation. Some level of risk and loss tolerance must be accepted. Typical investors would be seeking an attractive return over time but with controlled exposure to loss in any given year.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs. It is appropriate for investors with a minimum time horizon of at least 7 years.

### 3. Special risk considerations

Investors should refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

### 4. Initial Subscription Period and Initial Issue Date:

There will be no Initial Subscription Period. Initial issue dates:

Class A Acc: 16 May 2014

Class A Inc: 16 May 2014

Class B Acc: 16 May 2014

Class B Inc: 16 May 2014

Class C Inc: 16 May 2014

### 5. Classes of Shares and applicable fees

	<b>ISIN:</b>	<b>WKN:</b>
Class A Acc:	LU1042811254	A1XE7U
Class A Inc:	LU1042811171	A1XE7V
Class B Acc:	LU1042811411	A1XE7W
Class B Inc:	LU1042811338	A1XE7X
Class C Inc:	LU1042811502	A1XE7Y

Subscription to Class B open to any investor. Subscription to Classes A and C is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depository Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A Acc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class A Inc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class B Acc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None
<b>Class B Inc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None
<b>Class C Inc</b>	GBP	0.04 %	0.09 %	up to 0.5 %	None

**6. Initial Issue Price:**

The Initial Issue Price for the Shares of Classes A, B and C is 1.00 GBP.

**7. Subscription and Redemption Fees**

Maximum Subscription Fee: 5%

Redemption Fee: No redemption fees will be charged by the Fund.

**8. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

**9. Investment Advisor:**

**Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**Sub-Investment Advisor:**

Deutsche Asset Management (UK) Limited

One Appold Street, London, EC2A 2UU

**10. Reference Currency:**

GBP

**11. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day.

## **12. Distribution policy:**

It is the Company's intention that the Class A Inc, Class B Inc and Class C Inc shares shall receive at least two annual distributions, normally payable no later than two months after the end of the accounting period to which such dividends relate, comprising the income of the Fund attributable to this Class net of revenue expenses or, if greater, such amount. Class A Acc and Class B Acc are income accumulating classes.

## **13. Risk Management:**

To determine the global risk exposure the Management Company is using the relative VaR Method.

The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

27,50% S&P 500  
47,50% FTSE 100  
5% Eurostoxx 50  
7,50% Topix  
12.50% MSCI Emerging Markets

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

## **14. Subscription Tax (Taxe d'abonnement)**

Classes A and C shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes B shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

## **15. United Kingdom Individual Savings Account**

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (ISA). An ISA is a savings account on which the return is tax-free, and which qualifies for a favourable tax status.

There are two components: (i) cash; and (ii) stocks and shares, and life assurance policies.

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## **DB PWM I – Diversified Conservative Portfolio UCITS (GBP)**

### **1. Investment Objective & Policy:**

The Fund aims to enhance capital in real terms through investment in a portfolio of equity, fixed income and alternative assets. The portfolio seeks to minimize the variability of returns.

The Fund will gain exposure principally to equity, fixed income and alternative asset classes with an emphasis on less volatile investments. Riskier assets such as equities are likely to play a less significant role. Investments may be made either directly or through investments in UCITS and/or UCIs which comply with the provisions set forth paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Advisor of the Fund or companies related to the Investment Advisor. As part of its exposure to alternative assets the Fund may invest - subject to the limits laid down in Appendix I “Investment restrictions” of the Prospectus - in (i) units or shares of eligible UCITS-hedge funds and/or (ii) units or shares of UCITS and/or UCIs the principal objective of which is the investment in real estate and/or real estate related companies and/or (iii) future and forward contracts.

The Fund may gain access to real estate via Target Funds, including closed-ended real estate investment trusts (REITS)<sup>1</sup>, as well as via exchange traded notes (ETN)<sup>1</sup>.

The Investment Advisor will seek to add value from both asset allocation (tactical and strategic) and underlying investment selection.

Underlying investments will be primarily focused on UCITS and/or UCIs and eligible index tracker funds identified by the global fund selection group within Deutsche Asset & Wealth Management. It is intended that the skills of some of the leading managers in the industry will be blended with index tracking investments to deliver a flexible, well balanced strategy.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging) and meeting the investment objectives and are subject to the limits laid down in Annex I “Investment restrictions” of the Prospectus.

The Fund may invest directly in fixed income securities (with maturities not exceeding 60 years), issued or guaranteed by governments of OECD member countries, by supranational organizations or by other issuers where the following quality criteria are satisfied - the issuer or guarantor is rated BBB or better by Standard and Poor's Corporation (S&P) or Baa3 or better by Moody's Investor Services or is considered to have an equivalent rating to issuers rated BBB or better by S&P or Baa3 by Moody's.

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<sup>1</sup> which are in compliance with Article 41 I, of the 2010 Law and with the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the 2010 Law

There are no arrangements intended to produce a particular level of investment return from the investment objective of the Fund.

It is the normal policy of the Fund to be fully invested, but this will be subject to market conditions, and from time to time higher levels of cash may be retained. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

The base currency of the Fund is the GBP. Assets of the Fund may be hedged against currency movements when it invests in overseas securities.

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (please see also Nr.16).

Concerning the portion of the Fund's portfolio which is invested in units or shares of UCITS and/or UCIs (including eligible UCITS-hedge funds), the following rules shall apply as regards multiplication of fees:

- in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCITS and/or UCIs subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

The Fund has been designed for investors seeking a balance between wealth preservation and capital creation. Some level of risk and loss tolerance must be accepted. Typical investors would be seeking an attractive return over time but with controlled exposure to loss in any given year.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs. It is appropriate for investors with a minimum time horizon of at least 3 years.

### 3. Special risk considerations

Investors should refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

### 4. Initial Subscription Period and Initial Issue Date:

There will be no Initial Subscription Period. Initial issue dates:

Class A Acc: 16 May 2014

Class A Inc: 16 May 2014

Class B Acc: 16 May 2014

Class B Inc: 16 May 2014

### 5. Classes of Shares and applicable fees

	<b>ISIN:</b>	<b>WKN:</b>
Class A Acc:	LU1042811767	A1XE7Z
Class A Inc:	LU1042811684	A1XE70
Class B Acc:	LU1042811924	A1XE71
Class B Inc:	LU1042811841	A1XE72

Subscription to Class B is open to any investor. Subscription to Class A is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.



<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depository Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A Acc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class A Inc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class B Acc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None
<b>Class B Inc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None

**6. Initial Issue Price:**

The Initial Issue Price for the Shares of Classes A and B is 1.00 GBP.

**7. Subscription and Redemption Fees**

Maximum Subscription Fee: 5%

Redemption Fee: No redemption fees will be charged by the Fund.

**8. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

**9. Investment Advisor:**

**Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**Sub-Investment Advisor:**

Deutsche Asset Management (UK) Limited

One Appold Street, London, EC2A 2UU

**10. Reference Currency:**

GBP

**5. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day.

### **11. Distribution policy:**

It is the Company's intention that the Class A Inc and Class B Inc shares shall receive at least two annual distributions, normally payable no later than two months after the end of the accounting period to which such dividends relate, comprising the income of the Fund attributable to this Class net of revenue expenses or, if greater, such amount.

Class A Acc and Class B Acc are income accumulating classes.

### **12. Risk Management:**

To determine the global risk exposure the Management Company is using the relative VaR Method.

The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

11.50% MSCI World ex UK

15% FTSE 100

3.5% MSCI Emerging Markets

5% Barclays Overnight Cash index GBP

28% FTSE UK Conventional Gilts All-Stocks index

18% Markit iBoxx GBP Liquid Corporates Large Cap TRI Index

5% JPM US 1-10Y TR Index

4% Markit iBoxx Global Dev High Yield Capped Index (GBP hdg)

3% JPM EMBI Global Composite

5% HFRX Global Hedge Fund Index (hedged into GBP)

2% Bloomberg Commodities Ex-Agriculture and Livestock

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

### **13. Subscription Tax (Taxe d'abonnement)**

Classes A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes B shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

#### **14. United Kingdom Individual Savings Account**

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (ISA). An ISA is a savings account on which the return is tax-free, and which qualifies for a favourable tax status. There are two components: (i) cash; and (ii) stocks and shares, and life assurance policies.

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## **DB PWM I – Diversified Core Portfolio UCITS (GBP)**

### **1. Investment Objective & Policy:**

The Fund aims to enhance capital in real terms through investment in a portfolio of equity, fixed income and alternative assets. The Fund seeks to deliver a balance between wealth preservation and capital creation.

The Fund will gain exposure principally to equity, fixed income and alternative asset classes. Investments may be made either directly or through investments in UCITS and/or UCIs which comply with the provisions set forth paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Advisor of the Fund or companies related to the Investment Advisor. Balanced exposures to riskier asset classes are likely to be maintained as standard but in controlled size. Investment may be made across all asset classes. As part of its exposure to alternative assets the Fund may invest - subject to the limits laid down in Appendix I “Investment restrictions” of the Prospectus - in (i) units or shares of eligible UCITS-hedge funds and/or (ii) units or shares of UCITS and/or UCIs the principal objective of which is the investment in real estate and/or real estate related companies and/or (iii) future and forward contracts. The Investment Advisor will seek to add value from both asset allocation (tactical and strategic) and underlying investment selection.

Underlying investments will be primarily focused on UCITS and/or UCIs and eligible index tracker funds identified by the global fund selection group within Deutsche Asset & Wealth Management. It is intended that the skills of some of the leading managers in the industry will be blended with index tracking investments to deliver a flexible, well balanced strategy.

The Fund may gain access to real estate via Target Funds, including closed-ended real estate investment trusts (REITS)<sup>1</sup>, as well as via exchange traded notes (ETN)<sup>1</sup>.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging) and meeting the investment objectives and are subject to the limits laid down in Annex I “Investment restrictions” of the Prospectus.

The Fund may invest directly in fixed income securities (with maturities not exceeding 60 years) issued or guaranteed by governments of OECD member countries, by supranational organizations or by other issuers where the following quality criteria are satisfied at the time of purchase - the issuer or guarantor is rated BBB or better by Standard and Poor's Corporation (S&P) or Baa3 or better by Moody's Investor Services or is considered to have an equivalent rating to issuers rated BBB or better by S&P or Baa3 by Moody's.

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<sup>1</sup> which are in compliance with Article 41 I, of the 2010 Law and with the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the 2010 Law

There are no arrangements intended to produce a particular level of investment return from the investment objective of the Fund.

It is the normal policy of the Fund to be fully invested, but this will be subject to market conditions, and from time to time higher levels of cash may be retained. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

The base currency of the Fund is the GBP. Assets of the Fund may be hedged against currency movements when it invests in overseas securities.

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (please see also Nr.16).

Concerning the portion of the Fund's portfolio which is invested in units or shares of UCITS and/or UCIs (including eligible UCITS-hedge funds), the following rules shall apply as regards multiplication of fees:

- in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCITS and/or UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

The Fund has been designed for investors seeking a balance between wealth preservation and capital creation. Some level of risk and loss tolerance must be accepted. Typical investors would be seeking an attractive return over time but with controlled exposure to loss in any given year.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs. It is appropriate for investors with a minimum time horizon of at least 3 years.

### **3. Special risk considerations**

Investors should refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

### **15. Initial Subscription Period and Initial Issue Date:**

There will be no Initial Subscription Period. Initial issue dates:

Class A Acc: 16 May 2014

Class A Inc: 16 May 2014

Class B Acc: 16 May 2014

Class B Inc: 16 May 2014

### **4. Classes of Shares and applicable fees**

	<b>ISIN:</b>	<b>WKN:</b>
Class A Acc:	LU1042812146	A1XE73
Class A Inc:	LU1042812062	A1XE74
Class B Acc:	LU1042812492	A1XE75
Class B Inc:	LU1042812229	A1XE76

Subscription to Classes B is open to any investor. Subscription to Classes A is re-stricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depositary Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A Acc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class A Inc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class B Acc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None
<b>Class B Inc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None

**5. Initial Issue Price:**

The Initial Issue Price for the Shares of Classes A and B is 1.00 GBP.

**6. Subscription and Redemption Fees**

Maximum Subscription Fee: 5%

Redemption Fee: No redemption fees will be charged by the Fund.

**7. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

**8. Investment Advisor:**

**Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**Sub-Investment Advisor:**

Deutsche Asset Management (UK) Limited

One Appold Street, London, EC2A 2UU

**9. Reference Currency:**

GBP

**10. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day.

**11. Distribution policy:**

It is the Company's intention that the Class A Inc and Class B Inc shares shall receive at least two annual distributions, normally payable no later than two months after the end of the accounting

period to which such dividends relate, comprising the income of the Fund attributable to this Class net of revenue expenses or, if greater, such amount.

Class A Acc and Class B Acc are income accumulating classes.

## **12. Risk Management:**

To determine the global risk exposure the Management Company is using the relative VaR Method.

The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

17.50% MSCI World ex UK

22% FTSE 100

5.5% MSCI Emerging Markets

5% Barclays Overnight Cash index GBP

18% FTSE UK Conventional Gilts All-Stocks index

13% Markit iBoxx GBP Liquid Corporates Large Cap TRI Index

5% JPM US 1-10Y TR Index

4% Markit iBoxx Global Dev High Yield Capped Index (GBP hdg)

3% JPM EMBI Global Composite

5% HFRX Global Hedge Fund Index

2% Bloomberg Commodities Ex-Agriculture and Livestock

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

## **13. Subscription Tax (Taxe d'abonnement)**

Classes A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes B shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

## **14. United Kingdom Individual Savings Account**

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (ISA). An ISA is a



savings account on which the return is tax-free, and which qualifies for a favourable tax status. There are two components: (i) cash; and (ii) stocks and shares, and life assurance policies.

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## **DB PWM I – Diversified Enhanced Income Portfolio UCITS (GBP)**

### **1. Investment Objective & Policy:**

The Fund aims to maximize income while preserving capital primarily through investment in a portfolio of fixed income and high yielding equity. The portfolio seeks to deliver inflation protected income through dividends, bond coupons and a diversified approach between asset classes.

The Fund is likely to gain exposure primarily to government and investment grade debt with a smaller allocation to property and international high yielding equity in order to benefit from rental and dividend growth. Currency allocation will be based to Sterling but non Sterling assets will be included as judged appropriate. The Fund may invest in fixed income and high yielding and alternative asset classes either directly or through investments in UCITS and/or UCIs which comply with the provisions set forth paragraph 1. (A) (iv) of Appendix I “Investment Restrictions”, including those managed by the Investment Advisor of the Fund or companies related to the Investment Advisor. As part of its exposure to alternative assets the Fund may invest - subject to the limits laid down in Appendix I “Investment restrictions” of the Prospectus - in (i) units or shares of eligible UCITS-hedge funds and/or (ii) units or shares of UCITS and/or UCIs the principal objective of which is the investment in real estate and/or real estate related companies and/or (iii) future and forward contracts.

The Fund may gain access to real estate via Target Funds, including closed-ended real estate investment trusts (REITS)<sup>1</sup>, as well as via exchange traded notes (ETN)<sup>1</sup>.

The Investment Advisor will seek to add value from both asset allocation (tactical and strategic) and underlying investment selection.

Underlying investments will be primarily focused on UCITS and/or UCIs and eligible index tracker funds identified by the global fund selection group within Deutsche Asset & Wealth Management. It is intended that the skills of some of the leading managers in the industry will be blended with index tracking investments to deliver a flexible, well balanced strategy.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging) and meeting the investment objectives and are subject to the limits laid down in Annex I “Investment restrictions” of the Prospectus.

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<sup>1</sup> which are in compliance with Article 41 I, of the 2010 Law and with the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the 2010 Law

The Fund may invest directly in fixed income securities (with maturities not exceeding 60 years) issued or guaranteed by governments of OECD member countries, by supranational organizations or by other issuers where the following quality criteria are satisfied at the time of purchase - the issuer or guarantor is rated BBB or better by Standard and Poor's Corporation (S&P) or Baa3 or better by Moody's Investor Services or is considered to have an equivalent rating to issuers rated BBB or better by S&P or Baa3 by Moody's.

There are no arrangements intended to produce a particular level of investment return from the investment objective of the Fund.

It is the normal policy of the Fund to be fully invested, but this will be subject to market conditions, and from time to time higher levels of cash may be retained. Furthermore, in exceptional circumstances, when market conditions so require, the Fund may temporarily be fully invested in cash equivalents in order to protect the interests of the investors.

The base currency of the Fund is the GBP. Assets of the Fund may be hedged against currency movements when it invests in overseas securities.

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (please see also Nr.16).

Concerning the portion of the Fund's portfolio which is invested in units or shares of UCITS and/or UCIs (including eligible UCITS-hedge funds), the following rules shall apply as regards multiplication of fees:

- in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs, no subscription, redemption or conversion fees will be charged on any such investment;

There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Fund in Deutsche Bank UCITS and/or UCIs. In such case, the Fund will not invest in underlying UCITS and/or UCIs which are themselves subject to a management fee exceeding 2.5% excluding any performance fees.

In case of investment by the Fund in third-party funds, the Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary bank fees and other related costs. For shareholders of the Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Fund if the latter had invested directly.

## **2. Profile of typical investor:**

The Fund has been designed for investors seeking a balance between wealth preservation and capital creation. Some level of risk and loss tolerance must be accepted. Typical investors would be seeking an attractive return over time but with controlled exposure to loss in any given year.

The Fund is designed for investment only by those investors, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs. It is appropriate for investors with a minimum time horizon of at least 3 years.

## **3. Special risk considerations**

Investors should refer to the section “Profile of the typical investor” above and to Appendix II “Risks of Investment” of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

## **4. Initial Subscription Period and Initial Issue Date:**

There will be no Initial Subscription Period.

Initial issue dates:

Class A Inc: 16 May 2014

Class B Inc: 16 May 2014

## **5. Classes of Shares and applicable fees**

	<b>ISIN:</b>	<b>WKN:</b>
Class A Inc:	LU1042812658	A1XE77
Class B Inc:	LU1042812732	A1XE78

Subscription to Class B is open to any investor. Subscription to Class A is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory

relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depository Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A Inc</b>	GBP	0.04 %	0.09 %	up to 0.10 %	None
<b>Class B Inc</b>	GBP	0.04 %	0.09 %	up to 1.0 %	None

**6. Initial Issue Price:**

The Initial Issue Price for the Shares of Classes A and B is 1.00 GBP.

**7. Subscription and Redemption Fees**

Maximum Subscription Fee: 5%

Redemption Fee: No redemption fees will be charged by the Fund.

**8. Rebates**

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

**9. Investment Advisor:**

**Investment Advisor:**

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**Sub-Investment Advisor:**

Deutsche Asset Management (UK) Limited

One Appold Street, London, EC2A 2UU

**10. Reference Currency:**

GBP

**11. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day.

**12. Distribution policy:**

It is the Company's intention that the Class A Inc and Class B Inc shares shall receive quarterly distributions, normally payable no later than two months after the end of the accounting period to which such dividends relate, comprising the income of the Fund attributable to this Class net of revenue expenses or, if greater, such amount.

**13. Risk Management:**

To determine the global risk exposure the Management Company is using the relative VaR Method.

The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark:

30,00% FTSE 100

5% Barclays Overnight Cash index GBP

30% FTSE UK Conventional Gilts All-Stocks index

20% Markit iBoxx GBP Liquid Corporates Large Cap TRI Index

5% JPM US 1-10Y TR Index

6% Markit iBoxx Global Dev High Yield Capped Index (GBP hdg)

4% JPM EMBI Global Composite

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

**14. Subscription Tax (Taxe d'abonnement)**

Classes A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes B shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

**15. United Kingdom Individual Savings Account**

According to its investment policy and its investment restrictions the Fund will be in line with the requirements for inclusion in a United Kingdom Individual Savings Account (ISA). An ISA is a savings account on which the return is tax-free, and which qualifies for a favourable tax status. There are two components: (i) cash; and (ii) stocks and shares, and life assurance policies.

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## **DB PWM I – Global Fixed Income Absolute Return**

### **1. Investment Objective & Policy:**

The Fund aims to achieve positive absolute returns through investing directly in a portfolio of fixed income securities.

The Fund's main investments will notably include fixed income securities denominated in various currencies issued by governments, agencies and companies worldwide with emphasis in emerging markets. Fixed and floating-rate securities, deposits, money market instruments, convertible bonds, warrant-linked bonds, participation and dividend right certificates, preferred shares, certificates on investments whose underlying instruments are bonds, such as bond market indices and also in interest rate swaps and swap options may be used.

The Fund will not invest in asset-backed securities and mortgage backed securities.

The main regions will be emerging markets depending on the market condition.

Financial derivative instruments may be used for the purposes of efficient portfolio management (including hedging such as currency, interest or credit spread hedge) and meeting the investment objectives and are subject to the limits laid down in Annex I "Investment restrictions" of the Prospectus. In particular derivatives on investments whose underlying instruments are bonds and currencies, such as bond market indices and currency indices, and especially including financial futures transactions Credit derivatives, in particular credit default swaps for investment and hedging purposes, may be used to the extent permitted by law.

To achieve its investment objective and through the use of financial derivative instruments, the Fund can hold a significant portion of liquid assets (such as deposits and money market instruments).

### **2. Profile of typical investor:**

The Fund has been designed for mid-term and risk-oriented investors seeking to invest in a fund that is seeking absolute return over the long term through income and capital appreciation and who are willing to accept fluctuations (sometimes significant) in the Net Asset Value per share of such Fund during the short term. It is appropriate for investors with a minimum time horizon of at least 3 years.

### **3. Special risk considerations**

Investors should refer to the section "Profile of the typical investor" above and to Appendix II "Risks of Investment" of the Prospectus.

In addition to the considerations related to above, investors should be aware of the emerging markets specific risks.



#### 4. Initial Subscription Period, Initial Issue Date and Initial Issue Price:

	Class A	Class R
Initial Subscription Period	2 weeks	2 weeks
Initial issue dates:	19 June 2017	19 June 2017
Initial Issue Price	100 USD	100 USD

#### 5. Classes of Shares and applicable fees

	<b>ISIN:</b>	<b>WKN:</b>
Class A:	LU1585184143	A2DNGN
Class R:	LU1585184655	A2DNGP

Subscription to Classes A is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company

Subscription to Classes R is open to any investor who has a relationship with Deutsche Bank.

<u>Share Class</u>	<u>Dealing Currency</u>	<u>Depositary Fee</u>	<u>Management Fee</u>		<u>Performance Fee</u>
			<u>Administration Fee</u>	<u>Investment Advisor Fee</u>	
<b>Class A</b>	USD	up to 0.04 %	up to 0.09 %	up to 0,1 %	None
<b>Class R</b>	USD	up to 0.04 %	up to 0.09 %	up to 1 %	None

#### 6. Subscription and Redemption Fees

Maximum Subscription Fee: 3%

Redemption Fee: No redemption fees will be charged by the Fund.

#### 7. Rebates

The Investment Advisor and/or the Management Company shall be entitled to retrocession paid on behalf of the Fund. Such retrocessions will be credited to the Fund.

#### 8. Investment Advisor:

Deutsche Bank (Suisse) S.A.

Place des Bergues 3, CH-1211 Geneva, Switzerland

**9. Reference Currency:**

USD

**10. Dealing Day:**

The Net Asset Value per share will be determined each Business Day as of the Dealing Day.

**11. Distribution policy:**

It is the Company's intention that Class A shall be accumulation shares and Class R shares shall be monthly distribution shares.

**12. Risk Management:**

To determine the global risk exposure the Management Company is using the relative VaR Method.

The following risk benchmark is applied to compare the VaR of the fund and the risk benchmark: 100% of Barclays US Credit Index 100+LHCRPBD(IN) Additional information about the risk benchmark will be provided free of charge by the Management Company upon request.

The Management Company is expecting a leverage between 0% to 200% of the NAV. The leverage is not an additional investment limit and can change from time to time.

A higher leverage can be reached under various circumstances for example higher market volatility.

**13. Subscription Tax (Taxe d'abonnement)**

Classes A Shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Classes R shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

**It is the intention of the Company to apply for the UK Reporting Status.**

*Unless stated otherwise, the following sets out the principal tax consequences for shareholders, who are UK individual and UK domiciled individuals and who are beneficial owners of Class I Shares (collectively referred under the present Appendix as “Investors”). Special considerations may apply for UK resident corporate investors. Investors and potential Investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of Class I Shares or an interest therein under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.*

*The following statements on taxation are based on advice received by the Company regarding the law and practice in force at the date of this Appendix. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.*

**The offshore funds regime**

Each Fund or in cases where there is more than one Class of share, Class is an “offshore fund” for the purposes of the offshore fund legislation contained in Part 8 of Taxation (International and Other Provisions) Act 2010. For UK Investors to secure capital gains tax treatment on the disposal of their investment in a Class of shares the Class needs to obtain “reporting fund status” by entering the “reporting regime” which is contained in the Offshore Funds (Tax) Regulations 2009 (Statutory Instrument 2009/3001).

A Fund or Class must apply at the start of the first applicable accounting period to HMRC for reporting fund status. In order for a Fund or Class to meet the requirements for reporting fund status, amongst other requirements, it will be necessary to report to Investors and HM Revenue and Customs the “reportable income” of the Fund or Class for each relevant accounting period within six months of the end of the accounting period. Where reportable income exceeds what has been distributed to investors, then that excess will be treated as additional distributions to the investors and investors will be taxed accordingly.

Where Funds offer a Distribution Class of shares the Directors of the Company intend to seek entry into the UK reporting regime and to conduct each relevant Fund or Class’s affairs in such a manner that each such Fund or Class meets the requirements of the reporting regime as set out in the Regulations.

### **Treatment of gains on disposal of shares**

In cases where a Fund or Class is not classified as a "reporting fund" by HM Revenue and Customs, any gain on disposal accruing to Investors resident or ordinarily resident in the United Kingdom will, be taxed as income at rates of up to 50 per cent.

If such certification is obtained, then provided the shares are not held on trading account, UK residents should be taxable on the profit made on the sale, transfer or redemption of shares as a chargeable gain subject to capital gains tax at rates of up to 28 per cent.

### **Treatment of income**

Dividends in respect of Distribution Classes of shares generally should be taxed on receipt. The dividend rate applies (which gives an effective tax rate of up to 36.11%) unless in broad terms the Fund holds more than 60 per cent of its assets in debt instruments at any point in an accounting period. If this is the case, dividends are taxed as though they were payments of interest (which are taxed at rates of up to 50 per cent). Under the reporting regime, reportable income in excess of dividends will be subject to tax in line with the above principles (i.e. as a dividend or as interest) depending on whether or not the funds breaches the above 60 per cent threshold.

### **Other UK tax considerations**

The attention of individuals ordinarily resident in the UK is drawn to Chapter 2 Part 13 of the Income Taxes Act (ITA) 2007. These provisions are aimed at preventing the avoidance of income tax by individuals resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income and profits of the Company on an annual basis.

The attention of individuals who are domiciled, resident or ordinarily resident in the United Kingdom for taxation purposes is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 ("section 13"). The section 13 provides that where individuals and trustees for individuals hold shares in a non-UK company, and that company would if resident in the UK be considered a close company, such shareholders may be taxed a proportion of the company's gains, which otherwise would be chargeable gains if that company were resident in the UK. However, such an attribution will not be made to a shareholder and any connected persons whose share does not exceed one-tenth of the gain and that neither will carry on a trade for taxation purposes in the United Kingdom owns less than 10% of the share capital of a company. With effect from 6 April 2008, the provisions of section 13 may also apply in certain circumstances to individual investors' resident but not domiciled in the UK for tax purposes. It is likely that the shares of the Company will be widely held, however, the Directors cannot guarantee that this will always be the case.

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**APPENDIX V**  
ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY  
REFERING TO THE PROSPECTUS OF DB PWM I DATED SEPTEMBER 2017

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**The following Sub-Funds of DB PWM I are not registered for sale in the Federal Republic of Germany and no notification has been reported to the federal financial supervisory authority (BAFIN):**

**Diversified Conservative Portfolio UCITS (GBP)**  
**Diversified Core Portfolio UCITS (GBP)**  
**Diversified Enhanced Income Portfolio UCITS (GBP)**  
**Diversified Growth Portfolio UCITS (GBP)**  
**Dynamic Multi Asset Portfolio UCITS (GBP)**  
**Global Fixed Income Absolute Return**  
**Maximum Growth Portfolio UCITS (GBP)**

**Paying and Information Agent in Germany**

Deutsche Bank Aktiengesellschaft  
Taunusanlage 12  
60325 Frankfurt am Main  
Germany

Redemption and switching applications for the Shares of DB PWM I may be submitted to the German Paying and Information Agent and all payments (redemption proceeds, distributions and any other payments) due to Shareholders may be paid through the German Paying and Information Agent. The switching applications may also be affected via the German Paying and Information Agent as well.

All necessary information for investors, those are the Articles of Incorporation, Full Prospectuses, KII, Annual and Semi-Annual Reports and issue and redemption prices, may also be obtained free of charge from the German Paying and Information Agent. In addition, investors may inspect the Depositary Bank Agreement at the offices of the German Paying Agent.

**Publications**

In the Federal Republic of Germany the issue and redemption prices will be released on the internet at [www.oppenheim.lu](http://www.oppenheim.lu). Other notices to Shareholders will be published in the “BörsenZeitung” newspaper. The Management Company may also arrange for other publications.