

# PROSPECTUS

IGNIS GLOBAL FUNDS SICAV  
with multiple Sub-Funds  
organised under Luxembourg law

Subscriptions can only be accepted on the basis of the Prospectus or the Key Investor Information Document accompanied by the latest annual report (if any), as well as by the latest semi-annual report, if published after the latest annual report. These reports form part of these Prospectuses.

No information other than that contained in these Prospectuses, in the periodic financial reports or in any other document mentioned in these Prospectuses and which may be consulted by the public may be given in connection with this offer.

An investment in the Fund is only appropriate for investors willing to accept the risks thereof. The specific risks related to an investment in each Sub-Fund of the Fund are described in Appendix 1 of this Prospectus.

Prospectus

dated August 2015

VISA 2015/100231-6811-0-PC

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

Luxembourg, le 2015-08-19

Commission de Surveillance du Secteur Financier



## IMPORTANT INFORMATION

The Fund is an investment company organised under the laws of the Grand Duchy of Luxembourg as a self-managed *Société d'Investissement à Capital Variable*. The Fund is governed by Part I of the Law of 2010.

The Fund is offering Shares of several separate Sub-Funds on the basis of the information contained in this Prospectus and in the documents referred to herein. No person is authorised to give any information or to make any representations concerning the Fund other than as contained in this Prospectus and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Prospectus shall be solely at the risk of the investor.

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

The Shares to be issued hereunder may be of several different Classes which relate to several separate Sub-Funds of the Fund. Shares of the different Sub-Funds may be issued, redeemed and converted at prices computed on the basis of the Net Asset Value per Share of the relevant Sub-Fund or Class.

A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective applicable to the relevant Sub-Fund. As a result, the Fund is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which one or more of the Sub-Funds may be most appropriate for their specific risk and return expectations as well as their diversification needs. Furthermore, in accordance with the Articles, the Board of Directors may issue Shares of different Classes in each Sub-Fund; within each Sub-Fund, investors may then also choose the alternative Class features which are most suitable to their individual circumstances, given their qualification, the amount subscribed for, the currency of the relevant Class and the fee structure of the relevant Class. Upon creation of new Sub-Funds or Classes, this Prospectus will be updated or supplemented accordingly.

The Board of Directors has currently authorised the issuance of the Classes of Shares that are more fully described in Appendix 1 of this Prospectus.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or where the person making the offer or solicitation is not qualified to do so or where a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Shares to inform himself or herself and to observe all applicable laws and regulations of relevant jurisdictions.

**Luxembourg** - The Fund is registered pursuant to Part I of the Law of 2010. However, such registration does not require any Luxembourg authority to approve or disapprove either the

adequacy or accuracy of this Prospectus or the assets held in the various Sub-Funds. Any representations to the contrary are unauthorised and unlawful.

**European Union ("EU")** - The Fund is a UCITS for the purposes of the UCITS Directive and the Board of Directors proposes to market the Shares in accordance with the UCITS Directive in certain member states of the EU and in countries which are not member states of the EU.

**United Kingdom ("UK")** - A successful application was made to the FCA for the Fund and its Sub-Funds recognising them as a recognised collective investment scheme for the purposes of Section 264 of FSMA which permits the promotion of the Fund and its Sub-Funds and the distribution of this Prospectus in the UK.

Whilst this Prospectus may also be issued outside the UK directly by the Fund, it is being issued inside and outside of the UK by Ignis Investment Services Limited (which is authorised and regulated by the FCA) to and/or is directed at persons who are of a kind to whom the Fund may lawfully be promoted by a person authorised under FSMA (an “authorised person”) by virtue of Section 238(5) of FSMA and Annex 5 to Chapter 3 of the FCA Conduct of Business Sourcebook.

This Prospectus is exempt from the scheme promotion restriction (in Section 238(1) of FSMA) on the communication of invitations or inducements to participate in unrecognised collective investment schemes on the grounds that it is being issued to and/or directed at only the types of person referred to above. To the extent that this Prospectus is issued by Ignis Investment Services Limited, the Shares are only available to such persons and this Prospectus must not be relied on or acted upon by any other persons.

Any recipient of this Prospectus in the UK who is an authorised person may (if and to the extent it is permitted to do so by the FCA rules applicable to it) distribute it or otherwise promote the Fund in accordance with Section 238 of FSMA but not otherwise. Any recipient of this Prospectus in the UK who is not an authorised person may not distribute it to any other person.

Any advice or recommendation which may be given or offered by this Prospectus does not relate to products and services of Ignis Investment Services Limited or the Investment Manager, but to those of the Fund. The Fund does not carry on investment business in the UK, so as to require the conduct of its business to be regulated under the FSMA. Shareholders therefore may not benefit from the protections provided by the UK regulatory system.

Potential investors in the UK should note that the rules made under FSMA for the protection of private customers may not apply, and the Financial Services Compensation Scheme established under Section 213 of FSMA may not be available, in relation to an investment in the Shares.

**Australia-** This Prospectus is not a prospectus or product disclosure statement under the Corporations Act 2001 (Cth) (Corporations Act) and does not constitute a recommendation to acquire, an invitation to apply for, an offer to apply for or buy, an offer to arrange the issue or sale of, or an offer for issue or sale of, any securities in Australia except as set out below. The Fund has not authorised nor taken any action to prepare or lodge with the Australian Securities & Investments Commission an Australian law compliant prospectus or product disclosure statement.

Accordingly, this Prospectus may not be issued or distributed in Australia and the shares in the Fund may not be offered, issued, sold or distributed in Australia by the Fund Manager, or any other person, under this Prospectus other than by way of or pursuant to an offer or invitation that does not need disclosure to investors under Part 6D.2 or Part 7.9 of the Corporations Act or otherwise.

This Prospectus does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of shares to a 'retail client' (as defined in section 761G of the Corporations Act and applicable regulations) in Australia.

The issuer of this Prospectus is not licensed in Australia to provide financial product advice including in relation to the Fund. Note that as all investors must be wholesale clients, no cooling off rights are available.

Ignis Investment Services Limited is exempt from the requirement to hold an Australian Financial Services licence in respect of the financial services it provides to wholesale investors in Australia and is authorised and regulated by the UK Financial Conduct Authority under UK laws, which differ from Australian laws.

US Foreign Account Tax Compliance Requirements (“**FATCA**”), the FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. persons’ direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

The basic terms of FATCA currently appear to include the Fund as a “Financial Institution”, such that in order to comply, the Fund may require all Shareholders to provide mandatory documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation.

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

- Withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Fund;
- Require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Fund in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- Divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority,

- Withhold the payment of any dividend or redemption proceeds to a Shareholder until the Fund holds sufficient information to enable it to determine the correct amount to be withheld.

Furthermore, the Board of Directors has the power under the Articles to refuse an application for Shares and the acceptance of such application does not confer on investors a right to acquire Shares in respect of any future or subsequent application.

The Fund may make an application to register and distribute its Shares in jurisdictions outside Luxembourg. In the event that such registrations take place, the Fund may appoint or be required to appoint payment agents, representatives, distributors or other agents in the relevant jurisdictions.

Further copies of this Prospectus may be obtained at the registered office of the Fund located at Vertigo-Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg or from Ignis Investment Services Limited:

Ignis Investment Services Limited  
50, Bothwell Street  
Glasgow G2 6HR  
United Kingdom  
Tel: +44 141 222 8000  
[helpdesk@ignisasset.com](mailto:helpdesk@ignisasset.com)

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## ADMINISTRATION OF THE FUND

### Board of Directors:

#### Chairman:

Mr. Justin Egan  
*Principal*  
Carne Global Financial Services Limited

#### Members:

Mrs. Tracey McDermott  
*Director*  
Carne Global Financial Services (Luxembourg) S.à r.l.

Mr. André Haubensack  
*Regional Director, Zurich*  
Ignis Investment Services Limited

#### Conducting Persons:

Mrs. Lydie Bini  
*Senior Executive*  
Caso Asset Management S.A.

Mr. Alex Vilchez  
*Director*  
Carne Global Financial Services (Luxembourg) S.à r.l.

#### Registered Office:

Vertigo-Polaris,  
2-4 rue Eugène Ruppert  
L- 2453 Luxembourg

#### Head office:

6B, route de Trèves  
L-2633 Senningerberg

#### Custodian:

The Bank of New York Mellon (Luxembourg) S.A.  
Vertigo-Polaris  
2-4 rue Eugène Ruppert  
L- 2453 Luxembourg

#### Administrator

The Bank of New York Mellon (Luxembourg) S.A.  
Vertigo-Polaris,  
2-4, Rue Eugène Ruppert  
L-2453 Luxembourg



**Domiciliary Agent:** The Bank of New York Mellon (Luxembourg) S.A.  
Vertigo-Polaris  
2-4 rue Eugène Ruppert  
L- 2453 Luxembourg

**Investment Manager:** Ignis Investment Services Limited  
50, Bothwell Street  
Glasgow G2 6HR  
Great Britain

**Principal Distributor:** Ignis Investment Services Limited  
50, Bothwell Street  
Glasgow G2 6HR  
Great Britain

**UK Facilities Agent:** Ignis Investment Services Limited  
50, Bothwell Street  
Glasgow G2 6HR  
Great Britain

**Auditor:** Ernst & Young S.A.  
7, rue Gabriel Lippmann  
Parc d'Activité Syrdall 2  
L-5365 Munsbach

**Legal Adviser:**  
**(as to Luxembourg law)** Arendt & Medernach  
14, rue Erasme  
L-2082 Luxembourg

## GLOSSARY OF TERMS

Accumulation Shares	Shares in the Fund which do not distribute dividends to Shareholders and in respect of which income is accumulated and added to the capital property of the relevant Sub-Fund.
Administration Agreement	The agreement by which the Fund appoints the Administrator to provide, inter alia, third party administration, registrar, transfer agency and paying agency services to the Fund, meaning in the present case the Administration Novation Agreement and the original administration agreement entered into on October 29, 2010 between the Fund and BNY Mellon Investment Servicing (International) Limited, Luxembourg Branch.
Administration Novation Agreement	The agreement entered into between BNY Mellon Investment Servicing (International) Limited, Luxembourg Branch, the Fund and The Bank of New York Mellon (Luxembourg) S.A. for the purpose of substituting The Bank of New York Mellon (Luxembourg) S.A. as Administrator for and in place of BNY Mellon Investment Servicing (International) Limited, Luxembourg Branch, and for assigning all rights and obligations under the original administration agreement entered into on October 29, 2010 to The Bank of New York Mellon (Luxembourg) S.A..
Administrator	The Bank of New York Mellon (Luxembourg) S.A. has been appointed as the Luxembourg administrative agent appointed in relation to the Fund and its Sub-Funds, as set out in this Prospectus.
ARGBF Sub-Fund	A compartment of the Fund namely Ignis Global Funds SICAV – Ignis Absolute Return Government Bond Fund.
AUD	The legal currency of Australia.
Articles	The restated articles of incorporation of the Fund dated October 28, 2010 as may be supplemented or amended from time to time.
Benchmark	The relevant benchmark index for the Class concerned as indicated in Appendix 1 in respect of the relevant Sub-Fund or, in the event that such index ceases to be a widely accepted financial index, such other index as the Board of Directors may determine and notify to Shareholders in the manner required by Luxembourg law and practice.
Benefit Plan Investors	As defined under Section 3(42) of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and any regulations promulgated thereunder, including, but not limited to, (a)

	an “employee benefit plan” that is subject to the provisions of Title I of ERISA; (b) a “plan” that is subject to the prohibited transaction provisions of Section 4975 of the Internal Revenue Code of 1986, as amended (the “ <b>IRC</b> ”), such as individual retirement accounts and certain retirement plans for self-employed individuals; and (c) an entity, such as a pooled investment fund whose assets are treated as “plan assets” under Section 3(42) of ERISA and any regulations promulgated thereunder because of investments therein by other benefit plan investors.
Board of Directors	The board of directors of the Fund appointed by the general meeting of Shareholders.
Bonds	Means collectively Sovereign Bonds, Supra-Sovereign Bonds and Sub-Sovereign Bonds, as further described in the Appendix 1 in relation to ARGBF Sub-Fund.
Business Day	Any full bank business day in Luxembourg and the UK and/or such other place or places and such other day or days as the Directors may determine and notify in writing to Shareholders in advance and/or publish to the extent and in the manner required by Luxembourg law and practice.
CHF	The legal currency of Switzerland.
Class or Class of Shares	Any class of Shares of each Sub-Fund which may differ in respect of their targeted investors, sales, conversion or redemption fee, structure, minimum subscription or holding amounts, dividend policy, services fees, distribution fees or any other specific feature.
CSSF Circular 11/512	CSSF Circular 11/512 dated 30 May 2011 on risk management rules and the description of the risk management procedure to be communicated to the CSSF.
Custodian	The custodian appointed in relation to the Fund and its Sub-Funds, as set out in this Prospectus.
Custodian Agreement	The agreement by which the Fund appoints the Custodian meaning in the present case the Novation Agreement and the original custodian agreement entered into on October 29, 2010 between the Fund and BNY Mellon International Bank Limited, Luxembourg Branch.
Designated Person	Any person who, as a consequence of being a shareholder and, in the opinion of the Board of Directors causes the Fund or any Sub-Fund to be in breach of any law, regulation, or requirement or any

	jurisdiction or otherwise adversely affects or prejudices the tax status, residence, good standing or general reputation of the Fund or who could in the Board of Directors' judgement, otherwise cause the Fund or any Sub-Fund to suffer material or legal disadvantage.
Directors	The members of the Board of Directors.
Distribution Shares	Shares in the Fund in respect of which income is distributed periodically to Shareholders.
Distributor	Any Distributor which has entered into a distribution agreement with the Fund in respect of the Shares.
Emerging Markets	Certain countries in the Asia and the Pacific Region, Africa, Eastern Europe including Russia and Latin America with emerging economies or stock markets which may lack the social, political, economic and regulatory stability characteristics of more developed countries.
EONIA	The Euro OverNight Index Average rate, as calculated by the European Central bank and published at approximately 7 pm CET, on Telerate 247 (or subsequent if page changes), Reuters Page EONIA (or subsequent if page changes) or any other applicable market data source provider, and as published by the Financial Times.
EU	European Union.
EUR or Euro	The legal currency of the European Monetary Union.
EU Savings Directive	The EU Council Savings Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments, as amended.
ESMA Guidelines	CESR Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS no. 10-788 dated 28 July 2010.
FATCA	The Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act enacted in March 2010.
Financial Derivative Instruments	Financial derivative instruments, including equivalent cash-settled instruments, dealt on a Regulated Market or on an Other Regulated Market, and/or financial derivative instruments dealt in over-the-counter (" <b>OTC derivatives</b> "), provided that:

	<ul style="list-style-type: none"> <li>- the underlying consists of instruments covered by this Section A, financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest according to its investment objectives;</li> <li>- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and</li> <li>- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;</li> </ul> <p>Under no circumstances shall these operations cause the Fund to diverge from its investment objectives.</p>
FCA	The UK regulator of financial services, the <i>Financial Conduct Authority</i> or its successor.
FSMA	The UK Financial Services and Markets Act 2000, as amended.
Fund	Ignis Global Funds SICAV, which term shall include any Sub-Fund from time to time thereof.
GBP	The legal currency of the United Kingdom.
Group of Companies	Companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules, as amended.
Initial Subscription Price	The initial price payable for a Share of the relevant Class at the launch date of such Share Class, as specified online at <a href="http://www.ignisasset.com">www.ignisasset.com</a> .
Institutional Investor	Institutional investors within the meaning of Article 174 and 175 of the Law of 2010 or as otherwise defined by guidelines or recommendations issued by the Regulatory Authority from time to time.
Investment Grade	Investments with a rating of at least BBB (S&P) or Baa (Moody's) or the equivalent for other rating agencies.
Investment Management Agreement	The agreement by which the Fund appoints the Investment Manager to provide discretionary investment management services in respect

	of the Fund and the Sub-Funds.
Investment Manager	The investment manager appointed in relation to the Fund and its Sub-Funds, as set out in this Prospectus.
JPY	The legal currency of Japan.
Law of 2010	The Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.
Member State	A member state of the EU. The states that are contracting parties to the Agreement creating the European Economic Area other the members states of the European Union, within the limits set forth in the Agreement and related acts, are considered as equivalent to members states of the European Union.
Mémorial C	The <i>Mémorial C, Recueil des Sociétés et Associations</i> , the Luxembourg official gazette.
Money Market Instruments	Instruments normally dealt on the money market which are liquid, and have a value which can be accurately determined at any time, and instruments eligible as Money Market Instruments, as defined by guidelines issued by the Regulatory Authority from time to time.
NAV or Net Asset Value	The net asset value of the Fund or a Sub-Fund (as the context may require) as calculated in accordance with the Articles.
Net Asset Value per Share	The Net Asset Value in respect of any Sub-Fund at the relevant time divided by the number of Shares of the relevant Class in the relevant Sub-Fund in issue at that time.
Novation Agreement	The agreement entered into between BNY Mellon International Bank Limited, Luxembourg Branch, the Fund and The Bank of New York Mellon (Luxembourg) S.A. for the purpose of substituting The Bank of New York Mellon (Luxembourg) S.A. as Custodian for and in place of BNY Mellon International Bank Limited, Luxembourg Branch, and for assigning all rights and obligations under the original custodian agreement entered into on October 29, 2010 to The Bank of New York Mellon (Luxembourg) S.A..
OECD	The Organisation for Economic Cooperation and Development.
Other Regulated Market	A market which is regulated, operates regularly and is open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency

	(the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognised by a State or by a public authority which has been delegated by that State or by another entity which is recognised by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
Other State	Any state of Europe which is not a Member State, and any state of America, Africa, Asia, Australia and Oceania.
Principal Distribution Agreement	The agreement by which the Fund appoints the Principal Distributor.
Principal Distributor	The principal distributor appointed in relation to the Fund and its Sub-Funds, as set out in this Prospectus.
Prospectus	This Prospectus, as may be supplemented or amended from time to time.
Redemption Price	The redemption price at which Shares are redeemed which is equal to the Net Asset Value per Share of the relevant Class within the relevant Sub-Fund less any applicable dilution levy and for which the rate (if any) is indicated in the Appendix 1 of this Prospectus.
Reference Currency	The currency of denomination of the relevant Class or Sub-Fund.
Regulated Market	A regulated market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets and financial instruments, as amended.
Regulatory Authority or CSSF	The Luxembourg authority, currently the <i>Commission de Surveillance du Secteur Financier</i> , or its successor in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg.
Risk Management Process	A risk management process in accordance with the applicable regulations, in particular CSSF Circular 11/512, in respect of the measurement and monitoring of the risks attached to each Sub-Fund's investments.
SARON	Swiss Average Rate Overnight.
Sales Charge	The charge payable by an investor at the discretion of the Principal Distributor, in relation to subscriptions for Shares of a Class of Shares applied on the Initial Subscription Price or the Subscription

	Price.
SEK	The legal currency of Sweden.
Share	Each share within any Class of a Sub-Fund of the Fund issued and outstanding from time to time.
Shareholder	A person recorded as a holder of Shares in the Fund's register of shareholders.
SONIA	The Sterling OverNight Interbank Average Rate as published by the Wholesale Market Brokers Association at approximately 6 pm GMT/BST, on Telerate 3937 under the heading "Sterling Overnight Index" (or subsequent if page changes), Reuters Page SPMOA1 (or subsequent if page changes) or any other applicable market data source provider, and as published by the Financial Times.
Sovereign Bonds	Debt securities issued by a national government and as further described in the Appendix 1 in relation to ARGBF Sub-Fund.
STIBID	Stockholm Interbank Bid Rate.
Supra-Sovereign Bonds	Debt securities issued by a supranational entity which is formed by two or more central governments to promote economic development for the member countries and as further described in the Appendix 1 in relation to ARGBF Sub-Fund.
Sub-Sovereign Bonds	Debt securities issued by hierarchical tiers below the ultimate governing body of a nation, country, or territory and as further described in the Appendix 1 in relation to ARGBF Sub-Fund.
Sub-Fund	A specific portfolio of assets held within the Fund, which is invested in accordance with a defined investment objective.
Subscription Price	The subscription price at which Shares of the relevant Class are issued is equal to the Net Asset Value per Share of the relevant Class of Shares within the relevant Sub-Fund, plus any applicable dilution levy (if any) as indicated in Appendix 1 in relation to the relevant Sub-Fund of this Prospectus.
Taxes Act	UK Income and Corporation Taxes Act 1988, as amended.



Transferable Securities	(i) shares and other securities equivalent to shares (“shares”); (ii) bonds and other debt instruments (“debt securities”); and (iii) any other negotiable securities that carry the right to acquire any such transferable securities by subscription or exchange, to the extent they do not qualify as Techniques and Instruments as described in Part II of Appendix 2 of this Prospectus.
UCI(s)	Undertaking(s) for collective investment.
UCITS	An undertaking for collective investment in Transferable Securities governed by the UCITS Directive.
UCITS Directive	The EC Council Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended.
U.S.	The United States of America.
USD	The legal currency of the U.S..
U.S. Person	means (1) a natural person who is a resident of the U.S.; (2) a partnership, corporation or other entity organised under the laws of a U.S. jurisdiction or which has a principal place of business in a U.S. jurisdiction; (3) an estate or trust, the income of which is subject to U.S. income tax regardless of the source, or if any executor or administrator of such an estate or any trustee of such a trust, as the case may be, is a “U.S. Person”; (4) an entity, even if organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction, organised principally for passive investment such as a pool, investment company or other similar entity, if (i) units of participation in such entity held by “U.S. Persons” represent in the aggregate 10 per cent or more of the beneficial interest in such entity; (ii) such entity was formed principally for the purpose of facilitating investment by “U.S. Persons” in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the United States Commodity Futures Trading Commission’s Regulations by virtue of its participants being non-“U.S. Persons”; or (iii) such entity was formed by one or more “U.S. Persons” principally for the purpose of investing in securities not registered under the 1933 Act, as amended; and (5) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business inside the U.S., or if such plan is established and administered in accordance with the laws of the U.S.; and (6) any

	U.S. person that would fall within the ambit of the FATCA provisions.
US Tax Exempt Investor	a U.S. Person within the meaning of the US Internal Revenue Code of 1986, as amended, that is exempted from payment of US Federal income tax.
Valuation Day(s)	The Business Day(s) on which the Net Asset Value per Share of each Sub-Fund is determined, as specified in Appendix 1 of this Prospectus.
1933 Act	The U.S. Securities Act of 1933, as amended.
1940 Act	The U.S. Investment Company Act of 1940, as amended.

## **FUND INFORMATION PRINCIPAL FEATURES**

### **Structure**

The Fund is an open-ended investment company incorporated under the laws of the Grand-Duchy of Luxembourg as a self-managed *Société d'Investissement à Capital Variable* ("SICAV"). The Fund qualifies as a self-managed SICAV in accordance with Article 27 of the Law of 2010.

The Fund has been incorporated under the name of Ignis Global Funds SICAV on 28 October, 2010, for an unlimited period. The Articles have been published on 16 November 2010 in the Mémorial C.

The Fund is an umbrella Fund providing investors with a choice of investments in a range of several Sub-Funds, each of which relates to a separate portfolio of securities and other liquid financial assets permitted by the Law of 2010, with specific investment objectives, as further described in Appendix 1 of this Prospectus. Pursuant to Article 181 of the Law of 2010, each Sub-Fund corresponds to a distinct part of the assets and liabilities of the Fund, *i.e.* the assets of a Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation and operation of that Sub-Fund.

### **Investment Choice**

The Fund offers Shares in those Sub-Funds as further described individually in Appendix 1 of this Prospectus.

Upon creation of new Sub-Funds, this Prospectus shall be updated accordingly.

### **Share Classes**

All Sub-Funds may offer more than one Class of Shares. Each Class of Shares within a Sub-Fund may have different features or be offered to different types of investors, but will participate in the assets of that Sub-Fund.

### **Minimum Subscription Amount and Minimum Holding Amount**

The minimum initial investments for each Share Class in each Sub-Fund as well as the minimum holding amount for each Share Class in each Sub-Fund are further specified in the section "The Shares" of this Prospectus.

## **Subscription Price**

At the launch date of the relevant Share Class, Shares of such Class will be available for subscription at the Initial Subscription Price plus any applicable Sales Charge as specified in section “Subscription of Shares” of this Prospectus. The Initial Subscription Price of the relevant Share Class is available online at [www.ignisasset.com](http://www.ignisasset.com) or at the registered office of the Fund.

After the launch date of the relevant Share Class, Shares of such Class will be available for subscription at the Subscription Price on each Valuation Day plus any applicable Sales Charge as specified in section “Subscription of Shares” of this Prospectus. The Subscription Price per Share of each Class in each Sub-Fund is equal to the Net Asset Value per Share of the relevant Class of Shares within the relevant Sub-Fund, plus any applicable dilution levy (if any) as indicated in Appendix 1 in relation to the relevant Sub-Fund and in Appendix 3 to this Prospectus. The Subscription Price for each Class in each Sub-Fund is available from the Administrator.

## **Dealing**

Shares may normally be purchased or redeemed at prices based on the Net Asset Value per Share of the relevant Class within the relevant Sub-Fund on the relevant Valuation Day (as defined in Appendix 1 of this Prospectus) of each Sub-Fund (as specified in Appendix 1 of this Prospectus).

## **Listing**

The Shares of each Sub-Fund may be listed on the Luxembourg Stock Exchange. Appendix 1 of this Prospectus will specify if the Shares of a particular Sub-Fund are to be listed.

## **INVESTMENT OBJECTIVES AND STRATEGY**

### **General**

The Fund has several Sub-Funds offering a choice of investment objectives through investment in different types of Transferable Securities, Money Market Instruments, Financial Derivative Instruments and other liquid financial assets permitted by the Law of 2010.

The investment objective of the Fund is to manage its assets for the benefit of the Shareholders of the Sub-Funds in accordance with the specific investment objectives of those Sub-Funds. However, no assurance can be given that any of the Sub-Funds will achieve its investment objectives as described below.

### **Investment Objectives and Strategy**

The investment objectives and strategy of each individual Sub-Fund are set out in Appendix 1 of this Prospectus.

## **RISK MANAGEMENT PROCESS**

The Investment Manager maintains a Risk Management Process in respect of the measurement and monitoring of the risks attached to each Sub-Fund's investments, which is independent from the portfolio management function within the Investment Manager. The Risk Management Process allows the Investment Manager to monitor the exposure of the Sub-Funds in relation to market, liquidity and counterparty risks, and to assess the exposure of the Sub-Funds in respect of all other risks, including operational risks, which may be material for each Sub-Fund.

To assist in the monitoring of market risk, each Sub-Fund must monitor global exposure, as referred to in Appendix 2 section I. D, by either the commitment approach methodology or by a value at risk methodology ("**VaR**").

The commitment approach is designed to ensure that when calculating the global exposure of Financial Derivative Instruments held within a Sub-Fund, a calculation is made as to the market value of the assets underlying the Financial Derivative Instruments, or the notional value of an equivalent underlying asset. Generally the commitment approach is only to be used where the types of Financial Derivative Instruments used can be translated in a relatively straightforward manner into the underlying property.

VaR is designed for more complex Financial Derivative Instruments and seeks to calculate the exposure of Financial Derivative Instruments based on the maximum level of potential loss. It measures the maximum potential loss at a given probability level over a specified period of time under normal market conditions. Relative VaR seeks to measure the level of market risk against the level of risk inherent in an equivalent reference portfolio. Absolute VaR seeks to limit the maximum risk relative to a Sub-Fund's NAV. Where a Sub-Fund uses the VaR approach, leverage calculations are also required, pursuant to applicable laws and regulations, in particular CSSF Circular 11/512.

Please see Appendix 1 of this Prospectus for each Sub-Fund's approach to monitoring global exposure.

Each Sub-Fund may invest, according to its investment objectives and in compliance with the investment restrictions set out in Appendix 2 of this Prospectus, in Financial Derivative Instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down therein.

When a Sub-Fund invests in index-based Financial Derivative Instruments, these investments do not have to be combined to the limits laid down in Appendix 2 of this Prospectus.

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 this section.

## **RISK CONSIDERATIONS**

An investment in the Fund involves certain risks. The investments within each Sub-Fund are subject to the risk that the NAV per Share of each Sub-Fund will fluctuate in response to changes in economic conditions, interest rates and the market's perception of the securities held by the Sub-Funds; accordingly, no assurance can be given that the investment objectives of any Sub-Fund will be achieved.

### **General Risks**

Investors should be aware that there are risks inherent in the holding of securities:

- (a) There is no assurance that any appreciation in the value of the portfolio will occur, or that the investment objectives of any Sub-Fund will be achieved. Past performance is no guide to the future. The value of Shares, and any income from them, can go down as well as up, particularly in the short term, meaning that an investment may not be returned in full;
- (b) The tax treatment of the Sub-Funds may change and such changes cannot be foreseen;
- (c) Where regular investments are made with the intention of achieving a specific capital sum in the future, this will normally be subject to maintaining a specified level of investment; and
- (d) The difference at any one time between subscription and redemption prices for Shares means that any investment should be viewed as medium to long term. An investment should only be made by those persons who are able to sustain a loss on their investment.

### **Effect of Sales Charge**

Where a Sales Charge is imposed, an investor who realises his Shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested. The Shares therefore should be viewed as medium to long-term investments.

### **Dilution levy**

Investors should note that for certain Sub-Funds and in certain circumstances a dilution levy may be applied on their purchase or redemption of Shares as set out below in this Prospectus under the heading "Dilution levy" and in Appendix 1.

## **Charges to capital**

Where all or part of fees and/or charges in respect of any Class or Sub-Fund may be charged against capital rather than income, this will enhance income returns but may constrain future capital growth.

## **Tax considerations**

Where a Sub-Fund invests in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Sub-Fund will not be able to recover such withheld tax and so any change would have an adverse effect on the Net Asset Value of the Shares. The attention of potential investors is drawn to the taxation risks associated with investing in any Sub-Fund. Please see the section headed “*Taxation*” below, and in particular the sub-sections headed “*Luxembourg Taxation*” and “*United Kingdom Taxation*”.

## **Suspension of dealings in Shares**

Investors are reminded that in certain circumstances their right to redeem Shares (including a redemption by way of exchange) may be suspended (please see the section headed “*Redemption of Shares*” below).

## **Paying agent risk**

Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to or from the Administrator (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the Sub-Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

## **Performance risk**

The investment performance of each Sub-Fund is directly related to the investment performance of the underlying investments held by such Sub-Fund. The ability of a Sub-Fund to meet its investment objective depends upon the allocation of the Sub-Fund’s assets among the underlying investments and the ability of an underlying investment to meet its own investment objective. It is possible that an underlying investment will fail to execute its investment strategies effectively. As a result, an underlying investment may not meet its investment objective, which would affect the Sub-Fund’s investment performance. There can be no assurance that the investment objective of any Sub-Fund or any underlying investment will be achieved.



## **Liquidity and settlement risks**

The Fund is exposed to a credit risk on parties with whom it trades and bears the risk of settlement default. The bankruptcy or default of any counterparty could result in losses to any Sub-Fund. The Fund will be placing money on deposit with banks and investing in other debt obligations and accordingly will be exposed to a credit risk in respect of such counterparties. Shareholders should note that some of the markets in which the Fund may invest may be insufficiently liquid or highly volatile from time to time and this may result in fluctuations in the price of the Shares. In addition, market practices in relation to the settlement of certain securities transactions and the custody of assets could provide increased risks.

## **Management risk**

The investment performance of the Fund is substantially dependent on the services of the Investment Manager. In the event of the insolvency of the Investment Manager, the performance of the Fund may be adversely affected.

## **FATCA**

Luxembourg has entered into a Model 1 Intergovernmental Agreement with the U.S. implemented by the Luxembourg law dated 24 July 2015.

Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all Shareholders may be materially affected.

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

All prospective investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Fund.

## **Specific Risks**

*Appendix 1 will specify the applicable specific risks for each Sub-Fund.*

## **Exchange rates**

Some of the underlying investments in which the Sub-Funds invest may be denominated in a different currency than the Reference Currency in which such Sub-Funds are denominated; changes in foreign currency exchange rates will affect the value of Shares held in such Sub-Funds.

## **Units of UCITS and/or other UCIs**

In the event that a Sub-Fund acquires units of UCITS and/or other UCIs within the meaning of Appendix 2 of this Prospectus, certain commissions and fees to be borne indirectly by the Shareholders may increase as a result. Such fees include management, custodian and administrative fees as well as operating and auditing costs. To the extent that investments are made, however, in UCITS or other UCIs that are managed, directly or indirectly, by the Investment Manager or a company with which they are affiliated on account of joint management, control or a direct or indirect holding of more than 10% of the share capital or voting rights, the Fund's and/or the relevant Sub-Fund's assets shall not be subject to any issue, redemption or conversion fee within the scope of such investments.

## **Fixed interest securities**

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates increase, capital values may fall and vice versa. Inflation will erode the real value of capital. In addition, companies may not be able to honour repayment on bonds they issue.

## **Sub-investment grade bonds**

Investment by a Sub-Fund in high yield bonds brings an increased risk of default on repayment and this in turn translates into a risk that the capital value of a Sub-Fund will be affected. Investors should be aware that the yield or the capital value of a Sub-Fund (or both) can fluctuate.

## **Short positions through Financial Derivative Instruments**

The Fund may take short positions by way of Financial Derivative Instruments. Short positions through Financial Derivative Instruments involve trading on margin and accordingly can involve greater risk than investments based on a long position.

Due to regulatory or legislative action taken by regulators around the world as a result of recent volatility in the global financial markets, taking short positions on certain securities has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or

to control the risk of their open positions. Accordingly, the Investment Manager may not be in a position to fully express its negative views in relation to certain securities, companies or sectors and the ability of the Investment Manager to fulfil the investment objective of a Sub-Fund may be constrained. This position will be monitored regularly by the Investment Manager.

### **Market Crisis and Governmental Intervention**

The global financial markets are currently undergoing pervasive and fundamental disruptions which have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an “emergency” basis without much or any notice with the consequence that some market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions has been suddenly and/or substantially eliminated. Given the complexities of the global financial markets and the limited time frame within which governments have been able to take action, these interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies.

It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Investment Manager’s ability to fulfil a Sub-Fund’s investment objective.

### **Risks associated with financial derivative instruments**

While the prudent use of Financial Derivative Instruments can be beneficial, such instruments also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments including: (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the price movements of the Financial Derivative Instruments and price movements of related investments; (3) the fact that skills needed to use these instruments are different from those needed to select the Sub-Fund’s securities; (4) the possible absence of a liquid market for any particular instrument at any particular time; (5) possible impediments to effective portfolio management or the ability to meet redemptions; and (6) possible losses arising from an unexpected application of law or regulation or arising as a result of the unenforceability of a contract. The following provisions apply whenever a Sub-Fund proposes to engage in transactions in Financial Derivative Instruments where the transactions are for the purposes of the efficient portfolio management of the Sub-Fund and, where the intention is disclosed in the Sub-Fund’s investment policy, for investment purposes of the Sub-Fund. The Fund will employ a risk management process to enable it to monitor, manage and measure, on a continuous basis, the risk of all open positions of Financial Derivative Instruments and their contribution to the overall risk profile of a Sub-Fund’s portfolio.

There is a possibility that ongoing Financial Derivative Instruments transactions will be terminated unexpectedly as a result of events outside the control of the Fund, for instance, bankruptcy, supervening illegality, a substantial decline in the Net Asset Value or a change in the

tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the Fund's policy to net exposures against its counterparties.

The Sub-Funds' assets may be invested in certain Financial Derivative Instruments, which may involve the assumption of obligations as well as rights and assets.

The Sub-Funds will enter into contracts for differences or "swap" transactions with a view to effecting synthetic short positions in certain securities, sectors or indices. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. Financial Derivative Instruments do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, a Sub-Fund's use of Financial Derivative Instruments techniques may not always be an effective means of, and sometimes could be counter-productive to, the Sub-Fund's investment objective. An adverse price movement in a position of Financial Derivative Instruments may require cash payments of variation margin by the Sub-Fund that might in turn require, if there is insufficient cash available in the portfolio, the sale of the Sub-Fund's investments under disadvantageous conditions.

To the extent that the Fund invests in swaps, Financial Derivative Instruments or synthetic instruments, repurchase agreements or other over-the-counter transactions, the Fund may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily marking-to-market, settlement, segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

### **Counterparty risk**

'Over-the-counter' (OTC) Financial Derivative Instruments and other efficient portfolio management techniques may expose the Fund to risks with regard to the credit status of its counterparties and their capacity to meet their obligations under the relevant agreements. The Fund will be exposed to the risk that the counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Under applicable laws and regulations, the default risk arising from such instruments and techniques may, however, not exceed 10% of the net asset value of a Sub-Fund if the counterparty is a credit institution or 5% of the net asset value in all other cases. Consistent with best execution and at all times when it is in the best interests of the Fund and its Shareholders, the Fund may enter into OTC derivatives and/or other efficient portfolio management techniques with other companies in the same group of companies as the Investment Manager.

## **Risks associated with securities lending, repurchase or reverse repurchase transactions**

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Fund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the Fund. However, securities lending, repurchase or reverse repurchase transactions may not be fully collateralised. Fees and returns due to the Fund under securities lending, repurchase or reverse repurchase transactions may not be collateralised. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the Fund.

The Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Fund to the counterparty as required by the terms of the transaction. The Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Fund.

Securities lending, repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The Fund may enter into securities lending, repurchase or reverse repurchase transactions with other companies in the same group of companies as the Investment Manager. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with the Fund in a commercially reasonable manner. In addition, the Investment Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Fund and its investors. However, investors should be aware that the Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

## **Smaller issuers**

Subject to the investment restrictions, the Sub-Funds may invest a substantial portion of their assets in smaller and medium-sized issuers, which may be less experienced, have more limited product lines, markets, financial resources and management depth, and be more susceptible to adverse market conditions than larger issuers. As a result, the securities of such smaller issuers may be less actively traded than those of larger issuers and may also experience greater market volatility than those of larger issuers.

### **Unlisted and illiquid securities**

A Sub-Fund may invest up to 10% of its net assets in securities that are neither listed on a Regulated Market or which may be considered illiquid due to the lack of an active trading market. The Sub-Funds may encounter substantial delays and could incur losses in attempting to sell such securities. Although these securities may be resold in privately negotiated transactions, the price realised on such sales could be less than that originally paid by the Sub-Funds or less than the most recent price quote or the Investment Manager's most recent estimate of the securities' fair value. If such securities are required to be registered under the securities laws of one or more jurisdictions before being resold, a Sub-Fund may be required to bear the expenses of registration. Issuers whose securities are neither listed on an exchange nor traded in an over-the-counter market may not be subject to the same disclosure and other legal requirements that are applicable to issuers whose securities are either listed on an exchange or traded in an over-the-counter market, and, therefore, there may be less public information available with respect to such issuers.

### **Profit sharing**

In addition to receiving a management fee, the Investment Manager may also receive a performance fee based on the appreciation in the Net Asset Value per Share of the Shares and accordingly the performance fee will increase with regard to unrealised appreciation, as well as realised gains. Accordingly, a performance fee may be paid on unrealised gains which may subsequently never be realised. The performance fee may create an incentive for the Investment Manager to make investments for the Fund which are riskier than would be the case in the absence of a fee based on the performance of the Fund.

## CONFLICTS OF INTEREST

The Directors, the Investment Manager, the Custodian and the Administrator and/or their respective affiliates, members or any person connected with them may from time to time act as investment manager, manager, custodian, registrar, broker, administrator, investment advisor, distributor or dealer in relation to, or be otherwise involved in, other investment funds which have similar or different objectives to those of the Fund. It is therefore possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund, as the case may be, and will endeavour to ensure that such conflicts are resolved fairly. In addition, subject to applicable law, any of the foregoing may deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. Any of the Directors, the Investment Manager, the Custodian and the Administrator and/or their respective members, directors or employees may deal with the Fund as principal or as agent, provided that:

- (a) a certified valuation of the transaction is obtained by a person approved by the Custodian (or the Directors in the case of a transaction with the Custodian) as independent and competent; or
- (b) the transaction is executed on the best available terms on an organised investment exchange in accordance with the rules of such exchange; or
- (c) where (a) and (b) are not practical, execution is on terms which the Custodian (or the Directors in the case of a transaction with the Custodian) is satisfied conforms with the principle that the transaction is in the best interest of the Shareholders and is carried out as if effected on normal commercial terms negotiated at arm's length.

The Investment Manager or any of their affiliates or any person connected with them may invest in, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Fund. Neither the Investment Manager nor any of their affiliates nor any person connected with them is under any obligation to offer investment opportunities of which any of them becomes aware to the Fund or to account to the Fund in respect of (or share with the Fund or inform the Fund of) any such transaction or any benefit received by any of them from any such transaction, but will allocate such opportunities on an equitable basis between the Fund and other clients.

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in an investment in the Fund.

The Directors will seek to ensure that any conflict of interest of which they are aware is resolved fairly.

## USE OF DEALING COMMISSIONS

The Fund and the Investment Manager (the “Relevant Persons”) and any of their connected persons may effect transactions by or through the agency of another person with whom any Relevant Person and any of its connected persons have an arrangement under which that party will, from time to time, provide to or procure for any Relevant Person and any of its connected persons, goods, services or other benefits (such as electronic information services, research and deal execution services and performance measurement), the nature of which is such that their provision can reasonably be expected to benefit the Fund as a whole and may contribute to an improvement in the performance of the Fund, or of the Relevant Person or any of its connected persons in the provision of services to the Fund and for which no direct payment is made, but instead the Relevant Person or any of its connected persons undertakes to place business with that party.

Specifically, the Relevant Persons may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction as long as the broker agrees to provide “best execution” to the Fund and, in the good faith judgement of the Relevant Persons, the amount of the commissions is reasonable in relation to the value of the brokerage and other services provided or paid for by such broker. Such services, which may take the form of research services, quotation services, news wire services, portfolio and trade analysis software systems, special execution and clearance capabilities, may be used by the Relevant Persons in connection with transactions in which the Fund will not participate.

For the avoidance of doubt, the party providing commission sharing arrangements is required to provide best execution prices to the Fund and the goods and services that can be provided do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments. If a cash commission rebate were to be received it would be paid to the relevant Sub-Fund. None of the Relevant Persons or any of their connected persons shall retain the benefit of any cash commission rebate. Any such cash commission received by a Sub-Fund will be disclosed in the reports and accounts.

The commission sharing arrangements are subject to the following conditions: (i) the Relevant Persons will act at all times in the best interest of the Fund when entering into commission sharing arrangements ; (ii) the services provided will be in direct relationship to the activities of the Relevant Persons; (iii) brokerage commissions on portfolio transactions for the Fund will be directed by the Relevant Persons to brokers that are entities and not to individuals; and (iv) the Relevant Persons will provide reports to the Board of Directors with respect to commission sharing arrangements including the nature of the services it receives.



## **BOARD OF DIRECTORS**

The Board of Directors is responsible for the overall management and control of the Fund. The Directors will receive periodic reports from the Investment Manager and/or the Administrator detailing the performance and analysing the investment portfolio of each Sub-Fund.

The Board of Directors of the Fund shall have the broadest powers to act in any circumstances on behalf of the Fund, subject to the powers expressly conferred by law on the Shareholders at general meetings.

The Board of Directors is responsible for the investment objectives and policies of each Sub-Fund and for oversight of the investment management and administration of the Fund.

The Board of Directors as at the date of the present Prospectus is composed by three (3) members:

### **Mr. Justin Egan, Chairman**

Mr. Egan is a Principal with Carne Global Financial Services. From 2010 to 2014, he was Managing Director of Carne Global Financial Services Luxembourg, and acts as an Independent Director for a number of Luxembourg and Irish UCITS. His areas of specialisation include fund operations, regulation and compliance. Prior to joining the Carne Group in 2005, Mr. Egan was Head of Trustee Services and a Director of State Street Custodial Services (Ireland) Limited from 2003. From 2000 to 2003, he was a Director of State Street Fund Services (Ireland) Limited (formerly Deutsche International Fund Services (Ireland) Limited). He held several positions with State Street Fund Services (Ireland) Limited including Head of Market Data Services, Joint Head of Valuations and Fund Accounting and Financial Controller. He qualified as a Chartered Accountant with KPMG and holds a Bachelor of Commerce Degree from University College, Dublin.

### **Mrs. Tracey McDermott**

Tracey McDermott is a Director and Principal Consultant within Carne Global Financial Services Luxembourg. She is a member of the ALFI (Luxembourg's fund industry association) Dirigeant forum, and acts as Dirigeant (Conducting Officer) and Independent Director for a number of Luxembourg UCITS. Prior to joining Carne, she was General Manager of PFPC Luxembourg, where she was responsible for day-day operational management of fund accounting and transfer agency activities, relationship management, business development, procedures, new system implementation, and budgetary and financial matters. She also spent five years at BNP Paribas Securities Services, Luxembourg, where her roles included Relationship Manager, Project Manager and finally Head of Client Services. Before this, she worked as Global Custody Department Manager at Deutsche International Ireland. Prior to this she was Custody and Trustee Officer with RBS Trust Bank. She holds a Bachelor of Financial Services Degree from University College Dublin.

**Mr. André Haubensack**

André Haubensack is Regional Director within Ignis Asset Management, Zurich. Prior to joining Ignis, he worked for 14 years within Credit Suisse, Zurich, where his roles included Product Manager, Head of Fund Lab Investment Funds, Head of e-Tools / e-Channels and Head Provider Relations & Product Management. He holds a Diploma in Business studies, from the University of Hertfordshire, England, a Diploma in Marketing from the Chartered Institute of Marketing, Maidenhead, England and a Master in Business Administration from the Open University of Milton Keynes in England.

## **INVESTMENT MANAGER**

The Fund has appointed Ignis Investment Services Limited as the Investment Manager for each Sub-Fund to manage and invest the assets of the Sub-Funds in pursuit of their investment objectives and strategy. The Investment Manager is authorised and regulated by the Financial Conduct Authority in the United Kingdom and has its registered office at 50, Bothwell Street, Glasgow G2 6HR, Great Britain. The Investment Manager is permitted (amongst other regulated activities) to advise, arrange, deal (as agent) and manage investments and arrange the safeguard and administration of assets.

Pursuant to the Investment Management Agreement, the Investment Manager has discretion, on a day-to-day basis and subject to the overall control and ultimate responsibility of the Board of Directors, to purchase and sell securities and otherwise to manage the relevant Sub-Fund's portfolios.

The Investment Manager, in the execution of its duties and the exercise of its powers, shall be responsible for the compliance of the Fund's Sub-Funds with their investment policy and restrictions.

The Fund may terminate the Investment Management Agreement notably upon the expiration of ninety (90) days' notice in writing to the Investment Manager and the Investment Manager may terminate by giving the Fund not less than ninety (90) days' notice in writing to the Fund or further to any other termination cause provided for in the Investment Management Agreement.

## CUSTODIAN

The Fund has appointed The Bank of New York Mellon (Luxembourg) S.A., as the Custodian of all of the Fund's assets, including its cash and securities, which will be held either directly or through other financial institutions such as correspondent banks, subsidiaries or affiliates of the Custodian.

The Bank of New York Mellon (Luxembourg) S.A. was incorporated in Luxembourg as a *société anonyme* on 15 December 1998 and has its registered office located at the Vertigo-Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg. It is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation and has engaged in banking activities since its incorporation.

The Custodian will further, in accordance with the Law of 2010:

- (a) ensure that the sale, issue, repurchase and cancellation of Shares effected on behalf of the Fund are carried out in accordance with the Law of 2010 and the Articles;
- (b) ensure that in transactions involving the assets of the Fund, the consideration is remitted to it within the usual time limits;
- (c) ensure that the income of the Fund is applied in accordance with the Articles.

The Custodian may entrust all or part of the assets of the Fund, in particular securities traded abroad or listed on a foreign stock exchange or admitted to a clearing system, to such clearing system or to such correspondent banks as may be determined by the Custodian from time to time. The Custodian's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

The rights and duties of the Custodian are governed by the Custodian Agreement entered into on 29 October, 2010 for an unlimited period of time from the date of its signature. The Fund may terminate this agreement on ninety (90) calendar days' prior written notice after the expiration of an initial term of twelve (12) months from the date of the Custodian Agreement and the Custodian may terminate on ninety (90) calendar days' prior written notice and it may otherwise be terminated further to any other termination cause provided for in the Custodian Agreement; however, the Custodian shall continue to act as Custodian for up to two months pending a replacement custodian being appointed and until such replacement is appointed, the Custodian shall take all necessary steps to ensure the good preservation of the interests of the shareholders of the Fund.

## ADMINISTRATOR

The Bank of New York Mellon (Luxembourg) S.A., has been appointed as the Administrator. The Administrator will carry out all administrative duties related to the administration of the Fund, including the calculation of the Net Asset Value of the Shares and the provision of accounting services to the Fund.

The Bank of New York Mellon (Luxembourg) S.A., is a public limited company (*société anonyme*) created under Luxembourg law to carry out banking activities. The Bank of New York Mellon (Luxembourg) S.A. was incorporated in Luxembourg as a *société anonyme* on 15 December 1998 and has its registered office located at the Vertigo-Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg. It is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation and has engaged in banking activities since its incorporation.

In connection with the calculation of the Net Asset Value, the Administrator may rely on information supplied by third parties (such as the administrative or valuation agents or managers of underlying funds) or by the Board of Directors. In the absence of manifest error, the Administrator shall not be liable for the accuracy of the relevant information received or for any errors in the Net Asset Value calculation resulting from the inaccuracy of the relevant information received by the Administrator. In relation to assets which are not listed, the Administrator may completely rely on the valuations provided by the Board of Directors or by any third party authorised to that effect by the Board of Directors.

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

The Administrator has also been appointed as the registrar and transfer agent of the Fund. In this function the Administrator will process all subscriptions, redemptions and transfers of Shares and will register these transactions in the share register of the Fund.

The Administrator has also been appointed as paying agent of the Fund. In this function the Administrator will assist in the processing of payments for subscriptions to the Custodian, processing of redemptions upon receipt of instructions from the Transfer Agent, payment of dividends declared by each Sub-Fund to the Shareholders of the Fund.

The relationship between the Fund and the Administrator is subject to the terms of the Administration Agreement. The Fund and the Administrator may terminate this agreement upon ninety (90) days' prior written notice or further to any other termination cause provided for in the Administration Agreement.

## **DOMICILIARY AGENT**

The Bank of New York Mellon (Luxembourg) S.A. has been appointed as domiciliation agent of the Fund pursuant to the domiciliary services agreement dated 29 October 2010.

The Bank of New York Mellon (Luxembourg) S.A. was incorporated in Luxembourg as a *société anonyme* on 15 December 1998 and has its registered office located at the Vertigo-Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg. It is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation and has engaged in banking activities since its incorporation.

## **PRINCIPAL DISTRIBUTOR**

The Fund has appointed Ignis Investment Services Limited and having its registered office at 50, Bothwell Street, Glasgow G2 6HR, Great Britain as the Principal Distributor to promote the Shares in all jurisdictions where the Fund or a Sub-Fund is registered for sale to the general public. In relation to other jurisdictions the promotion shall be conducted on a private placement basis.

The Principal Distributor may conclude contractual arrangements with sales agents as its sub-distributors.

The appointment of the Principal Distributor was made pursuant to the Principal Distribution Agreement dated as of 29 October 2010 concluded for an unlimited period of time from the date of its signature. It may be terminated by either party thereto giving not less than ninety (90) days' prior notice or further to any other termination cause provided for in the Principal Distribution Agreement.

The Principal Distributor is not entitled to receive any subscription monies.

However, the Fund has entered into an agreement with the Principal Distributor to effect several functions of assistance. The Principal Distributor may enter in agreements with distributors pursuant to which the distributors agree to act as or appoint nominees for investors subscribing for Shares through their facilities (distribution and nominee agreements). In such capacity the distributor may effect subscriptions, conversions and redemptions of Shares in the nominee name on behalf of individual investors and request the registration of such operations on the register of shareholders of the Fund in such nominee name. In such circumstances, the nominee/distributor maintains its own records and provides the investor with individualised information as to its holdings of Shares.

## UK FACILITIES AGENT

Ignis Investment Services Limited acts as the UK Facilities Agent of the Fund. Ignis Investment Services Limited was incorporated as a limited liability company on 12 November 1986 and is authorised and regulated by the FCA. Ignis Investment Services Limited is a wholly owned subsidiary of Ignis Asset Management Limited.

Ignis Investment Services Limited provides general facilities to UK investors as required by Rule 9.4.1R of the FCA's Collective Investment Schemes Sourcebook (COLL). These include facilities for inspecting and obtaining (during normal business hours), free of charge, the following documents:

- The Prospectus
- The Key Investor Information Document
- Deed of incorporation of the Fund and any amending instrument
- The most recently published annual or interim report(s)

UK investors can obtain details on the process, as well as arrange for the redemption and payment of shares at the UK Facilities Agent. In addition, UK investors may also lodge any complaint relating to the operation of the Fund with the UK Facilities Agent, for onward transmission to the Fund.

UK investors can find information on the daily published prices of the Sub-Fund(s) on the website of Ignis Asset Management at [www.ignisasset.com](http://www.ignisasset.com). Prices (and information relating to prices) are also available from the UK Facilities Agent's Investor Support on 0800 317 749 and from abroad on +44 141 222 80 79.

The address of the UK Facilities Agent is:

Ignis Investment Services Limited  
50, Bothwell Street  
Glasgow G2 6HR  
Great Britain



## **PREVENTION OF LATE TRADING AND MARKET TIMING**

Late trading is to be understood as the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (“cut-off time”) on the relevant day and the execution of such order at the price based on the Net Asset Value applicable to such same day.

The Fund considers that the practice of late trading is not acceptable as it violates the provisions of this Prospectus which provide that an order received after the cut-off time is dealt with at a price based on the next applicable Net Asset Value. As a result, subscriptions, conversions and redemptions of Shares shall be dealt with at an unknown Net Asset Value. The cut-off time for subscriptions, conversions and redemptions is set out in Appendix 1 of this Prospectus.

Market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the undertaking for collective investment.

The Fund considers that the practice of market timing is not acceptable as it may affect the Fund's performance through an increase of the costs and/or entail a dilution of the profit. As a result, the Fund reserves the right to refuse any application for subscription or conversion of Shares which might or appears to be related to market timing practices and to take any appropriate measures in order to protect investors against such practice.

## **PREVENTION OF MONEY LAUNDERING**

The Fund, the Administrator and any dealers or distributors, as appropriate, will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to money laundering and, in particular, with the Luxembourg law dated 12 November 2004 on the combat against money laundering and terrorist financing, as amended, as well as with the Regulatory Authority's regulations and circulars in such connection and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking.

As part of the Fund's responsibility for the prevention of money laundering, the Fund, the Investment Manager or the Administrator may require a detailed verification of an investor's identity, including, without limitation, any beneficial owner underlying the account, and the source of the investor's subscription payment.

The Fund, the Investment Manager and the Administrator reserve the right to request such information as they deem necessary to verify such information. In the event of delay or failure by the subscriber or shareholder to produce any information required for verification purposes, the Board of Directors or the Administrator may refuse to accept a subscription or may compulsorily redeem such shareholder's Shares. The Board of Directors, by written notice to any shareholder, may suspend the payment of redemption proceeds payable to such shareholder if it reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Fund, the Investment Manager or any of the Fund's service providers.

Each subscriber and shareholder shall be required to make such representations to the Fund as the Fund, the Investment Manager or the Administrator shall require in connection with applicable anti-money laundering programs, including, without limitation, representations to the Fund that such subscriber or shareholder is not a prohibited country, territory, individual or entity listed on the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website, and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programs. Such subscriber or shareholder shall also represent to the Fund that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene U.S. Federal, state or international laws and regulations, including, without limitation, any applicable anti-money laundering laws and regulations.

The Administrator may disclose information regarding investors to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) as it deems necessary or advisable in connection with the operation of the Fund to facilitate the transfer of the Shares, including, but not limited to, in connection with anti-money laundering and similar laws. The Administrator or other service providers may also release information if directed to do so by the investors in the Shares, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation related to anti-money laundering or any other laws or regulations. In connection with the establishment of anti-money laundering procedures, the Fund may implement additional restrictions on the transfer of Shares.

The Fund may impose additional requirements from time to time to comply with all applicable anti-money laundering laws and regulations, including the USA Patriot Act.

## **DATA PROTECTION**

Certain personal data of Shareholders (including, but not limited to, the name, address and invested amount of each Shareholder) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Fund, the Custodian and the Administrator and the financial intermediaries of such Shareholders. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering and terrorism financing identification, maintaining the register of Shareholders, processing subscription, redemption and conversion orders (if any) and payments of dividends to Shareholders and to provide client-related services. Such information shall not be passed on any unauthorised third persons.

The Fund may sub-contract to another entity (such as the Administrator) the processing of personal data. The Fund undertakes not to transfer personal data to any third parties except if required by law or on the basis of a prior consent of the Shareholders.

Each Shareholder has a right of access to his/her/its personal data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

By subscribing to the Shares, each Shareholder consents to such processing of its personal data. This consent is formalised in writing in the application form used by the relevant intermediary.

## THE SHARES

### General

The Fund issues Shares in separate Classes for each of the separate Sub-Funds. Shares may be issued in one or more Classes in each Sub-Fund by the Board of Directors; each Class having features or being offered to different types of investors, as more fully disclosed in the section “*Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts*” and Appendix 3 of this Prospectus for each individual Sub-Fund.

The Board of Directors may however decide that no such Classes will be available in any of the Sub-Funds or alternatively that such Class may only be purchased upon prior approval of the Board of Directors as more fully disclosed in the section “*Eligibility Requirements*”.

The net proceeds from the subscriptions received in respect of each Class of Shares of a Sub-Fund are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

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

The Fund shall be considered as one single legal entity. With regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

Shares of any Class in any Sub-Fund will be issued in registered form only. The entering of the Shareholder's name in the register of Shares evidences his or her right of ownership of such registered Shares. A holder of registered Shares shall receive written confirmation of his or her shareholding.

Forms for the transfer of Shares are available at the registered office of the Fund. Shares are freely transferable except to prohibited persons as set out below in this Prospectus under the heading “*Restrictions on the issue and the transfer of Shares*” or as specified in Appendix 1 of this Prospectus.

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

Fractional Shares will be issued to the nearest 100<sup>th</sup> of a Share, and such fractional Shares shall not be entitled to vote but shall be entitled to a participation in the net profits and in the proceeds of liquidation attributable to the relevant Class in the relevant Sub-Fund on a pro rata basis.

## **Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts**

### *Classes of Shares*

The Board of Directors may from time to time decide to create within each Sub-Fund different Classes which may have any combination of the following features:

- Each Sub-Fund may contain one or more of the following Classes: A, C, I, I2, IS, J, SI, R, and Z. These Classes may differ in their minimum initial subscription amounts, minimum holding amount, eligibility requirements, and applicable fees and expenses.
- Each Class, where available, may be offered in the Reference Currency of the relevant Sub-Fund, or may be denominated in any other currency as determined from time to time by the Board of Directors. The currency denomination of each Class will be represented in the name of the Class by a short form reference to such currency. Classes not denominated in the Reference Currency of the relevant Sub-Fund might be hedged on a periodic basis against the Reference Currency of such Sub-Fund.
- Classes may be accumulation Classes of Shares or Classes which are intended to distribute dividends as set out in the Distribution Policy section of this Prospectus.

The availability of any Class detailed above may differ from Sub-Fund to Sub-Fund. A complete list of Classes offered within each Sub-Fund may be obtained online at [www.ignisasset.com](http://www.ignisasset.com), or at the registered office of the Fund or from the Administrator upon request.

### *Eligibility Requirements*

**Class A** Shares are open to all investors.

**Class C** Shares are open to all investors.

**Class I, Class IS and Class SI** Shares are not intended to be placed with the public and may only be acquired by qualified Institutional Investors.

**Class I2** Shares are open to existing qualified Institutional Investors and will not be open to any new investors.

**Class J** Shares are open to entities with which Ignis Investment Services Limited has entered into a global distribution agreement.

**Class R** Shares are open to entities to which Ignis Investment Services Limited provides investment management or investment advisory services.

**Class Z** Shares are open to qualified Institutional Investors who have a fee agreement in place with Ignis Investment Services Limited.

### Minimum Subscription Amount and Minimum Holding Amount

The minimum subscription amount and minimum holding amount requirements set out below in relation to the relevant Class type apply to all variations of such Class type, unless specifically stated otherwise below.

For Classes available in any currency not listed below, the minimum subscription amount and the minimum holding amount can be obtained online at [www.ignisasset.com](http://www.ignisasset.com), or from the registered office of the Fund or from the Administrator upon request (and will be approximately equivalent to the respective amounts listed below).

Where no minimum amount is specified for a particular Class, no minimum amount is applicable. The availability of any Class described below may differ from Sub-Fund to Sub-Fund.

A complete list of Classes offered by each Sub-Fund, together with the current minima in all available currencies, may be obtained online at [www.ignisasset.com](http://www.ignisasset.com), from the registered office of the Fund or from the Administrator upon request.

<b>Class<sup>1</sup></b>	<b>Currencies Offered</b>	<b>Minimum Subscription Amount and Minimum Holding Amount</b>
<b>A</b>	GBP	GBP 1,000.-
	EUR	EUR 1,000.-
	USD	USD 1,000.-
	CHF	CHF 1,000.-
	SEK	SEK 10,000.-
	JPY	JPY 155,000.-
	AUD	AUD 1,000.-
<b>C</b>	GBP	GBP 1,000.-

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<sup>1</sup> Where hedging is undertaken, in respect of any such Share Class, the latter will be designated as such by a reference to “**hedged**” (or “**h**”).

	EUR	EUR 1,000.-
	JPY	JPY 155,000.-
	AUD	AUD 1,000.-
<b>I</b>	GBP	GBP 1,000,000.-
	EUR	EUR 1,000,000.-
	CHF	CHF 1,000,000.-
	USD	USD 1,000,000.-
	SEK	SEK 10,000,000.-
	JPY	JPY 155,000,000.-
	AUD	AUD 1,000,000.-
<b>SI</b>	GBP	GBP 50,000,000.-
	EUR	EUR 50,000,000.-
	CHF	CHF 50,000,000.-
	USD	USD 50,000,000.-
	SEK	SEK 500,000,000.-
	JPY	JPY 8,000,000,000.-
	AUD	AUD 50,000,000.-
<b>IS</b>	GBP	GBP 1,000,000.-
	EUR	EUR 1,000,000.-
	CHF	CHF 1,000,000.-
	USD	USD 1,000,000.-
	SEK	SEK 10,000,000.-
<b>J</b>	GBP	GBP 100,000,000.-



<b>R</b>	USD	USD 10,000,000.-
<b>Z</b>	GBP	GBP 50,000,000.-
	USD	USD 50,000,000.-
	JPY	JPY 8,000,000,000.-
	EUR	EUR 50,000,000.-
	CHF	CHF 50,000,000.-
	SEK	SEK 500,000,000.-

The Board of Directors has delegated to Ignis Investment Services Limited the discretion to waive any such minimum investment and holding for any Shareholder. Ignis Investment Services Limited will update the Board of Directors quarterly regarding any such waiver.

The Board of Directors may, at any time, decide to compulsorily redeem all Shares from Shareholders whose holdings would, as a result of application for partial redemption of its Shares, be less than the minimum holding amount or who consequently fail to satisfy any other applicable eligibility requirements set out above. In such case, the Shareholder concerned will receive one month's prior notice so as to be able to increase its holding above such amount or otherwise satisfy the eligibility requirements.

### **Reference Currency / Currency Hedging**

Classes **A, C, I, I2, IS, SI, J, R,** and **Z** may be available in various currencies other than the Reference Currency of the relevant Sub-Funds determined from time to time by the Board of Directors. The currency denomination of each Class will be represented in the name of the Class by a short form reference to such currency.

Classes not denominated in the Reference Currency of the relevant Sub-Fund might be hedged on a periodic basis against the Reference Currency of such Sub-Fund.

### *Hedged Shares Classes*

In relation to Classes **A, C, I, I2, SI, J, R,** and **Z**, the Investment Manager has the ability to hedge the Shares of such Classes in relation to the Reference Currency of the relevant Sub-Fund or in relation to the currencies in which the investments of the relevant Sub-Fund are denominated.

Where hedging of this kind is undertaken, in respect of any such Share Class, the latter will be designated as such by a reference to "**hedged**" (or "**h**").

Currency hedging will be made through the use of various techniques including the entering into forward currency contracts, currency options and futures.

The relevant currency hedging is intended to reduce a Shareholder's exposure to the respective currencies in which the relevant Sub-Fund's investments are denominated. In this regard, it is anticipated that currency risks will be hedged to a large extent although there is no guarantee that such hedging will be effective. From time to time the Investment Manager may not fully hedge the currency exposure, if this can be expected to be in the interest of the Shareholders.

For each hedged Class additional hedging will be applied at the Share Class level, replacing the Reference Currency exposure with the respective currency exposure of each Class.

Any costs incurred relating to the above mentioned hedging will be borne by the Sub-Fund. However, all fees and costs (as well as any gains or losses) associated with the currency hedging carried out for the specific purpose of the relevant hedged Class shall be borne by such Class in question.

### **Initial Subscription Price**

The Initial Subscription Price for the respective currency denominations of each Class of each Sub-Fund can be obtained online at [www.ignisasset.com](http://www.ignisasset.com), or upon request at the registered office of the Fund or from the Administrator.

### **Fees**

#### Management Fee

The relevant Sub-Fund pays to the Investment Manager a Management Fee calculated as a percentage of the net assets of each Class under its management. Management Fees are accrued daily and payable to the Investment Manager monthly in arrears at a rate specified in Appendix 3 to this Prospectus.

No Management Fees are payable in respect of Class Z Shares denominated in any currency.

#### Performance fee

The Investment Manager shall be entitled to receive a performance fee for the performance of each Class of Shares, should a Share Class outperform its hurdle rate.

The outperformance by a Share Class of its hurdle rate is determined by a comparison between the Net Asset Value of each Class and the hurdle rate of each Class.

However, in the case of unhedged Share Classes, the performance fee is based on a comparison between the Reference Currency value of the Net Asset Value and the hurdle rate of the Share

Class.

The specific hurdle rate for each Class and the applicable Performance Fee Rate for each Class are set out in Appendix 3.

As each available Share Class may have a different Net Asset Value, performance fee calculations will be carried out at a Share Class level within each Sub-Fund, which may therefore result in different amounts of performance fee accrued per Share Class.

The performance fee for each Share Class to which it applies is accrued on the basis of the difference between the Net Asset Value per Share on the preceding Business Day (before deduction of any provision for the performance fee), and the performance of the Share Class above the relevant hurdle rate, multiplied by the average number of shares in issue over the Performance Period. Should there be a material change in the number of shares in issue from one business day to the next, defined as a movement of more than 5% of the total number of shares, the average shares calculation will be reset to begin from that date. This shall ensure that any performance fee accrued is not skewed by significant investor flow. In order to accrue a performance fee, a Share Class must always have outperformed its hurdle rate, which includes recovering any underperformance from a previous Performance Period.

The performance fee shall accrue daily, be payable annually in arrears on 31 December of each year, and if such day is not a Business Day on the Business Day before.

The performance fee shall be calculated by the Administrator in respect of each period of twelve (12) months starting on 1 January of each year and ending on 31 December of each year (the “**Performance Period**”). The first Performance Period shall however start on the launch date of the relevant Class of Shares and end on 31 December of the same year. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

In the event that a Share Class over a Performance Period does not outperform its hurdle rate, no performance fee shall be payable to the Investment Manager in respect of that Share Class until such underperformance of its hurdle rate has been recovered.

## SUBSCRIPTION OF SHARES

At the launch date of the relevant Share Class, Shares of such Class will be available for subscription by Investors at the Initial Subscription Price as specified online at [www.ignisasset.com](http://www.ignisasset.com).

At the launch date of the relevant Share Class, the total subscription amount to be paid by the relevant Investor subscribing for Shares in the Fund in relation to a Sub-Fund, will be the Initial Subscription Price plus any applicable Sales Charge.

After the launch date of the relevant Share Class, Shares of such Class will be available for subscription at the Subscription Price on each Valuation Day on a forward pricing basis. The Subscription Price per Share of each Class in each Sub-Fund is the total of the Net Asset Value per Share of such Class plus any applicable dilution levy. The Subscription Price for each Class in each Sub-Fund is available from the Administrator.

A dilution levy, as specified in section “*Dilution Levy*” of this Prospectus and in Appendix 1 in relation to the relevant Sub-Fund and in Appendix 3 to this Prospectus, may be applied.

After the launch date of the relevant Share Class, the total subscription amount to be paid by each Investor subscribing for Shares in the Fund in relation to a Sub-Fund, will be the Subscription Price plus any applicable Sales Charge.

A Sales Charge, as specified in Appendix 1 in relation to the relevant Sub-Fund and in Appendix 3 to this Prospectus, may be applied.

Investors whose applications are accepted will be allotted Shares issued on the basis of the Net Asset Value per Share determined as of the Valuation Day (as defined in Appendix 1 of this Prospectus for each individual Sub-Fund) following receipt of the application order provided that such application is received by the Administrator (from the Principal Distributor or an agent thereof or direct from the subscriber) by the time specified in Appendix 1 of this Prospectus for each Class within each individual Sub-Fund.

Payments for Shares will be required to be made in the currency of the relevant Class, within a period as defined in Appendix 1 of this Prospectus.

Subscription monies have to be paid from a bank account in the Investor’s own name to the account of the Fund.

Written confirmation of shareholdings will be sent to Shareholders within three (3) Business Days after the relevant Valuation Day.

The Fund reserves the right to: (i) reject any application in whole or in part, in which case subscription monies paid, or the balance thereof, as appropriate, will be returned to the applicant within seven (7) Business Days thereafter; or (ii) suspend at any time and without prior notice the issue of Shares in one, several or all of the Sub-Funds.

The Fund may agree to issue Shares as consideration for a contribution in kind of securities, provided that such securities comply with the investment objectives, policies and restrictions of the relevant Sub-Fund and are in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Fund (*“réviseur d’entreprises agréé”*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant Shareholders.

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

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

## **RESTRICTION ON THE ISSUE AND THE TRANSFER OF SHARES**

Shares may not be issued, or transferred, to or for the benefit of any person other than a person whose acquisition or holding of Shares would not cause the Fund, or the Shareholders as a whole, to suffer any tax, fiscal, legal, regulatory, pecuniary or material administrative disadvantage which it or they would not otherwise have suffered.

Shares may not be held by U.S. Persons.

Without limiting the generality of the foregoing, unless the Board of Directors otherwise determines either generally or in any particular case (including with regard to a Sub-Fund) the Fund will not accept any subscriptions from, and Shares may not be transferred to, any investor, whether or not a U.S. Person, including in particular U.S. Person under FATCA, who is subject to Title I of ERISA or the prohibited transactions provisions of Section 4975 of the Code or who qualifies as a Benefit Plan Investor.

For the above purposes, a Benefit Plan Investor is a benefit plan investor as defined in regulations issued by the U.S. Department of Labor, being employee benefit plans as defined in Section 3(3) of ERISA (whether or not subject to Title I of ERISA), plans described in Section 4975(e)(i) of the Code, government plans, Church plans, foreign pension plans, insurance company general and separate accounts and entities the underlying assets of which include plan assets.

Shares of prohibited persons, *i.e.* U.S. persons under FATCA, persons that do not provide necessary information requested by the Fund in order to comply with legal and regulatory rules as but not limited to the FATCA provisions, as well as persons that are deemed to cause potential financial risk for the Fund, will be compulsorily redeemed in accordance with the relevant provisions of the Articles enabling the Fund to compulsorily redeem Shares held by U.S. Persons or Designated Persons.

## REDEMPTION OF SHARES

Each Shareholder of the Fund may at any time request the Fund to redeem on the specific Valuation Day specified for each Sub-Fund (as set out in Appendix 1 of this Prospectus) all or any of the Shares held by such Shareholder in any Class within each of the Sub-Funds.

Shareholders wishing to have all or any of their Shares redeemed should apply in writing to the Administrator. The Distributors or any agent thereof are also authorised to transmit redemption requests on behalf of Shareholders to the Administrator.

Redemption requests should contain the following information (if applicable): the identity and address of the Shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Class and the relevant Sub-Fund. All necessary documents to complete the redemption should be enclosed with such application.

Shareholders whose applications for redemption are accepted will have their Shares redeemed on the relevant Valuation Day provided that such applications have been received by the Administrator by the relevant time preceding such Valuation Day as specified in Appendix 1 of this Prospectus for each Class within each individual Sub-Fund.

Shares will be redeemed at the Redemption Price which is equal to the Net Asset Value per Share of the relevant Class within the relevant Sub-Fund less any applicable dilution levy, the rate of which (if any) is indicated in Appendix 1 of this Prospectus.

The payment of the Redemption Price shall be made within a period specified in Appendix 1 of this Prospectus for each individual Sub-Fund. Payment will be made by wire transfer or by bank order to an account indicated by the Shareholder, at such Shareholder's expense and risk.

The Redemption Price will be paid in the currency of the relevant Class, if any, or in the Reference Currency of the relevant Sub-Fund. The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

Shares in a Sub-Fund will not be redeemed if the calculation of the Net Asset Value per Share in such Sub-Fund has been suspended by the Fund in accordance with the Articles.

If, as a result of any request for redemption, the aggregate Net Asset Value of the Shares held by any Shareholder in a Sub-Fund or Class would fall below the minimum holding requirement specified in Appendix 1 of this Prospectus for that Sub-Fund or Class, the Fund may treat such request as a request to redeem the entire shareholding of such Shareholder in such Sub-Fund or Class, as the case may be or, with the prior approval of such Shareholder, the Fund reserves the right to transfer such Shareholder into another appropriate Class of Shares without charge.

The Articles contain provisions enabling the Fund to compulsorily redeem Shares held by U.S. Persons or Designated Persons.

The Fund shall have the right, if the Board of Directors so determines, to satisfy payment of the Redemption Price, to any Shareholder who agrees, in specie by allocating to such Shareholder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in the Articles) as of the Valuation Day, on which the Redemption Price is calculated, to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Shares and the valuation used shall be confirmed by a special report of the auditor of the Fund. The costs of any such transfers shall be borne by the transferee.



## CONVERSION OF SHARES

Shareholders may, subject to the provisions hereinafter specified and subject to any limitations set out in relation to one or more Sub-Funds in Appendix 1 of this Prospectus, request a conversion of Shares from one Class within one Sub-Fund for Shares of another Class of the same Sub-Fund or into Shares of the same or another Class of another Sub-Fund on the Valuation Day specified for each Sub-Fund in Appendix 1 of this Prospectus.

The rate at which Shares of any Class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Shares calculated as of the same specific Valuation Day following receipt of the documents referred to below by a time defined in Appendix 1 of this Prospectus for each Class in each Sub-Fund.

A conversion fee may be charged by the Principal Distributor if a higher Sales Charge is applicable to the Shares of the Sub-Fund or the Class being acquired. In such case the conversion fee shall not exceed the difference between the Sales Charges applicable to the relevant Sub-Funds or Classes.

A conversion of Shares of any Class in any one Sub-Fund into Shares of another Class of the same Sub-Fund or into Shares of the same or another Class of another Sub-Fund will be treated as a redemption of Shares and a simultaneous purchase of Shares. A converting Shareholder may, therefore, realise a taxable gain or loss in connection with the conversion under the laws of the country of the shareholder's citizenship, residence or domicile.

All terms and notices regarding the redemption of Shares shall equally apply to the conversion of Shares. No conversion of Shares will be effected until a duly completed conversion request form or other written notification acceptable to the Administrator has been received at the registered office of the Administrator. Upon conversion, Shares will be issued to two (2) decimal places. Written confirmation of shareholdings will be sent to Shareholders within three (3) Business Days after the relevant Valuation Day.

In converting Shares of a Sub-Fund into Shares of another Class of the same Sub-Fund or into Shares of the same or another Class of another Sub-Fund, a Shareholder must meet applicable minimum investment requirements, if any, in respect of the Sub-Fund or Class into which such Shareholder is converting.

If, as a result of any request for conversion, the aggregate Net Asset Value of the Shares held by the converting Shareholder in a Class of Shares or Sub-Fund falls below the minimum holding requirement indicated in Appendix 1 of this Prospectus, the Fund may treat such request as a request to convert the entire shareholding of such Shareholder in such Class or Sub-Fund or, with the prior approval of such Shareholder, the Fund reserves the right to transfer such Shareholder into another appropriate Class of Shares without charge.

Shares of any Class in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share of such Sub-Fund has been suspended by the Fund pursuant to the Articles.

## **DILUTION LEVY**

To the extent that the Directors consider that it is in the best interests of the Fund, given the prevailing market conditions and the level of certain subscriptions or redemptions requested by Shareholders in relation to the size of any Sub-Fund on any Business Day, a levy may be applied to the value at which subscriptions or redemptions shall be settled in order to cover the percentage estimate of costs and expenses to be incurred by the relevant Sub-Fund in relation to such subscriptions or redemptions respectively.

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

### **Calculation and Publication**

The calculation of the Net Asset Value per Share of each Class within each Sub-Fund will be carried out by the Administrator of the Fund, subject to the supervision of the Board of Directors, in accordance with the requirements of the Articles. The NAV per Share of each Class within each Sub-Fund shall be expressed in the Reference Currency of each Class within each Sub-Fund, to the nearest four (4) decimal places, and shall be determined for each Sub-Fund on the relevant Valuation Day, by dividing the net assets of the Sub-Fund attributable to Shares in such Class within such Sub-Fund (being the value of the portion of assets less the portion of liabilities attributable to such Class within such Sub-Fund, on any such Valuation Day) by the number of Shares of the relevant Class within the relevant Sub-Fund then outstanding, in accordance with the valuation rules set forth below. If, since the time of determination of the NAV, there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Class within the relevant Sub-Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the Shareholders and the Fund, cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.

The value of such assets is determined by the Administrator as follows:

- (a) the value of any cash on hand or in deposits, bills, demand notes and accounts receivables, prepaid expenses, dividends and interests matured but not yet received shall be valued at the par-value of the assets except however if it appears that such value is unlikely to be received. In such a case, subject to the approval of the Board of Directors, the value shall be determined by deducting a certain amount to reflect the true value of these assets;
- (b) the value of assets which are listed or dealt on any stock exchange is based on the last available price on the stock exchange which is normally the principal market for such assets;
- (c) the value of assets dealt on any other Regulated Market is based on the last available price;
- (d) in the event that any assets are not listed or dealt on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors;
- (e) the market value of forward or options contracts not traded on exchanges or on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The market value of futures or options contracts traded on

exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these contracts on exchanges and Regulated Markets on which the particular futures or options contracts are traded by the Fund. Provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable. Interest rate swaps will be valued at their market value established by reference to the applicable interest rate curve;

- (f) the value of Money Market Instruments not listed or dealt on any stock exchange or any other Regulated Market and with remaining maturity of less than twelve (12) months and of more than 90 days is deemed to be the market value thereof, increased by any interest accrued thereon. Money Market Instruments with a remaining maturity of ninety (90) days or less will be valued by the amortized cost method, which approximates market value;
- (g) units or shares of open-ended UCI will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis. Units or shares of a closed-ended UCI will be valued at their last available stock market value;
- (h) all other securities and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors.

The value of all assets and liabilities not expressed in the Reference Currency of a Class or Sub-Fund will be converted into the Reference Currency of such Class or Sub-Fund at the rate of exchange determined at the relevant Valuation Day in good faith by or under procedures established by the Board of Directors.

To the extent that the Board of Directors considers that it is in the best interests of the Fund, given the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders in relation to the size of any Sub-Fund, an adjustment, as determined by the Board of Directors at its discretion, may be reflected in the Net Asset Value of the Sub-Fund for such sum as may represent the percentage estimate of costs and expenses which may be incurred by the relevant Sub-Fund under such conditions.

The NAV per Share and the issue, redemption and conversion prices per Share of each Class within each Sub-Fund may be obtained during business hours at the registered office of the Administrator.

The Board of Directors may at its discretion permit any other method of valuation to be used if it considers that such method of valuation better reflects value generally or in particular markets or market conditions and is in accordance with good practice.

The Board of Directors has delegated to the Administrator, and has authorised the Administrator to consult with the Investment Manager in connection with, the determination of Net Asset Value and the Net Asset Value per Share of each Class of each Sub-Fund.

### **Temporary Suspension of the Calculation**

The Fund may temporarily suspend the determination of the NAV per Share of any Class or Sub-Fund and the issue and redemption of its Shares from its Shareholders as well as the conversion from and to Shares of each Class or Sub-Fund during:

- (a) any period when the principal stock exchanges on which a substantial proportion of the investments of the Fund attributable to such Sub-Fund are quoted are closed otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended; or
- (b) the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Fund attributable to such Sub-Fund would be impractical; or
- (c) any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to any particular Sub-Fund or the currency price or values on any such stock exchange; or
- (d) any moment when for any other reason the prices of any investments owned by the Fund attributable to any Sub-Fund cannot promptly or accurately be ascertained; or
- (e) any period when the Fund is unable to repatriate Sub-Funds for the purpose of making repayments due on the redemption of such Shares or during which any transfer of Sub-Funds involved in the realisation or acquisition of investments or payments due on the redemption of such Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange; or
- (f) following a possible decision to liquidate or dissolve the Fund or one or several Classes or Sub-Funds.

Any such suspension shall be published, if appropriate, by the Fund and may be notified to Shareholders having made an application for subscription, redemption or conversion of Shares for which the calculation of the NAV has been suspended.

Such suspension as to any Class or Sub-Fund shall have no effect on the calculation of the NAV per Share, the issue, redemption and conversion of Shares of any other Class or Sub-Fund, if the assets within such other Class or Sub-Fund are not affected to the same extent by the same circumstances.

Any request for subscription, redemption or conversion shall be irrevocable except in the event of a suspension of the calculation of the NAV.

## **DISTRIBUTION POLICY**

Classes of Shares in a Sub-Fund may be available either as Distribution Shares or Accumulation Shares, as specified for each Class of Shares within each Sub-Fund in Appendix 1 of this Prospectus.

Distribution Shares may pay dividends in the manner specified in Appendix 1 of this Prospectus. It is the intention of the Directors in the case of Distribution Shares, to distribute dividends attributable to such Shares within each Sub-Fund within the limitation set forth under Luxembourg law.

Accumulation Shares will not pay dividends. Accumulation Shares will have that portion of the Sub-Fund's net investment income attributable to such Shares retained within the Sub-Fund, thereby accumulating value in the price of the Accumulation Shares.

Prospective investors should consider their own tax position as to whether Distribution or Accumulation Shares are most suitable for them.

In any event, no distribution may be made if, as a result thereof, the Net Asset Value of the Fund would fall below the equivalent of EUR 1,250,000.

## **CHARGES AND EXPENSES**

The Fund shall pay out of the assets attributable to each Class of Shares of each Sub-Fund, (unless otherwise provided for in respect of certain Share Classes of specific Sub-Funds in Appendix 1 of this Prospectus) all expenses payable by the Sub-Fund, which shall include but not be limited to formation expenses, fees payable to its Investment Manager, fees and expenses payable to its accountants, Administrator, Custodian, its correspondents, its listing agent, any paying agent, any Distributor and permanent representatives in places of registration, as well as any other agent employed by the Fund, the remuneration of the Directors of the Fund, their insurance coverage, and reasonable travelling costs and out of pocket expenses in connection with board meetings, fees and expenses for legal and auditing services, any fees and expenses involved in registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand-Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, advertising and distributing Prospectuses, explanatory memoranda, periodical reports or registration statements, and the costs of any reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

It may be specified in Appendix 1 of this Prospectus that certain Share Classes will only bear, on a pro-rata basis, the fees payable to the Investment Manager of the Fund; other aforementioned charges and expenses attributable to such a Class of Share shall then be paid by the Investment Manager out of its management fee.

### **Formation and Launching Expenses of the Fund**

The costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares, including those incurred in the preparation and publication of this Prospectus, all legal and printing costs, certain launch expenses (including advertising costs) and preliminary expenses are to be borne by Ignis Investment Services Limited.

### **Formation and Launching Expenses of Additional Sub-Funds**

Charges relating to the creation of a new Sub-Fund shall be written off over a period not exceeding five (5) years against the assets of that Sub-Fund and in such amounts in each year as determined by the Board of Directors on an equitable basis. The newly created Sub-Fund shall not bear a pro rata share of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the new Sub-Fund.

### **Fees of the Investment Manager, the Custodian and the Administrator**

The remuneration of the Investment Manager, the Custodian and the Administrator is detailed in Appendix 1 of this Prospectus.

### **Fees of the Principal Distributor**

The Principal Distributor is entitled to receive the Sales Charge as specified for each Class within each Sub-Fund in Appendix 1 and Appendix 3 of this Prospectus.

Additionally, the Principal Distributor may receive fees to compensate it for rendering shareholder services to its respective clients. If applicable, these fees are detailed in Appendix 1 of this Prospectus.



## TAXATION

The taxation of the Fund and the Shareholders is subject to the fiscal law and practice of Luxembourg, the jurisdictions in which the Fund invests and the jurisdictions in which Shareholders are resident or otherwise subject to tax. The following summary of certain aspects of the anticipated tax treatment of the Fund and Shareholders does not constitute legal or tax advice and is based on the Board of Directors' understanding of Luxembourg and UK taxation law in force at the date of this Prospectus. While this summary is considered to be a correct interpretation of existing laws and published tax authority practice of general application in force as at the date of this Prospectus, no assurance can be given that courts or other authorities responsible for the administration of such laws will agree with this interpretation or that changes in such laws or published practice will not occur. **This summary does not consider all aspects of taxation which may be relevant to a particular Shareholder in light of the Shareholder's particular circumstances. In particular, it may be applicable only to Shareholders who hold their Shares as investments and may not apply to certain classes of Shareholder such as securities dealers.**

### EU Savings Directive

Non-resident Shareholders should note that under the EU Savings Directive and several agreements concluded between Luxembourg and certain associated or dependant territories of the European Union (*i.e.* Aruba, British Virgin Islands, Curaçao, Guernsey, Isle of Man, Jersey, Montserrat and Sint Marteen – collectively the “**Associated Territories**”), as amended by the Luxembourg law dated 25 November 2014 (the “**Laws**”), a Luxembourg paying agent (within the meaning of the EU Savings Directive) is required to provide the Luxembourg tax administration with information on payments of interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or a residual entity within the meaning of Article 4.2 of the EU Savings Directive (*i.e.* entities (a) without legal personality (save for (1) a Finnish *avoin yhtiö* and *kommandiittiyhtiö* / *öppet bolag* and *kommanditbolag* and (2) a Swedish *handelsbolag* and *kommanditbolag*) and (b) whose profits are not taxed under the general arrangements for the business taxation and (c) that are not, or have not opted to be considered as, UCITS in accordance with UCITS Directive – a “Residual Entity”) resident or established in a EU Member State other than Luxembourg. The Luxembourg tax administration then communicates such information to the competent authority of such EU Member State.

The same regime applies to payment to individuals or Residual Entities resident or established in any of the Associated Territories.

On 24 March 2014, the Council of the European Union adopted Council Directive 2014/48/EU which, *inter alia*, amends and broadens the scope of the EU Savings Directive to include notably (i) payments made through certain intermediate structures (whether or not established in a EU Member State) for the ultimate benefit of an European Union resident individual, and (ii) a wider range of income similar to interest. The amended EU Savings Directive will have to be transposed by EU Member States before 1 January 2016.

On 9 December 2014, the Council of the European Union adopted Directive 2014/107/EU amending Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation. The adoption of the aforementioned directive implements the OECD Common Reporting Standard and generalizes the automatic exchange of information within the European Union of 1 January 2016.

Shareholders should get information about, and where appropriate take advice on, the impact of the EU Savings Directive on their investment.

## **General**

The receipt of dividends (if any) by Shareholders, the redemption, conversion or transfer of Shares, the redesignation of Shares on an amalgamation of a Sub-Fund and any distribution on a winding-up of the Fund may result in a tax liability for Shareholders according to the tax regime applicable in their countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Fund. The Directors, the Fund and each of the Fund's agents shall have no liability in respect of the individual tax affairs of Shareholders.

Shareholders should inform themselves of, and when appropriate consult their professional advisers on the possible tax consequences of subscribing for, buying, holding, converting (if any), redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, or domicile or incorporation.

## **Luxembourg Taxation**

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

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

Under current legislation, the Fund is not liable to any income tax in Luxembourg, nor are dividends paid by the Fund liable to any withholding tax in Luxembourg.

#### *Subscription tax ("taxe d'abonnement")*

The Fund is as a rule liable to a subscription tax of 0.05% *per annum* (such rate may be decreased to 0.01%, notably in presence of Classes of Shares reserved to Institutional Investors within the meaning of article 174 (2) c) of the Law of 2010) or exemptions (notably in presence of certain Sub-Funds investing exclusively in money market instruments pursuant to conditions of article 175 of the Law of 2010) may be applicable. The effective rate applicable to the various Classes of Shares is disclosed in Appendix 3 of this Prospectus.

### *Other taxes*

The Fund is liable to a fixed registration duty of EUR 75.00 on the registration of its incorporation or of any amendment to its articles of incorporation.

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

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

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

In addition, the Fund may be liable to certain taxes in countries where the Fund carries out its investment activities. Those taxes are not recoverable by the Fund in Luxembourg.

### **Taxation of Shareholders in Luxembourg**

Under current legislation, Shareholders are not subject to any capital gains, or income tax in Luxembourg except for: those domiciled, resident or having a permanent establishment or a permanent representative (to which or whom the Shares of the Fund are attributable) in Luxembourg.

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

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, converting, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile and/or incorporation.

## **United Kingdom Taxation**

### **Taxation of the Fund in the United Kingdom (“UK”)**

The Board of Directors intends that the affairs of the Fund should be managed and conducted so that it does not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Fund is not trading in the UK through a fixed place of business or agent situated therein that constitutes a “permanent establishment” for UK taxation purposes and that all its trading transactions in the UK are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business, the Fund will not be subject to UK corporation tax or income tax on its profits. The Board of Directors and the Investment Manager each intend that the respective affairs of the Fund and the Investment Manager are conducted so that these requirements are met insofar as this is within their respective control. However it cannot be guaranteed that the necessary conditions will at all times be satisfied.

Certain interest and other amounts received by the Fund which have a UK source may be subject to withholding or other taxes in the UK.

### **Taxation of Shareholders in the United Kingdom**

#### *Taxation of income*

Subject to their personal circumstances, Shareholders who are individuals resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax in respect of dividend distributions made by the Fund, whether or not such distributions are reinvested, together with, in the case of Shareholders who hold Shares of a Class which is a reporting fund (as to which see below), their share of the retained income attributable to such Class.

In relation to Shares in a Sub-Fund that does not qualify as a Bond Fund (as described below), such Shareholders are entitled to a (non-repayable) tax credit in respect of any dividend distribution of one ninth of the net dividend (*i.e.* 10% of the gross dividend) and are subject to income tax on the aggregate of the dividend distribution and the tax credit. The aggregate of the distribution and the tax credit will be treated as the top slice of an individual’s income. Basic rate taxpayers have no further liability in respect of such dividend distributions. Taxpayers who are liable to income tax at the higher or additional higher rates will have a further amount of tax to pay.

Shareholders who are not liable to UK tax in respect of dividend distributions, such as individual Shareholders who hold their Shares through a qualifying SIPP or an ISA, cannot reclaim the tax credit from HM Revenue & Customs.

Subject to their personal circumstances, corporate Shareholders resident in the United Kingdom for taxation purposes which hold Shares in a Portfolio that does not qualify as a Bond Fund (as defined below) will be liable to United Kingdom corporation tax in respect of

dividend distributions made by the Fund, whether or not such distributions are reinvested. However, such corporate Shareholders may be able to qualify for an exemption from UK corporation tax on such dividend distributions under Part 9A of the UK Corporation Tax Act 2009, provided the relevant conditions are met.

The tax treatment described above will not apply where the distribution is paid in respect of Shares held in a Sub-Fund that holds more than 60% of its assets in interest bearing or equivalent instruments (a "**Bond Fund**"). Distributions made to Shareholders resident for tax purposes in the UK by a Bond Fund will be treated as and taxable as interest, whether or not such distributions are reinvested, and will not carry a tax credit.

### *Taxation of gains*

The UK Offshore Funds (Tax) Regulations 2009 (the "Offshore Funds Regulations") provides a regime for the taxation of investments in offshore funds (as defined in the UK Finance Act 2008 ("**Finance Act 2008**")) which operates by reference to whether a fund opts into a reporting regime ("reporting funds") or not ("non-reporting funds"). If an investor who is resident or ordinarily resident in the UK for taxation purposes holds an interest in an offshore fund that does not have reporting fund status throughout the period during which the investor holds that interest, any gain accruing to the investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income ("offshore income gains") and not as a capital gain. Investors in reporting funds are subject to tax on the share of the reporting fund's income attributable to their holding in the fund, whether or not distributed, and any gains on disposal of their holding would be subject to capital gains tax. Investors in non-reporting funds would not be subject to tax on income retained by the non-reporting fund.

The Shares will constitute interests in an offshore fund.

The Directors have applied to or intend to apply to the UK HM Revenue & Customs for recognition of certain Classes of Shares as a reporting fund. The Classes of Shares in each Sub-Fund and the period of account in respect of which recognition has been or is intended to be sought are identified under the heading "*UK Reporting Fund Status*" in the description of the each relevant Sub-Fund in Appendix 1. The Board of Directors reserves the right to apply to HMRC for recognition of other Classes of Shares not so identified as a reporting fund should they deem it appropriate.

Shareholders should note that there can be no guarantee that reporting fund status would be obtained and, if obtained, maintained for any Class of Shares.

Any gains arising to Shareholders who are resident or ordinarily resident in the UK on a sale, redemption or other disposal (including a deemed disposal on death) of Shares of a Class which is recognised as a reporting fund (or, and as a fund with distributor status) for all periods of account during which a Shareholder has held such Shares would be taxed as capital gains and not as offshore income gains. This treatment is modified in the case of Shareholders who acquire Shares before the date that recognition of the relevant Class of Shares as a reporting fund is effective (the "Effective Date"). Such Shareholders will be subject to tax on their share of the

reporting fund's income attributable to their Shares, but all gains on disposal of their Shares would be subject to tax as offshore income gains unless the Shareholder makes a prescribed election within the applicable period. The effect of making the prescribed election would be that the Shareholder is deemed to dispose of the Shares at their market value on the day preceding the Effective Date. Any resulting gain on that deemed disposal would be subject to tax as an offshore income gain but upon a later disposal of such Shares, any increase in value of the Shares since the Effective Date would be subject to tax as a capital gain.

Any gain arising to Shareholders who are resident or ordinarily resident in the UK on a sale, redemption or other disposal (including a deemed disposal on death) of Shares other than Classes of Shares which have obtained recognition as a reporting fund (or, and as a fund with distributor status) throughout the period for which such Shares have been held will be taxed as offshore income gains rather than capital gains.

The conversion of Shares of one Sub-Fund for Shares of another Sub-Fund will amount to a disposal of the original Shares for tax purposes and accordingly a chargeable gain (or taxable income where recognition of the original Shares as a reporting fund has not been obtained) or an allowable capital loss may be realised.

The conversion of Shares of one Class for Shares of another Class in the same Sub-Fund will amount to a disposal if the original Shares are of a Class which has not been recognised as a reporting fund and the new Shares are of a Class so recognised.

#### *Corporate investors – loan relationships*

Persons within the charge to UK corporation tax should note that the regime for the taxation of most corporate debt contained in the UK Corporation Tax Act 2009 (the “loan relationships regime”) provides that, if at any time in an accounting period of such a person, that person holds an interest in an offshore fund within the meaning of the relevant provisions of the Offshore Fund Regulations and the UK Finance Act 2008, and there is a time in that period when that fund fails to satisfy the “qualifying investments” test, the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to satisfy the qualifying investments test at any time when more than 60% of its assets by market value (excluding cash awaiting investment) comprise “qualifying investments”. Qualifying investments include government and corporate debt securities, cash on deposit, certain Financial Derivative Instruments contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investments test. The Shares will constitute such interests in an offshore fund and on the basis of the investment policies of certain Sub-Funds, such a Sub-Fund could fail to satisfy the qualifying investments test. In that eventuality, the Shares in that Sub-Fund will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the Shares in respect of such a person's accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a “fair value accounting” basis. Accordingly, such a person who acquires Shares may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

### *Remittance basis*

Shareholders who are individuals domiciled outside the United Kingdom should note that the remittance basis of taxation may (depending upon the personal circumstances of the Shareholder) apply to distributions received from the Fund and gains realised on the disposal of Shares including amounts taxed as offshore income gains.

### *Other taxation provisions*

Individuals ordinarily resident in the UK for taxation purposes should note that Chapter 2 of Part 13 of the UK Income Tax Act 2007 contains anti-avoidance provisions dealing with the transfer of assets to overseas persons that may in certain circumstances render such individuals liable to taxation in respect of undistributed income profits of the Fund.

The attention of persons resident or ordinarily resident in the UK for taxation purposes is drawn to the provisions of section 13 Taxation of Chargeable Gains Act 1992 (“section 13”). Section 13 could be material to any such person who has an interest in the Fund as a “participator” for UK taxation purposes (which term includes a shareholder) at a time when any gain accrues to the Fund (such as on a disposal of any of its investments) which constitutes a chargeable gain or an offshore income gain if, at the same time, the Fund is itself controlled in such a manner and by a sufficiently small number of persons as to render the Fund a body corporate that would, were it to have been resident in the UK for taxation purposes, be a “close” company for those purposes. The provisions of section 13 would result in any such person who is a Shareholder being treated for the purposes of UK taxation as if a part of any chargeable gain or offshore income gain accruing to the Fund had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person’s proportionate interest in the Fund. No liability under section 13 could be incurred by such a person, however, in respect of a chargeable gain or an offshore income gain accruing to the Fund if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons connected with him for UK taxation purposes does not exceed one-tenth of the gain. In the case of Shareholders who are individuals domiciled outside the UK, section 13 applies subject to the remittance basis in particular circumstances.

Companies resident in the UK for taxation purposes should note that the “controlled foreign companies” legislation contained in Chapter IV of Part XVII of the UK Income and Corporation Taxes Act 1988 could apply to any UK resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25% or more of any chargeable profits of the Fund arising in an accounting period, if at the same time the Fund is controlled (as “control” is defined in section 755D of the Taxes Act) by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40% of the interests, rights and powers by which those persons control the Fund, and the other of whom has at least 40% and not more than 55% of such interests, rights and powers. The “chargeable profits” of the Fund do not include any of its capital gains. The effect of these provisions could be to render such companies liable to UK corporation tax in respect of the undistributed income of the Fund.

### *Stamp duties*

Transfers of Shares will not be liable to UK stamp duty unless the instrument of transfer is executed within the UK when the transfer will be liable to UK ad valorem stamp duty at the rate of 0.5% of the consideration paid rounded up to the nearest GBP5. No UK stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

### **FATCA**

The FATCA provisions of the Hiring Incentives to Restore Employment Act generally impose a new reporting regime and potentially a 30% withholding tax with respect to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends ("**Withholdable Payments**") received by the Fund.

Generally, the new rules will subject all Withholdable Payments received by the Fund to 30% withholding tax (including the share that is allocable to non-US persons) unless the Fund enters into an agreement (a "**FFI Agreement**") with the US Internal Revenue Service (the "**IRS**") or complies with the terms of an applicable intergovernmental agreement (an "**IGA**"). Under an FFI Agreement or an applicable IGA, the Fund generally will be required to provide information, representations and obtain waivers of non-US law as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US accountholders.

Luxembourg has entered into a Model 1 IGA with the United States (the "**Luxembourg IGA**"). Under the terms of the Luxembourg IGA, Luxembourg-resident financial institutions will be obliged to comply with the provisions of FATCA under the terms of the Luxembourg IGA and under the terms of Luxembourg legislation implementing the Luxembourg IGA (the "**Luxembourg IGA Legislation**"), rather than under the US Treasury Regulations implementing FATCA. Under the Luxembourg IGA, Luxembourg-resident financial institutions will be required to report to the Luxembourg tax authorities certain holdings by and payments made to (a) certain US investors (b) certain US controlled foreign entity investors and (c) non-US financial institution investors that do not comply with the terms of the US Treasury Regulations or an applicable IGA. Under the Luxembourg IGA, such information will be reported by the Luxembourg tax authorities to the IRS. The Fund will seek to comply with the applicable requirements under the Luxembourg IGA and Luxembourg IGA Legislation and, as a result of such compliance, the Fund should not be subject to the 30% FATCA withholding tax described above. However there can be no assurance that the Fund will be able to satisfy the applicable requirements. If the Fund fails to comply with such requirements, the Fund may be subject to the 30% FATCA withholding tax described above and the Net Asset Value of the Shares will be negatively impacted, which may result in a material loss to Shareholders.

The Fund's ability to satisfy its obligations under the Luxembourg IGA and Luxembourg IGA Legislation will depend on each Shareholder providing the Fund with the required information that the Fund determines as necessary to satisfy such obligations. FATCA withholding may be imposed on the share of payments subject to FATCA attributable to (a) US investors who do not



consent to disclosure of their information, where required, for the Fund to comply with its obligations under the Luxembourg IGA and the Luxembourg IGA Legislation, (b) persons who fail to establish their non-US status, (c) non-US financial institution investors that themselves do not comply with the US Treasury Regulations or an applicable IGA, and (d) certain other non-US entities that do not provide certifications or information regarding their US ownership.

A Shareholder that fails to comply with such information requests from the Fund may be subject to reporting to the Luxembourg tax authorities and possibly withholding on certain type of income attributable to such Shareholder's non-compliance under the Luxembourg IGA, Luxembourg IGA Legislation and/or FATCA. The Fund may also, in its discretion, take action in good faith and acting on reasonable grounds in relation to a Shareholder's Shares or redemption proceeds to ensure that any FATCA withholding tax liability incurred by the Fund (which can legally be passed onto such Shareholders) is economically borne by the Shareholder whose failure to provide the necessary information or comply with such requirements that gave rise to the liability, including effecting compulsory redemption of shares owned by the relevant Shareholder and withholding, setting-off or deducting any reasonable amounts from the redemption proceeds, subject to the articles of incorporation of the Fund, and applicable laws and regulations.

Investors should contact their own tax advisers regarding the application of FATCA to their particular circumstances and their investment in the Fund.

## **GENERAL INFORMATION**

### **Corporate Information**

The Fund was incorporated on 28 October, 2010. It is governed by the law of 10 August 1915 on commercial companies as amended and is governed by Part I of the Law of 2010.

The Articles have been published in the Mémorial C of November 16, 2010 and have been filed with the Luxembourg Trade and Companies' Register. Any interested person may inspect such document at the Luxembourg Trade and Companies' Register; copies are available on request at the registered office of the Fund. The Fund is recorded at the Luxembourg Trade and Companies' Register with registration number B 156.474.

The Fund has its registered office at Vertigo-Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.

The minimum capital of the Fund, as provided by law, is set at the equivalent to EUR 1,250,000. Such minimum capital must be reached within a period of six (6) months after the date on which the Fund has been authorised as a collective investment undertaking under Luxembourg law. The capital of the Fund is represented by fully paid-up Shares of no par value.

The Fund is open-ended, which means that it may at any time on the request of the Shareholders, redeem its Shares at prices based on the applicable NAV per Share.

In accordance with the Articles, the Board of Directors may issue Shares in each Class within each Sub-Fund. A separate pool of assets is maintained for each Sub-Fund and is invested in accordance with the investment objectives applicable to the relevant Sub-Fund. As a result, the Fund is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Classes within such Sub-Funds.

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

### **Shareholder meetings and reports to Shareholders**

Notice of any general meeting of Shareholders (including those considering amendments to the Articles or the dissolution and liquidation of the Fund or of any Sub-Fund) shall be mailed to each Shareholder at least eight (8) days prior to the meeting and/or shall be published to the extent and in the manner required by Luxembourg law as shall be determined by the Board of Directors.

If the Articles are amended, such amendments shall be filed with the Chancery of the District Court of Luxembourg and published in the Mémorial C.

Detailed audited reports of the Fund on its activities and on the management of its assets are published annually; such reports shall include, *inter alia*, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and a report from the Auditor.

The semi-annual unaudited reports of the Fund on its activities are also published including, *inter alia*, a description of the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication.

The aforementioned documents will be at the disposal of the Shareholders within four (4) months for the annual reports and two (2) months for the semi-annual reports of the date thereof at the registered office of the Fund. Upon request, these reports will be sent free of charge to any Shareholder and copies may be obtained free of charge by any person at the registered office of the Fund.

The accounting year of the Fund commences on 1 January of each year and terminates on 31 December of each year. The first accounting year of the Fund commenced on the launch date and terminated on 31 December 2011. The Fund will publish an annual report as per 31 December and a semi-annual report drawn up as per 30 June. The first audited report has been published as of 31 December 2011 and the first unaudited semi-annual report has been published as of 30 June 2011.

The annual general meeting takes place in Luxembourg City at a place specified in the notice of meeting each year on the second Wednesday of the month of May at 12:00 am and for the first time in May 2012. If such day is a legal or a bank holiday in Luxembourg, the annual general meeting shall be held on the next following Business Day.

The Shareholders of any Class or Sub-Fund may hold, at any time, general meetings to decide on any matters that relate exclusively to such Class or Sub-Fund.

The combined accounts of the Fund are maintained in EUR being the currency of the share capital of the Fund. The financial statements relating to the separate Sub-Funds shall also be expressed in the Reference Currency of the relevant Sub-Fund.

### **Additional information for investors**

The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, (notably the right to participate in general shareholders' meetings) if the investor is registered himself and in his own name in the shareholders' register 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.

## **Merger of the Fund and of Sub-Funds**

The Board of Directors may decide to proceed with a merger (within the meaning of the Law of 2010) of the Fund or of one of the Sub-Fund(s), either as receiving or absorbed UCITS or Sub-Fund, subject to the conditions and procedures imposed by the Law of 2010, in particular concerning the merger project and the information to be provided to the Shareholders, as follows:

The Board of Directors may decide to proceed with a merger of the Fund, either as receiving or absorbed UCITS, with:

- another Luxembourg or foreign UCITS (the “**New UCITS**”); or
- a sub-fund thereof,

and, as appropriate, to redesignate the Shares of the Fund concerned as shares of this New UCITS, or of the relevant sub-fund thereof as applicable.

In the case where the Fund involved in a merger is the receiving UCITS (within the meaning of the Law of 2010), solely the Board of Directors will decide on the merger and effective date thereof.

In the case where the Fund involved in a merger is the absorbed UCITS (within the meaning of the Law of 2010), and hence ceases to exist, the general meeting of Shareholders has to approve, and decide on the effective date of such merger by a resolution adopted with no quorum requirement and at a simple majority of the votes cast at such meeting.

The Board of Directors may decide to proceed with a merger (within the meaning of the Law of 2010) of any Sub-Fund, either as receiving or absorbed Sub-Fund, with:

- another existing Sub-Fund within the Fund or another sub-fund within a New UCITS (the “**New Sub-Fund**”); or
- a New UCITS,

and, as appropriate, to redesignate the Shares of the Sub-Fund concerned as shares of the New UCITS, or of the New Sub-Fund as applicable.

Notwithstanding the powers conferred to the Board of Directors under the preceding section, the general meeting of Shareholders may decide to proceed with a merger (within the meaning of the Law of 2010) of the Fund or of one of the Sub-Fund(s), either as receiving or absorbed UCITS or Sub-Fund, subject to the conditions and procedures imposed by the Law of 2010, in particular concerning the merger project and the information to be provided to the Shareholders, as follows:

The general meeting of Shareholders may decide to proceed with a merger of the Fund, either as receiving or absorbed UCITS, with:

- a New UCITS; or
- a sub-fund thereof.

The decision shall be adopted by a general meeting of Shareholders for which there shall be no quorum requirement and which will decide on such a merger and its effective date by a resolution adopted at a simple majority of the votes validly cast at such meeting.

The general meeting of a Sub-Fund may also decide a merger (within the meaning of the Law of 2010) of the relevant Sub-Fund, either as receiving or absorbed Sub-Fund, with:

- any New UCITS; or
- a New Sub-Fund,

by a resolution adopted with no quorum requirement at a simple majority of the votes validly cast at such meeting.

The Shareholders will in any case be entitled to request, without any charge other than those retained by the Fund or the Sub-Fund to meet disinvestment costs, the repurchase or redemption of their Shares, or, where possible, to convert them into units or shares of another UCITS pursuing a similar investment policy and managed by the same management company or by any other company with which the management company is linked by common management or control, or by substantial direct or indirect holding, in accordance with the provisions of the Law of 2010.

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

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

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

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

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

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the Regulatory Authority and appointed by the general meeting of Shareholders that shall determine their powers and their compensation.

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

Should the Fund be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 2010. The Law of 2010 specifies the steps to be taken to enable Shareholders to participate in the distribution of the liquidation proceeds and provides for a deposit in escrow at the *Caisse de Consignation* at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

For the avoidance of doubt, the liquidation of the last remaining Sub-Fund will result in the liquidation of the Fund as described in the present section “*Dissolution and Liquidation of the Fund*”.

### **Termination of Sub-Funds**

In the event that for any reason the value of the total net assets in any Class or Sub-Fund has not reached or has decreased to an amount determined by the Board of Directors to be the minimum level for such Class or Sub-Fund to be operated in an economically efficient manner, or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalisation, the Board of Directors may decide to redeem all the Shares of the relevant Class or Sub-Fund at the NAV per Share (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. The Fund shall serve a written notice to the holders of the relevant Class or Sub-Fund prior to the effective date for the compulsory redemption provided however that in no event shall such Shareholders receive less than thirty (30) days’ prior notice. This notice will indicate the reasons and the procedure for the redemption operations. Unless it is otherwise decided in the interests of, or to keep equal treatment between the Shareholders, the Shareholders of the Class or the Sub-Fund concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realisation prices of investments and realisation expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, the general meeting of Shareholders of any Class within any Sub-Fund may, upon a proposal from the Board of Directors, redeem all the Shares of the relevant Class within the relevant Sub-Fund and refund to the Shareholders the NAV of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented and voting.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the Custodian for a period of six (6) months thereafter; after such period, the assets will be deposited with the *Caisse de Consignations* on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled.

## **DOCUMENTS AVAILABLE**

Copies of the following documents may be obtained free of charge during usual business hours on any full bank business day in Luxembourg at the registered office of the Fund:

- (a) the Articles and any amendments thereto;
- (b) the Custodian Agreement between the Fund and the Custodian;
- (c) the Investment Management Agreement between the Fund and the Investment Manager;
- (d) the Principal Distribution Agreement between the Fund and the Principal Distributor;
- (e) the Administration Agreement between the Fund and the Administrator;
- (f) the latest reports and accounts referred to under the heading “Shareholder meetings and reports to Shareholders”.

The agreements referred to above may be amended by mutual consent between the parties thereto.

For UK investors, copies of (a) and (f) will also be available for inspection and obtainable free of charge during normal business hours at the offices of the UK Facilities Agent.



## APPENDIX 1: SPECIFIC INFORMATION RELATING TO THE SUB-FUNDS

### A. Ignis Absolute Return Government Bond Fund (hereinafter referred to as “ARGBF Sub-Fund”)

The information contained in this part of this Prospectus in relation to ARGBF Sub-Fund should be read in conjunction with the full text of this Prospectus.

#### Investment Objectives and Strategy

##### Investment Objective

The objective of the ARGBF Sub-Fund is to deliver positive total returns on a rolling twelve months basis with low levels of volatility uncorrelated to bond and equity market conditions.

Investors should be aware that their capital is at risk and that there is no guarantee that the positive total returns will be achieved over the rolling twelve months or any time period.

##### Investment Strategy

The ARGBF Sub-Fund will predominantly take exposures in fixed or variable interest transferable securities issued by sovereigns, supra-sovereigns, sub-sovereigns, Money Market Instruments, foreign currencies and Financial Derivative Instruments.

The ARGBF Sub-Fund aims to make an absolute return by taking targeted OECD sovereign bond exposures, in particular in G10 countries (Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, Switzerland, the United Kingdom and the United States) (the “**Sovereign Bonds**”). The ARGBF Sub-Fund will predominantly invest in Sovereign Bonds issued by the United Kingdom, the United States, Germany and Japan.

Additionally, the ARGBF Sub-Fund may take exposures to supra-sovereign bonds (*e.g.* EBRD<sup>2</sup>, IBRD<sup>3</sup>, EIB<sup>4</sup> and similar issuers) (the “**Supra-Sovereign Bonds**”), and sub-sovereign bonds (*e.g.* KfW<sup>5</sup>, Landesbanken, Network Rail and similar issuers) (the “**Sub-Sovereign Bonds**”) providing that they are rated AAA by one of the main credit rating agencies (Standard & Poor’s, Moody’s and Fitch). Sovereign Bonds, Supra-Sovereign Bonds and Sub-Sovereign Bonds are hereinafter collectively referred to as the “**Bonds**”.

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<sup>2</sup> European Bank for Reconstruction and Development (EBRD).

<sup>3</sup> International Bank for Reconstruction and Development (IBRD).

<sup>4</sup> European Investment Bank (EIB).

<sup>5</sup> Kreditanstalt für Wiederaufbau (KfW).

Exposures can be both long and short and will be predominantly in:

- Sovereign Bonds, Supra-Sovereign Bonds and Sub-Sovereign Bonds;
- Financial Derivative Instruments based on Sovereign Bonds yield curves such as swaps, futures, swaptions, future options;
- Inflation linked Sovereign Bonds, Supra-Sovereign Bonds and Sub-Sovereign Bonds, and associated Financial Derivative Instruments;
- Currency forward positions and currency options.

The implementation of the investment policy of the ARGBF Sub-Fund relies to a significant extent on the ability to take long and short exposures in different Bonds relating to specific points on Bond yield curves, as well as foreign currency exposures. Typical positions will include directional forward interest rates, relative value positions between different forward interest rates, and foreign exchange positions.

Long exposures are achieved mainly through the buying of Bonds, some exposure may be achieved by using futures or swaps. Short exposures are achieved mainly by the use of financial derivative instruments such as swaps, including total return swaps and interest rate swaps, and futures. Total return swaps will be based upon the underlying performance of Bonds.

The counterparties to such transactions shall be well-known and highly rated banks. All short exposures are covered as required by the UCITS regulations.

At least 75% of foreign currency exposure will be hedged into the reference currency of the ARGBF Sub-Fund. The relevant foreign exchange positions will generally be achieved by currency forwards and currency options.

In exceptional market situations, the ARGBF Sub-Fund may temporarily hold up to 100% of its assets in cash.

The ARGBF Sub-Fund may use repurchase agreements and reverse repurchase agreements to assist in the efficient management of the portfolio. Such agreements will not be used to facilitate any short exposure to Bonds. The repurchase and reverse repurchase market in Bonds is characterised by deep liquidity, guaranteed by central bank agencies in the case of Sovereign Bonds, and the substitutability of Bonds issued by the same issuer, which significantly reduces liquidity and settlement risk.

The ARGBF Sub-Fund will not participate in any stock lending or stock borrowing activity.

### Risk Profile

The ARGBF Sub-Fund seeks to achieve higher returns than those available on cash deposits. In seeking to achieve those returns the ARGBF Sub-Fund will take greater and different risks to

those risks associated with cash deposits. As the ARGBF Sub-Fund may regularly invest in Financial Derivative Instruments, the ARGBF Sub-Fund is exposed to the types of risk typically associated with investments of this kind. However, the ARGBF Sub-Fund also seeks to maintain capital for investors insofar as it is possible, given the risks involved.

The ARGBF Sub-Fund aims to achieve its investment objective within the constraint of a target annualised standard deviation range of 4% and 6%, which is consistent with the stated objective of delivering positive total returns with low levels of realised volatility.

The ARGBF Sub-Fund will be managed with low levels of market risk by ensuring that the global exposure (as measured using a 99% confidence level, 20 day holding period VaR) does not exceed a 10% VaR threshold which is half the maximum level permitted under the ESMA Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (Ref.: ESMA<sup>6</sup> / 10-788 of 28 July 2010) (the “**ESMA Guidelines**”) and the CSSF Circular 11/512.

#### Profile of Investors

The ARGBF Sub-Fund is likely to be suitable for investors seeking the investment exposures and risks outlined in the ARGBF Sub-Fund’s investment objectives, investment strategy, risk profile and risk warnings.

In particular, the ARGBF Sub-Fund is likely to appeal to investors seeking exposure to global sovereign bond markets in the context of an absolute return investment objective achieved through a low volatility investment strategy. Investors must be aware that the value of investments may fall as well as rise, and that absolute returns are not guaranteed.

#### **Risk Management Process**

The ARGBF Sub-Fund shall employ an absolute VaR model in determining its global exposure and will ensure that such global exposure does not exceed a 10% VaR threshold which is half the maximum level permitted under the ESMA Guidelines and CSSF Circular 11/512.

This lower self-imposed limit is a fundamental part of the investment objective of the ARGBF Sub-Fund, namely managing the ARGBF Sub-Fund with low levels of market risk.

When a sub-fund uses the VaR approach for risk monitoring, it is also required to disclose the expected leverage. For these purposes, leverage is calculated using the sum of the notionals methodology as per ESMA Guidelines (which includes exposures created by repurchase and

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<sup>6</sup> European Securities and Markets Authority (“**ESMA**”), which has replaced the Committee of European Securities Regulators (“**CESR**”) as from 1 January 2011.

reverse repurchase agreements). For absolute return sub-funds, such as the ARGBF Sub-Fund, investing in fixed interest instruments, this methodology can lead to significant leverage figures as the methodology does not take into account offsetting risk exposures.

The Investment Manager views investment decisions through exposures to forward rates. For example, the Investment Manager may take a view on what the 1-year rate will be in 5 years' time. To construct this view, the Investment Manager would take a long position in a 6-year gilt and a short position in a 5-year gilt. From a leverage perspective, constructing this view would give double the nominal exposure of just holding a long position in the 6-year gilt (based on the assumption that the long exposure is created through Financial Derivative Instruments or repurchase agreements). However, the combined risk exposure from these two positions is much lower than holding the 6-year gilt in isolation. As the portfolio builds up a number of precise investment views on various forward rates the leverage measure can quickly reach high levels based on the sum of the notionals methodology as per ESMA Guidelines. However ESMA Guidelines do not take into account the large diversification benefits inherent in the construction of these offsetting positions.

The example below illustrates how two trades can give high leverage figures (as measured using ESMA Guidelines), but have low risk in the context of the total the ARGBF Sub-Fund.

### **EXAMPLE**

All calculations below assume a Net Asset Value of £100,000,000.

As a typical example, the ARGBF Sub-Fund could take a long and a short position in two different UK Gilts both maturing in 2020: one in March 2020 (short position) and the other in September 2020 (e.g. a long position gained either by a Financial Derivative Instrument or by use of repurchase agreements). The combined leverage impact (using ESMA Guidelines) would be as follows:

<u>Asset</u>	<u>Present Value</u>	<u>NAV %</u>	<u>Leverage %</u>
UKT (GBP 3.750, 7-September-2020)	£17.1m	17.1	17.1
UKT (GBP 4.750, 7-March-2020)	-£17.6m	-17.6	17.6
<b>Combined Leverage</b>	<b>£34.7m</b>		<b>34.7</b>

see from above that the leverage contribution from the combination of the positions above is £34.7m (34.7%) on a sub-fund value of £100,000,000.

However, the risk impact from these positions is much lower than would be suggested by the 34.7% leverage figure. The combination of positions above is a view on the flattening of the UK Gilt yield curve between the March 2020 and September 2020 tenor points. The downside risk is a steepening of the UK Gilt yield curve between these two points, and even a very high steepening of 20 basis points (bps) between these two close maturity

dates would generate a loss of just £200,000 or 0.20% of NAV.

In addition, if we look in isolation at the quantitative impact of these two positions, contribution to annualised volatility is just 6 bps (*i.e.* 0.06% of the 4-6% target range).

Looking at VaR, the example positions would generate a 99% monthly VaR of £39,000 (*i.e.* 0.04% of the 10% VAR limit). So whilst the ESMA leverage methodology implies a contribution to leverage of c35%, the actual market risk of the combined position is almost negligible (<1% in an extreme scenario).

Due to the nature of the ARGBF Sub-Fund's assets and the methodology used for calculation, it is expected that the leverage level will generally be in the range of between 50% and 900%, although in exceptional temporary circumstances this level could increase to a maximum level of up to 1000%.

While the leverage figure may seem high, this is due to the nature of the instruments used by the Investment Manager as well as the calculation methodology, as explained above.

In order to ensure risk is appropriately controlled, market risk is monitored thoroughly and is balanced by the investment management team of the Investment Manager evaluating the results of the VaR approach daily, seeking to ensure that leverage cannot be used to overexpose the ARGBF Sub-Fund to market movements.

The Investment Manager operates an independent investment risk team which conducts daily monitoring and reporting of various risk analytics of the ARGBF Sub-Fund, which are distributed daily to the investment management team of the Investment Manager, the compliance team of the Investment Manager, and the Conducting Persons. On a monthly basis, the independent investment risk team prepares a qualitative report for the Board of Directors which comprises a detailed breakdown and commentary of various risk analytics, including ex ante volatility, ex post volatility, VaR, leverage and counterparty risk, and other such items as the independent investment risk team deems appropriate or as requested by the Board of Directors or the compliance team of the Investment Manager.

### **Share Classes available for subscription**

A complete list of Share Classes offered within the ARGBF Sub-Fund may be obtained online at [www.ignisasset.com](http://www.ignisasset.com), or at the registered office of the Fund or from the Administrator upon request.

### **Redemption Charge**

No redemption charge will be made for the ARGBF Sub-Fund.

## **Sales Charge**

A Sales Charge will be payable by an investor at the discretion of the Principal Distributor, in relation to subscriptions for Shares of a Class of Shares and will be equal up to 5% applied on the Initial Subscription Price or the Subscription Price.

## **Dilution Levy**

The Board of Directors has discretion to apply a dilution levy in the case of large levels of net subscriptions or large levels of net redemptions on any Valuation Day. The Board may consider applying such discretion where on any Valuation Day (i) net subscription requests or (ii) net redemption requests in relation to the ARGBF Sub-Fund amount to 5% or more of the NAV of the ARGBF Sub-Fund. In compliance with the principle of equal treatment of Shareholders, the rate of the dilution levy (if any) applied on any Valuation Day will be the same for all Shareholders subscribing or redeeming (as the case may be) Shares on the relevant Valuation Day.

The amount of the dilution levy will be up to 2% of the amount subscribed or redeemed, as the case may be, by the relevant Shareholder.

## **Subscriptions**

Applications for subscriptions will be dealt with on any Valuation Day.

Applications for subscriptions received by the Administrator before 12 noon, Luxembourg time, on the relevant Valuation Day, will be executed on the basis of the Net Asset Value determined on that relevant Valuation Day. Applications received after that time will be processed on the next Valuation Day. Only complete orders received in this timeframe will be executed.

Cleared subscription monies must be received into the relevant subscription account paid in the Reference Currency of the Share Class within three (3) Business Days from the relevant Valuation Day.

## **Redemptions**

Applications for redemptions will be dealt with on any Valuation Day.

Applications for redemptions must be received by the Administrator before 12 noon Luxembourg time, on the relevant Valuation Day. Applications received after that time will be processed on the next Valuation Day.

The Redemption Price shall be equal to the Net Asset Value per Share of the ARGBF Sub-Fund on the relevant Valuation Day.

Payment for redemptions will be made within three (3) Business Days from the relevant Valuation Day and in the Reference Currency of the relevant Share Class.

## **Transfer**

Shareholders may transfer their Shares subject to the conditions set out under the heading “Restrictions on the issue and the transfer of Shares” in this Prospectus.

## **Conversions**

The Shareholders of the ARGBF Sub-Fund may request to convert their Shares in one Class of the ARGBF Sub-Fund into Shares of another Class of the ARGBF Sub-Fund or into Shares of the same or another Class of another Sub-Fund of the Fund. The Fund reserves the right to reject any request for a conversion of Shares in whole or in part at the absolute discretion of the Directors. Applications for conversions must be received by the Administrator before 12 noon Luxembourg time, five Business Days preceding the relevant Valuation Day. Applications received after that time will be processed on the next Valuation Day. The settlement date applied to the conversion will be the same as that applied to redemptions. In converting Shares of a Class for Shares of another Class of the ARGBF Sub-Fund or of the same or another Class of another Sub-Fund of the Fund, a Shareholder must meet applicable minimum investment requirements as well as any other conditions imposed by the acquired Class.

The Board of Directors may, where there is no adverse impact to the interests of the ARGBF Sub-Fund and where it does not qualify as late trading or market timing, in its sole discretion (i) reject any request for a conversion of Shares in whole or in part or (ii) shorten the above-mentioned five Business Days’ period prior to the relevant Valuation Day provided that in such case all conversions requests received for such Valuation Day shall benefit from the shortening of the five Business Day’s period.

## **Reference Currency / Currency Hedging**

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

The Net Asset Value per Share of each Class will be calculated in the Reference Currency of that Class. The Reference Currency of each Class is reflected in the name of such Class.

The investments of the ARGBF Sub-Fund will generally be hedged into the Reference Currency of the ARGBF Sub-Fund.

Currency hedging will be made through the use of various techniques including the entering into forward currency contracts, currency options and futures.

The relevant currency hedging is intended to reduce a Shareholder's exposure to the respective currencies in which the ARGBF Sub-Fund's investments are denominated. In this regard, it is anticipated that currency risks will be hedged to a large extent although there is no guarantee that such hedging will be effective. From time to time the Investment Manager may not fully hedge the currency exposure, if this can be expected to be in the interest of the Shareholders.

In the case of each hedged Classes additional hedging will be applied at the Share Class level, replacing GBP exposure with the currency exposure of the relevant Share Class.

Any costs incurred relating to the above mentioned hedging will be borne by the ARGBF Sub-Fund. However, all fees and costs (as well as any gains or losses) associated with the currency hedging carried out for the specific purpose of the relevant hedged Class shall be borne by such Share Class in question.

### **Frequency of the Net Asset Value calculation and Valuation Day**

The Net Asset Value per Share of the ARGBF Sub-Fund is determined daily at 6:00 pm Luxembourg time; if a day is not a Business Day, the Net Asset Value will be determined on the next following Business Day (the "**Valuation Day**"). The Net Asset Value per Share is effectively calculated on the first Business Day following the Valuation Day on the basis of the latest prices available on the Valuation Day.

### **Distribution Policy**

No distributions shall be made for Accumulation Shares. Distribution Shares will pay an annual dividend equal to 100% of net income earned by the relevant Share Class.

All Share Classes may be available as Accumulation Shares and Distribution Shares.

### **Management fee**

The management fee is accrued daily and payable to the Investment Manager monthly in arrears at the rates set forth in Appendix 3 of this Prospectus, the management fee will be calculated by applying an annual rate on the NAV per Share.

### **Performance fee**

The Investment Manager shall be entitled to receive a performance fee for the performance of each Class of Shares, should a Share Class outperform its hurdle rate.

The outperformance by a Share Class of its hurdle rate is determined by a comparison between the Net Asset Value per Share of such Class and the hurdle rate of such Class.



However, in the case of an unhedged Share Class, the performance fee is based on a comparison between the Reference Currency value of the Net Asset Value per Share of such unhedged Share Class and the Reference Currency value of the hurdle rate of such unhedged Share Class.

The specific hurdle rate for each Class and the applicable Performance Fee Rate for each Class are set out in Appendix 3.

The performance fee shall accrue daily, be payable annually in arrears on 31 December of each year, and if such day is not a Business Day on the Business Day before.

The performance fee shall be calculated by the Administrator in respect of each period of twelve (12) months starting on 1 January of each year and ending on 31 December of each year (the “**Performance Period**”). The first Performance Period shall however start on the launch date of the relevant Class of Shares and end on 31 December of the same year. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

In the event that a Share Class over a Performance Period does not outperform its hurdle rate, no performance fee shall be payable to the Investment Manager in respect of that Share Class until such underperformance of its hurdle rate has been recovered.

### **Ongoing fees and expenses**

The fees payable to the Custodian and the Administrator and all other ongoing expenses, including but not limited to accounting, legal and audit fees and the remuneration of the Directors, for the ARGBF Sub-Fund, are payable out of the ARGBF Sub-Fund’s assets attributable to each Class of Shares.

Such ongoing fees and expenses (other than the management fee and performance fee) are effectively capped at 0.30% *per annum* of the Net Asset Value of the ARGBF Sub-Fund. The Investment Manager shall rebate monthly all such ongoing expenses (other than the management fee and performance fee) in excess of 0.30% *per annum* of the Net Asset Value of the assets attributable to the relevant Class of Shares, with any such rebates being payable by the Investment Manager to the Fund ten (10) Business Days following each calendar month-end. This rebate arrangement has been applied retrospectively so as to be effective from the launch date of the ARGBF Sub-Fund.

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

It is not the current intention of the Fund to list the Shares of the ARGBF Sub-Fund on any stock exchange. However, if the Fund changes its intention, this Prospectus will be amended and the Shareholders will be informed before this occurs.

### **Availability of the Net Asset Value**

The Net Asset Value per Share of each Class in the ARGBF Sub-Fund will be available at the registered office of the Fund located at Vertigo-Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg. The Net Asset Value per Share of each Class in the ARGBF Sub-Fund will also be available from the Administrator and on the website of Ignis Investment Services Limited at the following address: [www.ignisasset.com](http://www.ignisasset.com).

### **Local Tax (“Taxe d’abonnement”)**

A local tax for each Class of Shares is payable quarterly by applying on the ARGBF Sub-Fund Net Asset Value a rate *per annum* specified for each Share Class in the Appendix 3 to this Prospectus.

### **Initial Subscription Price**

The Initial Subscription Price for the respective currency denominations of each Share Class of each Sub-Fund can be obtained online at [www.ignisasset.com](http://www.ignisasset.com), or upon request at the registered office of the Fund or from the Administrator.

### **Launch date**

The launch date of the ARGBF Sub-Fund was 31 March 2011.

The launch date of each Share Class offered within the ARGBF Sub-Fund may be obtained online at [www.ignisasset.com](http://www.ignisasset.com), or at the registered office of the Fund or from the Administrator upon request.

### **Risk warnings**

Investors are advised to carefully consider the risks of investing in the ARGBF Sub-Fund and should refer in relation thereto to the relevant provisions disclosed in the section "*Risk Considerations*" in the Prospectus.

In particular, in relation to the ARGBF Sub-Fund, Investors should also consider carefully the following risks:

#### Fixed interest securities

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates increase, capital values may fall and vice versa. Inflation will erode the real value of capital. In addition, companies may not be able to honour repayment on bonds they issue.

### Short positions through Financial Derivative Instruments

The ARGBF Sub-Fund may take short positions by way of Financial Derivative Instruments. Short positions through Financial Derivative Instruments involve trading on margin and accordingly can involve greater risk than investments based on a long position.

Due to regulatory or legislative action taken by regulators around the world as a result of recent volatility in the global financial markets, taking short positions on certain securities has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions. Accordingly, the Investment Manager may not be in a position to fully express its negative views in relation to certain securities, companies or sectors and the ability of the Investment Manager to fulfil the investment objective of the ARGBF Sub-Fund may be constrained. This position will be monitored regularly by the Investment Manager.

### Repurchase and Reverse Repurchase Agreements

The use of Repurchase and Reverse Repurchase Agreements can increase the losses to which the ARGBF Sub-Fund's investment portfolio may be subject. Investors should recognise that investing in the respective Sub-Fund involves special considerations not typically associated with investing in other securities. The ARGBF Sub-Fund gives no assurance that its investment objective of maximising returns on investments will be achieved.

### Risks associated with Financial Derivative Instruments

While the prudent use of Financial Derivative Instruments can be beneficial, such instruments also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments including: (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the price movements of the Financial Derivative Instruments and price movements of related investments; (3) the fact that skills needed to use these instruments are different from those needed to select the ARGBF Sub-Fund's securities; (4) the possible absence of a liquid market for any particular instrument at any particular time; (5) possible impediments to effective portfolio management or the ability to meet redemptions; and (6) possible losses arising from an unexpected application of law or regulation or arising as a result of the unenforceability of a contract. The ARGBF Sub-Fund will employ a risk management process to enable it to monitor, manage and measure, on a continuous basis, the risk of all open positions of Financial Derivative Instruments and their contribution to the overall risk profile of the ARGBF Sub-Fund's portfolio.

There is a possibility that ongoing Financial Derivative Instruments transactions will be terminated unexpectedly as a result of events outside the control of the ARGBF Sub-Fund, for instance, bankruptcy, supervening illegality, a substantial decline in the Net Asset Value or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the ARGBF Sub-Fund's policy to

net exposures against its counterparties.

The ARGBF Sub-Fund's assets may be invested in certain Financial Derivative Instruments, which may involve the assumption of obligations as well as rights and assets.

The ARGBF Sub-Fund will enter into contracts for differences or "swap" transactions with a view to effecting synthetic short positions in certain securities, sectors or indices. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. Financial Derivative Instruments do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the ARGBF Sub-Fund's use of Financial Derivative Instruments techniques may not always be an effective means of, and sometimes could be counter-productive to, the ARGBF Sub-Fund's investment objective. An adverse price movement in a position of Financial Derivative Instruments may require cash payments of variation margin by the ARGBF Sub-Fund that might in turn require, if there is insufficient cash available in the portfolio, the sale of the ARGBF Sub-Fund's investments under disadvantageous conditions.

To the extent that the ARGBF Sub-Fund invests in swaps, Financial Derivative Instruments or synthetic instruments, repurchase agreements or other over-the-counter transactions, the ARGBF Sub-Fund may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily marking-to-market, settlement, segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

### Counterparty Risk

In accordance with its investment objective and policy, the ARGBF Sub-Fund may trade 'over-the-counter' (OTC) Financial Derivative Instruments as well as other efficient portfolio management techniques as more fully described in its investment policy. Such instruments and techniques may expose the ARGBF Sub-Fund to risks with regard to the credit status of its counterparties and their capacity to meet their obligations under the relevant agreements. The ARGBF Sub-Fund will be exposed to the risk that the counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Under applicable laws and regulations, the default risk arising from such instruments and techniques may, however, not exceed 10% of the net asset value of the ARGBF Sub-Fund if the counterparty is a credit institution or 5% of the net asset value in all other cases. Consistent with best execution and at all times when it is in the best interests of the ARGBF Sub-Fund and its Shareholders, the ARGBF Sub-Fund may enter into OTC derivatives and/or other efficient portfolio management techniques with other companies in the same group of companies as the Investment Manager.

### Exchange rates

Some of the underlying investments in which the ARGBF Sub-Fund invests may be denominated in a different currency than the Reference Currency in which such the ARGBF Sub-Fund is denominated; changes in foreign currency exchange rates will affect the value of Shares held in such the ARGBF Sub-Fund.

In particular, changes in exchange rates between currencies or the conversion from one currency to another may cause the value of the ARGBF Sub-Fund's investments to decline or increase. Currency exchange rates may fluctuate significantly over short periods of time. They are generally determined by supply and demand in the currency exchange markets and the relative merits of investment in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can also be affected unpredictably by intervention (or failure to intervene) by governments or central banks, or by currency controls or political developments.

### **Duration**

The ARGBF Sub-Fund is established for an unlimited duration.

## **APPENDIX 2: INVESTMENT RESTRICTIONS AND SPECIAL INVESTMENTS, TECHNIQUES AND INSTRUMENTS**

### **I. Investment Restrictions**

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

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund under Appendix 1 of this Prospectus, the investment policy shall comply with the rules and restrictions laid down hereafter:

#### **A. A Sub-Fund shall only invest in:**

- (1) Transferable Securities and Money Market Instruments admitted to or dealt on a Regulated Market;
- (2) Transferable Securities and Money Market Instruments dealt on an Other Regulated Market in a Member State;
- (3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt on an Other Regulated Market in an Other State;
- (4) recently issued Transferable Securities and Money Market Instruments, provided that:
  - the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market or on an Other Regulated Market as described under (1)-(3) above;
  - such admission is secured within one year of issue;
- (5) units of UCITS and/or other UCIs within the meaning of the first and second indent of Article 1 paragraph 2, points a) and b) of Directive 2009/65/EC, whether or not established in a Member State or in an Other State, provided that:
  - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in 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 2009/65/EC;

- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- (6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in EU law;
- (7) Financial Derivative Instruments, in particular options and futures, including equivalent cash-settled instruments, dealt on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or OTC derivatives, provided that:
- the underlying consists of instruments covered by this Section A, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest according to their investment objectives;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;
  - exposure to the underlying assets does not exceed the investment restrictions set out in C (10) below.

Under no circumstances shall these operations cause the Fund to diverge from its investment objectives.

- (8) Money Market Instruments other than those dealt on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or

- issued by an undertaking any securities of which are dealt on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law; or
- issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC as amended, 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.

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

- (1) Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under A (1) through (4) and (8).
- (2) Hold cash and cash equivalents on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if the Board of Directors considers this to be in the best interest of the Shareholders.
- (3) Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.
- (4) Acquire foreign currency by means of a back-to-back loan.

**C. In addition, the Fund shall comply with the following investment restrictions in respect of each issuer in which any Sub-Fund invests:**

**(a) Risk Diversification rules**

For the purpose of calculating the restrictions described in (1) to (5) and (8) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.



To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk diversification rules.

- ***Transferable Securities and Money Market Instruments***

- (1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:
  - (i) upon such purchase more than 10% of its net assets would consist of Transferable Securities and Money Market Instruments of such issuer; or
  - (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- (2) A Sub-Fund may invest on a cumulative basis up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.
- (3) The limit of 10% set forth above under (1)(i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).
- (4) The limit of 10% set forth above under (1)(i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its net assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund.
- (5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).
- (6) **Notwithstanding the ceilings set forth above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a**

**Member State, by its local authorities, by any other Member State of the OECD such as the U.S. or by a public international body of which one or more Member State(s) are member(s), provided that: (i) such securities are part of at least six different issues; and (ii) the securities from any or such issue do not account for more than 30% of the net assets of such Sub-Fund.**

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

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

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

- ***Bank Deposits***

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

- ***Financial Derivative Instruments***

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

(10) Investment in Financial Derivative Instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (C)(1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based Financial Derivative Instruments, these investments do not have to be combined to the limits set forth in (C)(1) to (5), (8), (9), (13) and (14).

(11) 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 (A) (7) (ii) and (D) (1) above as well as with the risk exposure and information requirements laid down in this Prospectus.

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

- (12) Unless specified in the relevant Sub-Fund section in Appendix 1, no Sub-Fund may invest in aggregate more than 10% of its net assets in the units of other single UCITS or other UCIs.

If specified in the relevant Sub-Fund section in Appendix 1, the following applies:

A Sub-Fund may acquire units or shares of UCITS and/or other UCI within the meaning of items (a) and (b) of Article 1 (2) of Directive 2009/65/EC, whether situated in a Member State or in an Other State, provided that it does not invest more than 20% of its assets in a single UCITS or UCI.

For the purposes of the application of this investment limit, each sub-fund in a multi-sub-fund undertaking for collective investment, as defined by Article 181 of the Law of 2010, is considered as a separate issuer, provided that the principle of segregation of the commitments of the different sub-funds with regard to third parties is assured.

The aggregate limit on investments in units or shares of UCIs and/or UCITS will be specified in the relevant sub-fund section. If a Sub-Fund has acquired units or shares in UCITS and/or other UCIs, the assets of these UCITS or other UCIs are not combined for the purposes of the limits stipulated in Article 43 of the Law of 2010.

When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or indirectly, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or the votes, that management company or other company may not charge subscription or redemption fees on account of the Sub-Funds' investment in the units of such other UCITS and/or UCIs.

- ***Combined limits***

- (13) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not combine:

- investments in Transferable Securities or Money Market Instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with

a single body in excess of 20% of its net assets.

- (14) The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or Financial Derivative Instruments made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35% of the net assets of each Sub-Fund.

**(b) Limitations on Control**

- (15) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Fund to exercise legal or management control or to exercise a significant influence over the management of the issuer.
- (16) The Fund may not acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or units of any one UCI.

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

The limits set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the EU or by its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s); or
- Shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that: (i) such company invests its assets principally in securities issued by issuers having their registered office in that State; (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State; and (iii) such company observes in its investments policy the restrictions set forth under C, items (1) to (5), (8), (9) and (12) to (16).
- Shares held by one or more Sub-Funds in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

**D. In addition, the Fund shall comply with the following investment restrictions in respect of each instrument in which any Sub-Fund invests:**

Each Sub-Fund shall employ a Risk Management Process in order to manage the material risks created by the assets. As part of the Risk Management Process, each Sub-Fund will determine its

global exposure and will ensure that such global exposure does not exceed the parameters laid out in CSSF Circular 11/512.

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

- (1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof, provided that transactions in foreign currencies, financial instruments, indices or Transferable Securities as well as futures and forward contracts, options and swaps thereon are not considered to be transactions in commodities for the purposes of this restriction.
- (2) No Sub-Fund may invest in real estate or any option, right or interest therein provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (3) No Sub-Fund may use its assets to underwrite any securities.
- (4) No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.
- (5) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A, items (5), (7) and (8) and shall not prevent the lending of Portfolio securities in accordance with applicable laws and regulations (as described further in “Securities lending and Borrowing” below).
- (6) The Fund may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A, items (5), (7) and (8).

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

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

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

## **II. Techniques and Instruments**

### **A. General**

The Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments for hedging and efficient portfolio management purposes as well as for investment purposes within the meaning of, and under the conditions set out in, applicable laws, regulations and circulars issued by the CSSF from time to time.

When these operations concern the use of Financial Derivative Instruments, these conditions and limits shall conform to the provisions laid down in "*Investment Restrictions*" above.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under "*Investment Objectives and Strategy*" or add substantial supplementary risks in comparison to the stated risk profile of a Sub-Fund.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC Financial Derivative Instruments must be combined when calculating counterparty risk limits referred to under Article 43 of the Law of 2010.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Fund. In particular, fees and cost may be paid to agents of the Fund and other intermediaries providing services in connection with techniques and instruments as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect as well as the identity of the entities to which such costs and fees are paid – as well as any relationship they may have with the Custodian or Investment Manager – will be available in the annual report of the Fund.

### **B. Securities Lending and Borrowing**

Furthermore, the Fund may, for efficient portfolio management purposes, enter into securities lending / borrowing transactions in respect of securities held within the Portfolio of a Sub-Fund provided that they comply with the following rules in addition to the aforementioned conditions:

- (i) The Fund may only lend or borrow securities through a standardised system organised by a recognised clearing institution or through a first class financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions.
- (ii) As part of lending transactions, the Fund must in principle receive a collateral, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent.

Such collateral shall not be required if the securities lending is made through Clearstream Banking or EUROCLEAR or through any other organization assuring to the lender a reimbursement of the value of the securities lent, by way of collateral or otherwise.

- (iii) The Fund must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of the Fund's assets in accordance with its investment policy.
- (iv) The Fund may only enter in securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.
- (v) The securities borrowed by the Fund may not be disposed of during the time they are held by the Fund, unless they are covered by sufficient financial instruments that enable the Fund to reconstitute the borrowed securities at the close of the transaction.
- (vi) The Fund may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; (c) to avoid a failed settlement when the Custodian fails to make delivery; and (d) as a technique to meet its obligation to deliver the securities being the object of a repurchase agreement when the counterparty to such agreement exercises its right to repurchase these securities, to the extent such securities have been previously sold by the Fund.

### **C. Reverse repurchase and repurchase agreement transactions**

The Fund may on an ancillary basis enter into reverse repurchase and repurchase agreement transactions, which consist of a forward transaction at the maturity of which

- the seller (counterparty) has the obligation to repurchase the asset sold and the Fund the obligation to return the asset received under the transaction. Securities that are being purchased in reverse repurchase agreements must conform to the Fund's investment policy;

or

- the Fund has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction. The Fund must ensure that, at maturity of the agreement, it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution to the Fund.

The Fund may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

The Fund must take care to ensure that the value of the reverse repurchase or repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligations towards its Shareholders.

The Fund may only enter into reverse repurchase agreement and/or repurchase agreement transactions provided that it is able at any time (a) to recall the full amount of cash in a reverse repurchase agreement or any securities subject to a repurchase agreement or (b) to terminate the agreement in accordance with applicable regulations. However, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

a) Reverse repurchase agreement transactions

The Fund may enter into reverse repurchase agreement transactions, which consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the asset sold and the Fund the obligation to return the asset received under the transaction. Its involvement in such transactions is, however, subject to the following rules:

*1. Rules intended to ensure the proper completion of the reverse repurchase agreement transactions*

The Fund may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

*2. Limits applicable to reverse repurchase agreement transactions*

During the duration of the reverse repurchase agreement, the Fund may not sell or pledge/give as security the securities purchased through this contract, except if the Fund has other means of coverage which may in particular consist in the form of any cash or securities accepted by the counterparty.

The Fund must take care to ensure that the value of the reverse repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligations towards shareholders.

Securities that may be purchased in reverse repurchase agreements are limited to:

- (i) short-term bank certificates or money market instruments such as defined within Directive 2009/65/EC;
- (ii) bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (iv) bonds issued by non-governmental issuers offering an adequate liquidity;



- (v) shares quoted or negotiated on a regulated market of a European Union Member State or on a stock exchange of a Member State of the OECD, on the condition that these shares are included within a main index.

The securities purchased through a reverse repurchase agreement transaction must conform to the Fund investment policy and must, together with the other securities that the Fund holds in its portfolio, globally respect the Fund' investment restrictions.

### *3. Periodical information of the public*

In its financial reports, the Fund must provide separate information on securities purchased under reverse repurchase agreements, disclosing the total amount of the open transactions on the date of reference of these reports.

#### b) Repurchase agreement transactions

The Fund may enter into repurchase agreement transactions, which consist of a forward transaction at the maturity of which the Fund has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

Its involvement in such transactions is, however, subject to the following rules:

#### *1. Rules intended to ensure the proper completion of the repurchase agreement transactions*

The Fund may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

#### *2. Limits applicable to repurchase agreement transactions*

The Fund must ensure that, at maturity of the agreement, it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution to the Fund.

The Fund must take care to ensure that the volume of the repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligations towards shareholders.

#### *3. Periodical information of the public*

In its financial reports, the Fund must provide separate information on securities sold under repurchase agreements, disclosing the total amount of the open transactions on the date of reference of these reports.

## **D. Limitation of the counterparty risk and receipt of an appropriate collateral**

In the context of OTC Financial Derivatives Transactions and techniques and instruments relating to Transferable Securities and Money Market Instruments for hedging and efficient portfolio management purposes as well as for investment purposes, the Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Fund in such case. All assets received by the Fund in the context of efficient techniques and instruments (securities lending, repurchase or reverse repurchase agreements) shall be considered as collateral for the purposes of this section.

### a) Receipt of eligible collateral

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

- (a) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- (b) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- (c) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- (d) It should be sufficiently diversified in terms of country, markets and issuers, in line with the diversification requirements defined by ESMA;
- (e) It should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

The agreement concluded between the Fund and the counterparty must include provisions to the effect that the counterparty must provide additional collateral at very short term in case the value of the collateral already granted appears to be insufficient in comparison with the amount to be covered. Furthermore, the aforementioned agreement must, if appropriate, provide for safety margins that take into consideration exchange risks or market risks inherent to the assets accepted as collateral.

The collateral given in the form of cash may expose the Fund to a credit risk vis-à-vis the trustee of this collateral. If such risk exists, the Fund must take it into consideration for the purpose of the limits on deposits prescribed by article 43 (1) of the Law of 2010 concerning undertakings for collective investment. As a principle, the collateral given must not be safekept by the counterparty, except if it is legally protected from consequences of default of the latter.

The collateral given in a form other than cash must not be safekept by the counterparty, except if it is adequately segregated from the latter's own assets.

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

Also, the Fund must make sure that its contractual rights relating to the relevant transactions permit, in case of a liquidation, of a reorganisation or in any other situation of equal ranking, to discharge its obligation to return the assets received as collateral, if and to the extent that the restitution cannot be undertaken on the terms initially agreed.

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

- (a) Cash and cash equivalents, including short-term bank certificates and Money Market Instruments
- (b) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope.

b) Level of collateral

The Fund will determine the required level of collateral for OTC Financial Derivatives Instruments transactions and techniques and instruments relating to Transferable Securities and Money Market Instruments for hedging and efficient portfolio management purposes as well as for investment purposes by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

With respect to securities lending, the Fund will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, at least 90% of the global valuation (interests, dividends and other eventual rights included) of the securities lent.

c) Haircut policy

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Fund for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received – such as the issuer's credit standing, the maturity, currency and price volatility of the assets – and where applicable, the outcome of liquidity stress tests carried out by the Fund under normal and exceptional liquidity conditions.

The following haircuts are applied:

Collateral Instrument Type	Haircut
Collateral type (a) from above	0%
Collateral type (b) from above	0%-20%

d) Reinvestment of collateral

Non-cash collateral received by the Fund may not be sold, re-invested or pledged, except where and to the extent permissible under Luxembourg laws and regulations.

Cash collateral received by the Fund can only be:

- (a) placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- (b) invested in high-quality government bonds;
- (c) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis; and/or
- (d) invested in short-term money market funds as defined in the guidelines on a common definition of European money market funds.

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

The relevant Sub-Fund may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty at the conclusion of the transaction. The relevant Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

### APPENDIX 3: SUMMARY OF FEES AND EXPENSES FOR SUB-FUNDS

The tables below set out:

- (a) the relevant Management Fees, Performance Fees and fixed fees and expenses and local tax (taxe d'abonnement) for each Sub-Fund;
- (b) the relevant benchmarks or hurdle rates, where applicable, for the purposes of calculating the performance and Performance Fee (where applicable) for each Sub-Fund; and
- (c) whether the Board of Directors has the discretion to charge a Dilution Levy for each Sub-Fund.

<b>IGNIS GLOBAL FUNDS SICAV – IGNIS ABSOLUTE RETURN GOVERNMENT BOND FUND</b>				
<b>Class<sup>7</sup></b>	<b>Management Fee (%)</b>	<b>Performance Fee Rate (%)</b>	<b>Fees and Expenses (basis points) Capped at</b>	<b>Local Tax (%)</b>
<b>A</b>	1.00 %	10.00 %	30	0.05%
<b>C</b>	0.65 %	10.00 %	30	0.05%
<b>I2</b>	0.30 %	10.00 %	30	0.01%
<b>IS</b>	0.50 %	10.00 %	30	0.01%
<b>I</b>	0.50 %	10.00 %	30	0.01%
<b>SI</b>	0.40 %	10.00 %	30	0.01%
<b>J</b>	0.40%	10.00 %	30	0.05%
<b>R</b>	1.35%	N/A	30	0.01%
<b>Z</b>	N/A	N/A	30	0.01%
<b>Hurdle Rate GBP</b>	SONIA			
<b>Hurdle Rate EUR</b>	EONIA			

<sup>7</sup> Where hedging is undertaken, in respect of any such Share Class, the latter will be designated as such by a reference to “hedged” (or “h”).

<b>Hurdle Rate CHF</b>	SARON
<b>Hurdle Rate USD</b>	FEDERAL FUNDS EFFECTIVE OVERNIGHT RATE
<b>Hurdle Rate SEK</b>	STIBID
<b>Hurdle Rate JPY</b>	BANK OF JAPAN UNCOLLATERALIZED OVERNIGHT CALL RATE
<b>Hurdle Rate AUD</b>	RESERVE BANK OF AUSTRALIA OVERNIGHT INDEX SWAP CASH RATE
<b>Dilution Levy</b>	YES
<b>Sales Charge</b>	YES