



PROSPECTUS

JABCAP (LUX)

Société d'Investissement à Capital Variable
established in Luxembourg

CARNE GLOBAL FUND MANAGERS (LUXEMBOURG) S.A.
(MANAGEMENT COMPANY)

JABRE CAPITAL PARTNERS S.A.
(INVESTMENT MANAGER)

June 2018

IMPORTANT INFORMATION

IMPORTANT: IF YOU ARE IN ANY DOUBT AS TO THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR ACCOUNTANT OR OTHER FINANCIAL ADVISER.

The Directors, whose names appear below, accept responsibility for the information contained in this document. The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects at the date hereof and that there are no other material facts, the omission of which would make misleading any statement herein whether of fact or opinion. The Directors accept responsibility accordingly.

JABCAP (LUX) (the “**Company**”) is an investment company organised under the laws of the Grand Duchy of Luxembourg as a *société d’investissement à capital variable*, is governed by Part I of the UCI Law and qualifies as a UCITS.

No person has been authorised by the Company to give any information or make any representations in connection with the offering of Shares other than those contained in this Prospectus or any other document approved by the Company or the Management Company, and, if given or made, such information or representations must not be relied on as having been made by the Company.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Prospectus may only be issued with one or more Supplements (each a “**Supplement**”), each containing information relating to a separate Fund. The creation of new Funds requires the prior approval of the Commission de Surveillance du Secteur Financier (the “**CSSF**”). If there are different classes of Shares representing a Fund, details relating to the separate classes may be dealt with in the same Supplement or in a separate Supplement for each class. The creation of further classes of Shares will be effected in accordance with the requirements of the CSSF. This Prospectus and the relevant Supplement should be read and construed as one document. To the extent that there is any inconsistency between this Prospectus and the relevant Supplement, the relevant Supplement shall prevail.

Applications for Shares will only be considered on the basis of this Prospectus (and any relevant Supplement) and the key investor information documents (“**KIIDs**”). The latest audited annual report and accounts and the latest unaudited semi-annual report may be obtained from the registered office of the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Articles are binding on each of its Shareholders (who are taken to have notice of them).

This Prospectus is based on information, law and practice currently in force in Luxembourg (which may be subject to change) at the date hereof. The Company cannot be bound by an out of

date Prospectus when it has issued a new Prospectus, and investors should check with the Central Administration that this is the most recently published Prospectus.

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

Complaints concerning the operation or marketing of the Company may be referred by e-mail to Jabcap@carnegroup.com.

Restrictions on Distribution and Sale of Shares

Luxembourg - The Company is registered pursuant to Part I of the UCI Law. 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 Funds. Any representations to the contrary are unauthorised and unlawful.

European Union ("EU") - The Company 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.

Russia - The Company has not been authorised to be offered to the public in the Russian Federation. This Prospectus is being issued by the Company to a limited number of parties in connection with the possible disposal by the Company.

The purpose of this Prospectus is to assist the recipient in deciding whether it wishes to make any further enquiries in relation to the Company. This Prospectus does not constitute an offer or invitation for the sale or purchase of the Company.

The information in this Prospectus does not purport to be comprehensive and has not been independently verified. While this information has been prepared in good faith, no representation or warranty, express or implied, is or will be made and no responsibility or liability is or will be accepted by the Company or by any of their respective officers, employees or agents in relation to the accuracy or completeness of this information memorandum or any other written or oral information made available to any interested party or its advisers and any such liability is expressly disclaimed.

This Prospectus has been delivered to interested parties for information purposes only and on the express understanding that they shall use it only for the purpose set out above.

If you have not received this Prospectus directly from the Company, your receipt is unauthorised. Please return this document to the Company immediately.

United Kingdom ("UK") - An application may be made to the FCA for the Company to be recognised pursuant to Section 264 of the Financial Services and Markets Act 2000 ("FSMA"). Pending the outcome of such application, the Company is not a recognised collective investment scheme for the purposes of Section 264 of FSMA. The promotion of the Company and the distribution of this Prospectus in the UK is accordingly restricted by law.

This Prospectus is exempt from the general restriction in section 21 of the (“**FSMA**”) on the communication of invitations or inducements to engage in investment activity on the grounds that it is issued to and/or directed at only the types of person referred to above.

The content of the Prospectus has not been approved by an authorised person and such approval is, save where this Prospectus is directed at or issued to the types of person referred to above, required by section 21 of FSMA.

Any advice or recommendation which may be given or offered by this Prospectus does not relate to products and services of Jabre Capital Partners S.A., but to those of the Company. The Company 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.

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

United States of America ("US") - The Shares may not be offered, sold or delivered directly or indirectly in the US or to or for the account or benefit of any US Person.

The Articles give powers to the Board of Directors to impose such restrictions as they may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the opinion of the Board of Directors might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered and, in particular, by any US Person as referred to above. The Company may compulsorily redeem all Shares held by any such person.

The value of the Shares may fall as well as rise and a Shareholder on transfer or redemption of Shares may not get back the amount he initially invested. Income from the Shares may fluctuate in money terms and changes in rates of exchange may cause the value of Shares to go up or down. The levels and basis of, and reliefs from taxation may change. There can be no assurance that the investment objectives of any Fund will be achieved.

Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, conversion, redemption or disposal of the Shares of the Company.

Further copies of this Prospectus and the latest KIIDs may be obtained from:

JABCAP (LUX)
Carré Bonn
20, rue de la Poste

L-2346 Luxembourg

The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorised or the 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 of and to observe all applicable laws and regulations of the countries of his nationality, residence, ordinary residence or domicile.

Information for Distributors

Distributors must consider such information about the Company and each Class of Shares as is made available by the Principal Distributor for the purposes of the EU's product governance regime under MiFID 2 including, without limitation, target market information and negative target market information.

Distributors may obtain such information by contacting the Principal Distributor.

General

This Prospectus, any Supplements and the KIIDs may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus, any Supplements and the KIIDs. To the extent that there is any inconsistency between the English language Prospectus/Supplements/KIIDs and the Prospectus/Supplements/KIIDs in another language, the English language Prospectus/Supplements/KIIDs will prevail, except to the extent (but only to the extent) required by the law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a prospectus or a KIID in a language other than English, the language of the Prospectus/Supplement/ KIIDs on which such action is based shall prevail.

Investors should read and consider the section entitled "Risk Factors" before investing in the Company.

All or part of the fees and expenses may be charged to the capital of the Company. This will have the effect of lowering the capital value of your investment.

The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund.

DIRECTORY

JABCAP (LUX)

Registered Office

Carré Bonn
20, rue de la Poste
L-2346 Luxembourg

Directors

William A. Blackwell – Chairman
Tracey McDermott
Philippe Riachi
Leila Khazaneh

Management Company

Carne Global Fund Managers (Luxembourg)
S.A.
European Bank and Business Centre
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James Bolton
Elisabeth Patiño George

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United Kingdom

Directors of Management Company

Steve Bernat
William A. Blackwell
John Alldis
Kevin Nolan

Principal Distributor

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Cayman Islands

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L-1115 Luxembourg

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Citco Fund Services (Luxembourg) S.A.
Carré Bonn
20, rue de la Poste
L-2346 Luxembourg

Paying Agent

Citco Bank Nederland N.V – Luxembourg
Branch
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20, rue de la Poste
L-2346 Luxembourg

Auditor

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7, rue Gabriel Lippmann
Parc d'Activité Syrdall 2
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DEFINITIONS

“Accumulation Shares”	Shares in respect of which income is accumulated and added to the capital property of a Fund
“Administration Agreement”	the agreement pursuant to which the Central Administration is appointed by the Management Company
“Articles”	articles of incorporation of the Company
“Auditor”	Ernst & Young
“Board”, “Board of Directors” or “Directors”	the members of the board of directors of the Company for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time
“Business Day”	in relation to a Fund means any full bank business day in Luxembourg and/or such other place or places and such other day or days as the Directors may determine and notify to Shareholders in advance
“Central Administration”	Citco Fund Services (Luxembourg) S.A.
“Class”	a class of Shares in a particular Fund
“Company”	JABCAP (LUX)
“CSSF”	the Luxembourg authority, currently the <i>Commission de Surveillance du Secteur Financier</i> , or its successor in charge of the supervision of undertakings for collective investment in the Grand Duchy of Luxembourg.
“Data Protection Legislation”	means the EU Privacy & Electronic Communications Directive 2002/58/EC and any amendments and replacement of such Directive, the EU General Data Protection Regulation (EU) 2016/679, European Commission decisions, binding EU and national guidance and all applicable national legislation implementing the above legislations, regulations, decisions and guidance.
“Dealing Day”	such Business Day or Business Days as shall be specified in the relevant Supplement for that Fund or any such other day or days as the Directors may determine and notify in advance to the Shareholders provided there is at least one every two weeks
“Dealing Request Deadline”	such time in respect of any relevant Dealing Day as shall be specified in the relevant Supplement for that Fund or such other time as the Directors may determine and notify to Shareholders in advance provided always that the Dealing Request Deadline is no later than the point as of which the Net Asset Value

	is determined for the relevant Dealing Day
“Depositary Bank”	Deutsche Bank Luxembourg S.A. and any successor thereof
“Depositary Bank Agreement”	the depositary bank agreement pursuant to which the Depositary Bank is appointed by the Company
“Distribution Shares”	Shares in respect of which income is distributed periodically to Shareholders
“EU”	the European Union
“EUSD Law”	the Luxembourg law dated 21 June 2005 implementing the EUSD, as amended
“FATCA”	the United States Foreign Account Tax Compliance Act provisions contained in section 1471 to 1474 of the United States Internal Revenue Code and US Treasury Regulations made thereunder
“FCA”	Financial Conduct Authority or its successor authority in the UK
“FINRA”	US Financial Industry Regulatory Authority
“Fund”	a sub-fund of the Company representing the designation by the Directors of a particular Class of Shares as a sub-fund, the proceeds of issue of which are pooled separately and invested in accordance with the investment objective and investment policies applicable to such sub-fund and which is established by the Directors from time to time with the prior approval of the CSSF
“GDPR”	means Regulation (EU) 2016/679 known as the General Data Protection Regulation.
“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
“Ineligible Applicant”	any US Person or other person to whom a transfer of Shares (legally or beneficially) or by whom a holding of Shares (legally or beneficially) would or, in the opinion of the Directors, might: <ul style="list-style-type: none"> a) be in breach of any law (or regulation by a competent authority) of any country or territory by virtue of which the person in question is not qualified to hold such Shares; or

- b) require the Company, the Management Company, or the Investment Manager to be registered under any law or regulation whether as an investment fund or otherwise, or cause the Company to be required to comply with any registration requirements in respect of any of its Shares, whether in the US or any other jurisdiction; or
- c) cause the Company, its Shareholders, the Management Company or the Investment Manager some legal, regulatory, taxation, pecuniary or material administrative disadvantage which the Company, its Shareholders, the Management Company or the Investment Manager might not otherwise have incurred or suffered

“Initial Offer Period”	the period set by the Directors in relation to any Fund or Class of Shares as the period during which Shares are initially on offer and as specified in the relevant Supplement
“Initial Offer Price”	the initial price payable for a Share as specified in the relevant Supplement for each Fund
“Investment Management Agreement”	the investment management agreement pursuant to which the Investment Manager is appointed to provide discretionary investment management services to the Management Company, the Company and the Funds
“Investment Manager”	Jabre Capital Partners S.A.
“Luxembourg”	the Grand Duchy of Luxembourg
“Management Company”	Carne Global Fund Managers (Luxembourg) S.A.
“Member State”	a member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the European Union, within the limits set forth by this agreement and related acts, are considered as equivalent to member states of the European Union
“MiFID 2”	together, the EU’s second Markets in Financial Instruments Directive (Directive No 2014/65/EU) (the “MiFID 2 Directive”), delegated and implementing EU regulations made thereunder, laws and regulations introduced by Member States of the EU to implement the MiFID 2 Directive, and the EU’s Markets in Financial Instruments Regulation (Regulation No 600/2014)
“Minimum Holding”	where applicable, the minimum holding for each class of Shares as specified in the relevant Supplement for each Fund

“Minimum Additional Subscription”	the minimum additional investment for each class of Shares as specified in the relevant Supplement for each Fund
“Minimum Subscription”	the minimum investment for each class of Shares as specified in the relevant Supplement for each Fund
“Money Market Instruments”	instruments normally dealt in 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 CSSF from time to time
“Net Asset Value”	the net asset value of the Company, a Fund or a Class (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 Fund or Class divided by the number of Shares of the relevant Fund or Class in issue at the relevant time
“Non-Member State”	any state of Europe which is not a Member State, and any state of America, Africa, Asia, Australia and Oceania
“OECD”	the Organisation for Economic Co-operation and Development
“Paying Agent”	Citco Bank Nederland N.V – Luxembourg Branch
“Prospectus”	this Prospectus, as may be amended or supplemented from time to time
“Redemption Price”	the price per Share at which Shares are redeemed or calculated in the manner described under the Section “Redemptions” of this Prospectus
“Reference Currency”	the base currency of the Company, the relevant Class or the relevant Fund, as the case may be
“Regulated Market”	a market in the meaning of directive 2004/39/EC of the EC Parliament and Council on markets in financial instruments
“Share” or “Shares”	shares of any Class in any Fund as the context requires.
“Share Class” or “Class of Shares” or “Class”	all of the Shares issued by the Company as a particular Class of Shares relating to a single Fund
“Shareholder”	a holder of Shares in any Fund
“Sub-Investment Manager”	Park Vale Capital Limited, the sub-investment manager in respect of JABCAP (LUX) – European Credit

Opportunities

“Subscription Price”	the price per Share at which Shares may be issued after the close of the Initial Offer Period calculated in the manner described under the Section “Subscriptions” of this Prospectus
“Supplement”	a supplement to this Prospectus specifying certain information in respect of a Fund and/or one or more Classes
“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 Appendix 1 of this Prospectus.
“UCI(s)”	undertaking(s) for collective investment
“UCI Law”	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended
“UCITS”	an undertaking for collective investment in transferable securities established pursuant to the UCITS Directive
“UCITS Directive”	the UCITS Directive 2009/65/EC of the European Parliament and Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended from time to time
“US Person”	means any person who is any of the following: (i) a “U.S. person” as defined in Regulation S under the US Securities Act of 1933; (ii) a “United States person” as defined in Section 7701 of the US Internal Revenue Code of 1986; or (iii) not a “non-United States person” as defined in US Commodity Futures Trading Commission (“CFTC”) Rule 4.7 (please see Appendix 4)
“Valuation Day”	the Business Day as of which the Central Administration determines the Net Asset Value per Share of each Fund, as specified in the relevant Supplement for that Fund

In this Prospectus the words and expressions set out in the first column above shall have the meanings set opposite them unless the context requires otherwise. All references to "Euro" and "€" are to the unit of the European single currency, all references to "US Dollars", "USD" and "US\$" are to the currency of the US, all references to "CHF" and "Swiss Francs" are to the currency of Switzerland, all references to "Sterling", "GBP" and "£" are to the currency of the UK, all references to "Swedish Kroner", "SEK" or "kr" are to the currency of Sweden and all references to "Yen" or "JPY" are to the currency of Japan.

THE COMPANY AND THE FUNDS

The Company is an open-ended investment company incorporated under the laws of Luxembourg as a *Société d'Investissement à Capital Variable* ("**SICAV**") in accordance with the provisions of Part I of the UCI Law of 17 December 2010 governing undertakings for collective investment, as may be amended from time to time. The Company was incorporated for an unlimited period on 5 August 2010 under the name of JABCAP (LUX). The Articles have been published in the *Mémorial C, Recueil Spécial des Sociétés et Associations* ("Mémorial") of the Grand Duchy of Luxembourg for the first time on 30 August 2010 and the Company is registered with the Luxembourg Trade and Companies' Register under the number B 155045. The Articles have been amended for the last time on 23 January 2015, the notarial deed of which was published in the *Mémorial* on 29 April 2015.

The Company has appointed Carne Global Fund Managers (Luxembourg) S.A. as its management company.

The Company is an umbrella fund designed to offer investors access to a variety of investment strategies through a range of separate Funds. At the date of this Prospectus, the Company consists of the following Funds:

- JABCAP (LUX) – Global Balanced
- JABCAP (LUX) – Convertible Bonds
- JABCAP (LUX) – European Credit Opportunities

At all times the Company's capital will be equal to the Net Asset Value of the Company and will not fall below the minimum capital required by Luxembourg law.

The Directors may establish additional Funds from time to time in respect of which a Supplement or Supplements will be issued with the prior approval of the CSSF.

The assets of each Fund will be segregated from one another and will be invested in accordance with the investment objectives and investment policies applicable to each such Fund and as set out in the relevant Supplement. Pursuant to Article 181 of the UCI Law, each Fund corresponds to a distinct part of the assets and liabilities of the Company, i.e. the assets of a Fund are exclusively available to satisfy the rights of investors in relation to that Fund and the rights of creditors whose claims have arisen in connection with the creation and operation of that Fund.

The liabilities of a particular Fund (in the event of a winding up of the Company or a repurchase of the Shares in the Company or all the Shares of any Fund) shall be binding on the Company but only to the extent of the particular Fund's assets and in the event of a particular Fund's liabilities exceeding its assets, recourse shall not be made against the assets of another Fund to satisfy any such deficit.

The Reference Currency of each Fund is set out in the relevant Supplement.

Shares of a Fund may be listed on the Luxembourg Stock Exchange or on another investment exchange. The Board of Directors will decide whether Shares of a particular Fund are to be listed. The relevant Supplement will specify if the Shares of a particular Fund are listed.

INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

The Funds and their Investment Objectives and Policies

Details of the investment objective, investment policies and certain terms relating to an investment in the Funds will be set out in the relevant Supplement.

Profile of a Typical Investor

The profile of a typical investor will be set out in the relevant Supplement.

The choice of a specific Fund should be determined by the investor's attitude to risk, preference for income or growth, intended investment time horizon and in the context of the investor's overall portfolio. Investors should seek professional advice before making investment decisions.

Investment Restrictions

Investment of the assets of each Fund must comply with the UCI Law. The investment and borrowing restrictions applying to the Company and each Fund are as set out in Appendix 1. The Directors may impose further restrictions in respect of any Fund. With the exception of permitted investments in unlisted securities or in units of open-ended collective investment schemes or in over-the-counter derivative contracts, investments will be made on Regulated Market. Each Fund may also hold ancillary liquid assets.

RISK MANAGEMENT PROCESS

Unless otherwise stated in the relevant Supplement, each Fund shall employ an absolute Value-at-Risk model in determining its global exposure to financial derivative instruments and the Management Company will ensure that such global exposure does not exceed the 20% threshold as set out in the CSSF circular 11/512 of 30 May 2011, as amended or restated from time to time.

Each Fund may invest, according to its investment objectives and in compliance with the investment restrictions set out in Appendix 1 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 Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in Appendix 1 of this Prospectus.

When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this section.

CO-MANAGEMENT AND POOLING

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

Each Party to the co-managed assets will participate in the co-managed assets in proportion to the assets it has contributed to the co-management. Assets will be allocated to each Party to the co-managed assets in proportion to its contribution to the co-managed assets. Each Party's rights to the co-managed assets apply to each line of investment in the said co-managed assets. The aforementioned co-managed assets will be formed by the transfer of cash or, where applicable, other assets from each of the Parties participating in the co-managed assets. Thereafter, the Board of Directors or the Management Company may regularly make subsequent transfers to the co-managed assets. The assets can also be transferred back to a Party to the co-managed assets for an amount not exceeding the participation of the said Party to the co-managed assets. Dividends, interest and other distributions deriving from income generated by the co-managed assets will accrue to each Party to the co-managed assets in proportion to its respective investment. Such income may be kept by the Party to the co-managed assets or reinvested in the co-managed assets. All charges and expenses incurred in respect of the co-managed assets will be applied to these assets. Such charges and expenses will be allocated to each Party to the co-managed assets in proportion to its respective entitlement to the co-managed assets.

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

When the Company is liquidated or when the Board of Directors of the Company or the Management Company decide to withdraw the participation of the Company or a Fund of the Company from co-managed assets, the co-managed assets will be allocated to the Parties to the co-managed assets in proportion to their respective participation in the co-managed assets.

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

SHARES

Each Fund may offer more than one Class of Shares, each Class of Shares may have different features inter alia with respect to its criteria for subscription, redemption, minimum holding, fee structure, currency, dividend policy, New Issue Eligibility and taxe d'abonnement. A separate Net Asset Value per Share will be calculated for each Class. The Classes of Share currently available for each Fund are set out in the relevant Supplement. Further Classes may be created by the Board of Directors in accordance with the requirements of the CSSF.

Shares are freely transferable except to Ineligible Applicants.

The limits for minimum subscription, minimum additional subscription and minimum holding for any Fund or Class of Shares may be waived or reduced at the discretion of the Directors.

NEW ISSUES

From time to time, each Fund, directly or indirectly, may purchase equity securities that are part of an initial public offering. If those securities are considered to be part of a “new issue” as defined by FINRA Rules 5130 and 5131, or any successor or other provisions relating to equity securities issued in a public offering (“**New Issue Securities**”), such securities generally may not be sold by FINRA members to (i) an account in which a FINRA member, a person affiliated with or related to a FINRA member, or a person affiliated with or related to certain other financial institutions (a “**Restricted Person**”) has an interest and (ii) accounts in which the beneficial interests of executive officers, directors and persons materially supported by such persons, in the aggregate, with respect to any one public or covered non-public company exceed 25% of the account.

In view of FINRA Rules 5130 and 5131 described above, each Class of Shares may be divided into restricted and a non-restricted sub-series. Prior to investment, prospective investors must represent to the Company whether they are Restricted Persons. A subscriber who is not a Restricted Person or otherwise limited from participating in New Issue Securities pursuant to rules administered by FINRA will be issued Shares in the non-restricted sub-class of the Class of Shares subscribed for, whereas a subscriber who is a Restricted Person or otherwise limited from participating in New Issue Securities pursuant to rules administered by FINRA will be issued Shares in the restricted sub-class of the Class of Shares subscribed for. Profits and losses attributable to New Issue Securities will be allocated only to the non-restricted sub-class of each Class of Shares.

If the status of an investor changes from unrestricted to restricted, as defined in FINRA Rules 5130 and 5131 (or any successor or other provisions relating to New Issues Securities), such Shareholder’s non-restricted Shares will be exchanged (by way of redemption and re-subscription) for restricted Shares of the same Class having the same aggregate net asset value without further reference to the Shareholder.

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 (the “**Dealing Request Deadline**”) 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 Company 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 Dealing Request Deadline 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 the Supplements for each Fund.

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 Company considers that the practice of market timing is not acceptable as it may affect the Company's performance through an increase of the costs and/or entail a dilution of the profit. As a result, the Company 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.

SUBSCRIPTIONS

Initial Offer

Shares in any Fund may be subscribed for during the Initial Offer Period at the Initial Offer Price and will be issued for the first time on the first Dealing Day after expiry of the Initial Offer Period. The Directors may extend or shorten the Initial Offer Period at their discretion.

Cleared funds must be received prior to the end of the Initial Offer Period.

Subsequent Subscriptions

Following the close of the Initial Offer Period, Shares will be available for subscription at the Subscription Price on each Dealing Day on a forward pricing basis (see below under "Procedure"). The Subscription Price will be equal to the initial offer price, or in the event the Class is subscribed, the Net Asset Value per Share of the relevant Class or Fund as at the Valuation Day immediately preceding the relevant Dealing Day.

A subscriber may also be required to pay an additional amount as equalisation credit.

The Directors are authorised from time to time to resolve to close a Fund or any Class of Shares to new subscriptions on such basis and on such terms as the Directors may in their absolute discretion determine.

Procedure

Applicants for Shares during the Initial Offer Period should complete and sign an application form and send it to the Central Administration by mail (or, subject to the following, by facsimile) so as to be received by the Central Administration no later than the end of the Initial Offer Period. Cleared funds in the relevant currency in respect of the subscription monies must be received by the Central Administration by the same time. If the relevant application form and/or subscription monies is/are not received by these times, the application will be held over until the first Dealing Day after the close of the Initial Offer Period and Shares will then be issued at the relevant Subscription Price on that Dealing Day.

Thereafter, applicants for Shares, and Shareholders wishing to apply for additional Shares, must send their completed and signed application form by mail (or, subject to the following, by facsimile) to the Central Administration. Applications accepted prior to the Dealing Request Deadline will be processed on the following Dealing Day. Cleared funds in the relevant currency in respect of the subscription monies must be received by the Central Administration by the Dealing Request Deadline for the relevant Dealing Day. Any applications received after the Dealing Request Deadline for a particular Dealing Day will be processed on the following Dealing Day.

Initial applications may be made by facsimile subject to the prompt receipt by the Central Administration of the original signed application form and such other supporting documents (such as documentation in relation to money laundering prevention checks) as may be required. Thereafter, Shareholders wishing to apply for additional Shares may apply for Shares by facsimile and these applications may be processed without a requirement to submit original documentation. Amendments to a Shareholder's registration details and payment instructions will only be effected on receipt of original documentation.

Fractions of Shares to two decimal places will be issued if necessary. Interest on subscription monies will accrue to the relevant Fund.

The Company reserves the right to reject any application in whole or part at its absolute discretion, in which event the amount paid on application or the balance thereof (as the case may be) will be returned (without interest) as soon as practicable in the relevant currency at the risk and cost of the applicant.

The Company will only agree to issue Shares as consideration for a contribution of cash.

Minimum Investment

The Minimum Holding, the Minimum Subscription and the Minimum Additional Subscription (if any) for each Class in respect of each Fund are set out in the relevant Supplement.

Ineligible Applicants

The application form requires each prospective applicant for Shares to represent and warrant to the Company that, among other things, it is not an Ineligible Applicant.

In particular, the Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company might not otherwise incur or suffer, or would result in the Company being required to register under any applicable US securities laws.

Shares may not be offered in the US or issued or transferred to any US Person.

Form of Shares

All the Shares will be registered Shares and will only be issued in bookstock form, meaning that a Shareholder's entitlement will be evidenced by an entry in the Company's register of Shareholders, as maintained by the Central Administration, and not by a share certificate.

Suspension

The Directors may declare a suspension of the issue of Shares in certain circumstances as described under "Suspension of Valuation of Assets" below. No Shares will be issued during any such period of suspension.

Anti-Money Laundering

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the identity of an applicant for Shares and where applicable the beneficial owner, on a risk sensitive basis, as well as the monitoring of the relationship on an ongoing basis. Amendments to a Shareholder's details and payment instructions will only be effected on receipt of original documentation.

Except for applicants applying through companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of money laundering equivalent to those applicable in Luxembourg, (i) the Central Administration must verify the identity of the applicant and (ii) for that purpose any applicant applying in its own name or applying through companies established in non-equivalent countries, is obliged to submit to the Central Administration in Luxembourg all necessary information, which the Central Administration may reasonably require to verify. In the case of an applicant acting on behalf of a third party, the Central Administration must also verify the identity of the beneficial owner(s). Furthermore, any such applicant hereby undertakes that it will notify the Central Administration prior to the occurrence of any change in the identity of any such beneficial owner.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Central Administration may refuse to accept the application and the subscription monies relating thereto or may refuse to settle a redemption request until proper information has been provided. Investors should note specifically that where redemption proceeds are requested to be remitted to an account which is not in the name of the investor, the Central Administration shall settle such redemption requests in exceptional circumstances only and reserves the right to request such information as may be reasonably necessary in order to verify the identity of the investor and the owner of the account to which the redemption proceeds have been requested to be paid. The redemption proceeds will not be paid to a third party account unless exceptional circumstances exist and/or if the investor and/or owner of the account provides such information.

Each applicant for Shares will be required to make such representations as may be required by the Directors in connection with anti-money laundering programmes, including, without limitation, representations that such applicant is not a prohibited country, territory, individual or entity prohibited by the US Department of Treasury's Office of Foreign Assets Control ("OFAC") 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 programmes. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene US federal or state, or international, laws and regulations, including anti-money laundering laws and regulations.

Data Protection

In the course of business, the Company will collect, record, store, adapt, transfer and otherwise process information by which prospective investors may be directly or indirectly identified. The Company is a data controller within the meaning of Data Protection Legislation and undertakes to hold any personal data provided by investors in accordance with Data Protection Legislation.

The Company and/or any of its delegates or service providers may process prospective investor's personal data for any one or more of the following purposes and legal bases:

- (1) to operate the Company, including managing and administering a Shareholder's investment in the Company on an on-going basis which enables the Company and investors to satisfy their contractual duties and obligations to each other;
- (2) to comply with any applicable legal, tax or regulatory obligations on the Company and/or any of its delegates or service providers under any applicable laws and anti-money laundering and counter-terrorism legislation. If any such obligations derive from the laws of a non-European Economic Area ("EEA") country, the Company and/or any of its delegates or service providers will be obliged to comply with those obligations in connection with the provision of services to investors;
- (3) for any other legitimate business interests' of the Company or a third party to whom personal data is disclosed, where such interests are not overridden by the interests of the investor, including for statistical analysis and market research purposes; or
- (4) for any other specific purposes where investors have given their specific consent and where processing of personal data is based on consent, the investors will have the right to withdraw it at any time.

The Company and/or any of its delegates or service providers may disclose or transfer personal data, whether in the European Union or elsewhere (including entities situated in countries outside of the EEA), to other delegates, duly appointed agents and service providers of the Company (and any of their respective related, associated or affiliated companies or sub-delegates) and to

third parties including advisers, regulatory bodies, taxation authorities, auditors, technology providers for the purposes specified above.

The Company and/or any of its delegates and service providers will not transfer personal data to a country outside of the EEA unless that country ensures an adequate level of data protection, appropriate safeguards are in place or relies on one of the derogations provided for under GDPR. The European Commission has prepared a list of countries that are deemed to provide an adequate level of data protection which, to date, includes Switzerland, Guernsey, Argentina, the Isle of Man, Faroe Islands, Jersey, Andorra, Israel, New Zealand and Uruguay. Further countries may be added to this list by the European Commission at any time. The US is also deemed to provide an adequate level of protection where the US recipient of the data is privacy shield-certified. If a third country does not provide an adequate level of data protection, then the Company and/or any of its delegates and service providers will ensure it puts in place appropriate safeguards such as the model clauses (which are standardised contractual clauses, approved by the European Commission). Investors may request a copy of such appropriate safeguards by writing at Carré Bonn, 20, rue de la Poste, L-2346 Luxembourg.

The Company will not keep personal data for longer than is necessary for the purpose(s) for which it was collected. In determining appropriate retention periods, the Company shall have regard to any applicable statutes of limitation and any statutory obligations to retain information, including anti-money laundering, counter-terrorism, tax legislation. The Company will take all reasonable steps to destroy or erase the data from its systems when they are no longer required.

Where specific processing is based on an investor's consent, that investor has the right to withdraw at any time. Investors have the right, subject to any restrictions imposed by Data Protection Legislation, to: (i) access personal data (i.e. the right to obtain confirmation as to whether or not personal data are being processed, to be provided with certain information about the processing of the personal data, to access to that data, and to obtain a copy of the personal data undergoing processing (subject to legal exceptions)); (ii) ask for a rectification thereof in cases where such personal data are inaccurate and/or incomplete (i.e. the right to require that inaccurate or incomplete personal data be updated or corrected accordingly); (iii) object to the processing of personal data (i.e. the right to object, on grounds relating to the investor's particular situation, to the processing of personal data, unless the Company can either demonstrate compelling legitimate grounds for the processing that override data subjects' interests, rights and freedoms or that it needs to process the data for the establishment, exercise or defence of legal claims); (iv) ask for erasure of such personal data (i.e. the right to require that personal data be erased in certain circumstances, including where it is no longer necessary to process personal data in relation to the purposes for which it collected or processed); and (v) ask for data portability (i.e. the right to have the personal data transferred to the investor or another controller in a structured, commonly used and machine-readable format, where this is technically feasible). The investors may also lodge a complaint with the competent data protection supervisory authority in the relevant jurisdiction.

Where processing is carried out on behalf of the Company, the Company shall engage a data processor, within the meaning of Data Protection Legislation, which provides sufficient guarantees to implement appropriate technical and organisational security measures in a manner that such processing meets the requirements of Data Protection Legislation, and ensures the protection of the rights of investors. The Company will enter into a written contract with the data processor which will set out the data processor's specific mandatory obligations laid down in Data Protection Legislation, including to process personal data only in accordance with the documented instructions from the Company.

Investors are required to provide their personal data for statutory and contractual purposes. Failure to provide the required personal data or an objection to processing may result in the

Company being unable to permit, process, or release the investor's investment in the Company and this may result in the Company terminating its relationship with the investor.

Recording of Communications

Telephone, electronic and other communications and conversations with the Sub-Investment Manager and/or its associated persons may be recorded and retained.

REDEMPTIONS

Shareholders may apply for redemption of all or any of their Shares for a Dealing Day specified for each Class of Shares of each Fund in the relevant Supplement. Shareholders should send a completed redemption request in the form available from the Central Administration to be received by the Central Administration no later than the Dealing Request Deadline for any Dealing Day.

Procedure

Redemption requests may be submitted to the Central Administration by fax, provided that the original subscription application form has been received and all the documentation required by the Company or the Management Company (including any documents in connection with anti-money laundering procedures) and the anti-money-laundering procedures have been completed.

A redemption request, once given, is irrevocable save with the consent of the Directors (which may be withheld in their discretion).

Redemption Price

The Redemption Price per Share will be equal to the Net Asset Value per Share as of the relevant Class or Fund as at the Valuation Day immediately preceding the relevant Dealing Day.

A redeeming shareholder may also receive additional proceeds if an equalisation credit paid at the time of the subscription has not been fully applied. Alternatively, performance fee adjustments (as outlined in the performance fee section of the relevant Supplement) may be deducted from the redemption proceeds.

Settlement

Redemption payments will normally be paid within 3 Business Days of the relevant Valuation Day. If, in exceptional circumstances, redemption proceeds cannot be paid within this period, payment will be made as soon as reasonably practicable thereafter but in any event no later than 10 Business Days from the relevant Valuation Day.

Payment will be made in the currency of denomination of the Shares being redeemed by direct transfer in accordance with instructions given by the redeeming Shareholder to the Central Administration and at the Shareholder's risk and expense. Payments made on receipt of faxed instructions will only be processed where payment is made to the account of record as provided on (a) the original, duly signed, initial application form or (b) the original, duly signed bank mandate change request.

The Company 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 Fund equal in value (calculated in the manner described in the Articles) as of the Valuation Day, when 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 Company. The costs of any such transfers shall be borne by the transferee.

Suspension

The Directors may declare a suspension of the redemption of Shares in certain circumstances as described under “Suspension of Valuation of Assets” below. No Shares will be redeemed during any such period of suspension.

Compulsory Redemptions

The Directors may effect a compulsory redemption of any or all Shares held by or for the benefit of a Shareholder at any time for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the opinion of the Board of Directors might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered. Furthermore, the Directors may effect a compulsory redemption of any or all Shares held by or for the benefit of a Shareholder at any time in exceptional circumstances where they determine that such a compulsory redemption is in the interest of investors. Subject to the relevant Supplement, if the Net Asset Value of the Shares held by the Shareholder is less than the Minimum Holding, the Company reserves the right to require compulsory redemption of all Shares of the relevant Class held by a Shareholder or alternatively to effect a compulsory exchange of all Shares of the relevant Class held by a Shareholder for Shares of another Class in the same Fund which have the same Reference Currency but a lower Minimum Holding. Where the Net Asset Value of the Shares held by a Shareholder is less than the Minimum Holding and the Company decides to exercise its right to compulsorily redeem for this reason, the Company will notify the Shareholder in writing and allow such Shareholder 30 calendar days to purchase additional Shares to meet the minimum requirement.

Deferred Redemptions

The Directors may defer redemptions at a particular Dealing Day to the next Dealing Day where the requested redemptions exceed 10% of a Fund’s Net Asset Value. The Directors will ensure the consistent treatment of all Shareholders who have sought to redeem Shares at any Dealing Day at which redemptions are deferred. The Directors will pro-rate all such redemption requests to the stated level (i.e. 10% of the Fund’s Net Asset Value) and will defer the remainder until the next Dealing Day. The Directors will also ensure that all deals relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.

The Directors currently expect not to exercise such power to defer redemptions except to the extent that they consider that existing Shareholders would otherwise be materially prejudiced or that such exercise is necessary to comply with applicable law or regulation.

Anti-Money Laundering

Investors should note that the Directors may refuse to settle a redemption request if it is not accompanied by such additional information as they, or the Central Administration on their behalf, may reasonably require. This power may, without limitation to the generality of the foregoing, be exercised where proper information has not been provided for anti-money laundering verification purposes as described under “Subscriptions”.

EXCHANGING BETWEEN CLASSES

Except when issues and redemptions of Shares have been suspended in the circumstances described under "Suspension of Valuation of Assets" below, holders of Shares may request an exchange of some or all of their Shares in one Class (the "**Original Class**") for Shares in another Class of the same Fund (the "**New Class**"). Such exchanges can only take place, if following the exchange, the Shareholder's remaining holding in the Original Class and the Shareholder's holding in the New Class will satisfy the criteria and applicable minimum holding requirements of that Class.

Shareholders may not request an exchange of some or all of their Shares in one Fund for Shares in another Fund.

Procedure

Shareholders should send a completed exchange request in the form available from the Central Administration to be received by the Central Administration prior to the earlier of the Dealing Request Deadline for redemptions in the Original Class and the Dealing Request Deadline for subscriptions in the New Class. Any applications received after such time will be dealt with on the next Dealing Day.

The Directors may at their absolute discretion reject any request for the exchange of Shares in whole or in part.

Fractions of Shares to two decimal places may be issued by any Fund on exchange where the value of Shares exchanged from the Original Class is not sufficient to purchase an integral number of Shares in the New Class and any balances representing entitlements of less than a fraction of a Share to two decimal places will be retained by the relevant Fund in order to discharge administration costs.

An exchange request, once given, is irrevocable save with the consent of the Directors (which may be withheld in their discretion) or in the event of a suspension of calculation of the Net Asset Value of the Company or Fund in respect of which the exchange requests are made.

Further, as an exchange of Shares of one Class for Shares of another Class will be treated as a redemption of Shares and a simultaneous purchase of Shares. An exchanging Shareholder may, therefore, realize a taxable gain or loss in connection with the conversion under the laws of the country of the shareholder's citizenship, residence or domicile.

The number of Shares of the New Class to be issued will be calculated in accordance with the following formula (except for those Classes operating performance fee equalisation):

$$S = \frac{(R \times NAV \times ER)}{SP}$$

where:

S is the number of Shares of the New Class to be allotted.

R is the number of Shares in the Original Class to be redeemed.

NAV is the Net Asset Value per Share of the Original Class as of the relevant Dealing Day.

ER is the currency exchange factor (if any) as determined by the Central Administration as representing the effective rate of exchange of settlement on the relevant Dealing Day applicable to the transfer of assets between the relevant Classes where the base currencies are different or, where the base currencies are the same, ER = 1.

SP is the Net Asset Value per Share of the New Class as of the relevant Dealing Day.

All terms and notices regarding the redemption of Shares shall equally apply to the exchange of Shares. For the avoidance of doubt, no redemption charge may apply to “NAV” above.

DETERMINATION OF THE NET ASSET VALUE OF SHARES

Net Asset Value

The Net Asset Value of each Fund will be calculated by the Central Administration as of each Valuation Day in accordance with the Articles.

The Net Asset Value of a Fund shall be determined as of the Valuation Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund.

The Net Asset Value attributable to a Class shall be determined as of the Valuation Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class as of the Valuation Day by reference to the number of Shares in issue in each Fund or Class as of the relevant Dealing Day subject to adjustment to take account of assets and/or liabilities attributable to the Fund or Class.

In the event that the Investment Manager hedges the foreign currency exposure of any Class of Shares denominated in a currency other than the Reference Currency of the relevant Fund, the costs and any benefit of such hedging will be allocated solely to the relevant Class of Shares to which the hedging relates. The Net Asset Value of a Fund will be expressed in the Reference Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case.

The Net Asset Value per Share shall be calculated as of the Valuation Day by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Fund or Class as of the relevant Valuation Day and rounding the resulting total to 2 decimal places or such number of decimal places as the Directors may determine.

Valuation of Assets

In determining the value of the assets of the Company:

- (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 in 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 in on any other Regulated Market is based on the last available price;
- (D) in the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in 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;

- (E) the market value of forward or options contracts not traded on exchanges or on other Regulated Markets shall mean their fair 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 in 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 Fund will be converted into the Reference Currency of such Class or 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.

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

In the absence of negligence, fraud or wilful default, every decision taken by the Directors or any committee of the Directors or any duly authorised person on behalf of the Company in calculating the Net Asset Value of a Class or the Net Asset Value per Share shall be final and binding on the Company and on present, past or future Shareholders.

The Directors have delegated to the Central Administration the day to day responsibility for the calculation of the Net Asset Value and Net Asset Value per Share.

Publication of Net Asset Value per Share

The Net Asset Value per Share may be obtained free of charge from, and will be available at, the offices of the Central Administration during business hours in Luxembourg.

Suspension of Valuation of Assets

The Directors may at any time and from time to time temporarily suspend the determination of the Net Asset Value of the Company or a Fund and the issue, exchange and redemption of Shares in any Fund:

- (A) during the whole or part of any period (other than for ordinary holidays or customary weekends) when any of the Regulated Markets on which the Company's investments are quoted, listed, traded or dealt are closed or during which dealings therein are restricted or suspended or trading is suspended or restricted; or
- (B) during the whole or part of any period when circumstances outside the control of the Directors exist as a result of which any disposal or valuation by the Company of investments of the Fund is not reasonably practicable or would be detrimental to the interests of Shareholders or it is not possible to transfer monies involved in the acquisition or disposition of investments to or from the relevant account of the Company; or
- (C) during the whole or part of any period when any breakdown occurs in the means of communication normally employed in determining the price or value of any of the Company's investments of the relevant Fund; or
- (D) during the whole or any part of any period when for any reason the price or value of any of the Company's investments cannot be reasonably, promptly or accurately ascertained; or
- (E) during the whole or any part of any period when subscription proceeds cannot be transmitted to or from the account of the Company or the Fund being unable to repatriate funds required for making redemption payments or when such payments cannot, in the opinion of the Directors, be carried out at normal rates of exchange; or
- (F) following a possible decision to liquidate or dissolve the Company or, if applicable, one or several Funds; or
- (G) if any other reason makes it impossible or impracticable to determine the value of a portion of the investments of the Company or any Fund; or
- (H) if, in exceptional circumstances, the Directors determine that suspension of the determination of Net Asset Value is in the interest of Shareholders (or Shareholders in that Fund as appropriate).

Any suspension of valuation of the Net Asset Value of the Company or a Fund and the issue, exchange and redemption of Shares in any Fund shall be notified to Shareholders having made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended.

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

DILUTION LEVY

In certain circumstances, the value of the property of a Fund may be reduced as a result of charges incurred in dealings in the Fund's investments and of any spread between the buying and selling prices of these investments. In order to offset this effect, known as "dilution", and the consequent potential adverse effect on the existing or remaining Shareholders, the Board of Directors has the power to charge a "dilution levy" when Shares are bought or sold. If charged, the dilution levy will be shown in addition to (and not part of) the Subscription Price or Redemption Price of the Shares, as the case may be, in the relevant documentation. If charged, the dilution levy would be paid to the Company and would become part of the property of the relevant Fund thus protecting the value of the remaining Shareholders' interests. It is not, however, possible to predict accurately whether dilution will occur at any future point in time.

Any dilution levy charged must be fair to all Shareholders and potential Shareholders. In particular, the dilution levy may be charged in the following circumstances:

- (a) on a Fund experiencing large levels of net subscriptions (i.e. subscriptions less redemptions) relative to its size;
- (b) on a Fund experiencing large levels of net redemptions (i.e. redemptions less subscriptions) relative to its size;
- (c) in any other case where the Board of Directors is of the opinion that the interests of existing/continuing Shareholders and potential Shareholders require the imposition of a dilution levy.

In order to reduce inconsistency in the application of any dilution levy, the Board of Directors may take account of the trend of the Fund in question to expand or to contract; and the transactions in Shares as of a particular Valuation Day.

Details of the dilution levy for each Fund are set out in the relevant Supplement.

GENERAL INFORMATION

1. 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 Company or of any 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 Luxembourg Trade and Companies' Register and published in the Recueil Electronique des Sociétés et Associations.

Detailed audited reports of the Company 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 Funds, a detailed description of the assets of each Fund and a report from the Auditor.

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

The Company's financial statements will be prepared in accordance with Luxembourg generally accepted accounting principles ("**Luxembourg GAAP**").

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 Company. 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 Company.

The accounting year of the Company commences on 1 January of each year and terminates on 31 December of each year. The first accounting year of the Company has commenced on the launch date and terminated on 31 December 2010. The Company will publish an annual report as per 31 December and a semi-annual report drawn up as per 30 June.

The annual general meeting takes place in Luxembourg City at a place specified in the notice of meeting each year on the third Wednesday of the month of April at 11:00 a.m. 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 Fund may hold, at any time, general meetings to decide on any matters that relate exclusively to such Class or Fund.

The combined accounts of the Company are maintained in Euro being the Reference Currency of the Company. The financial statements relating to the separate Funds shall also be expressed in the Reference Currency of the relevant Fund.

2. Dissolution and Liquidation of the Company

The Company 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 Company 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 Company 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 CSSF and appointed by the general meeting of Shareholders that shall determine their powers and their compensation.

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

Should the Company be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Luxembourg law. Such law 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.

3. Termination and Amalgamation of Funds and Classes

In the event that for any reason the value of the total net assets in any Class or 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 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 rationalization, the Board of Directors may decide to redeem all the Shares of the relevant Class or Fund at the Net Asset Value per Share (taking into account actual realization prices of investments and realization expenses) determined as of the Valuation Day at which such decision shall take effect and therefore close the relevant Fund.

The Company shall serve a written notice to the shareholders of the relevant Class or Fund prior to the effective date for the compulsory redemption. 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 Fund concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the effective date of 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 Fund may, upon a proposal from the Board of Directors, redeem all the Shares of the relevant Class within the relevant Fund and refund to the Shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated as of 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 Depositary Bank for the period required by Luxembourg law; after such period, the assets will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled.

The liquidation of the last remaining Fund of the Company will result in the liquidation of the Company as referred to in Article 145 (1) of the UCI Law.

Under the same circumstances as provided by the first paragraph of this section, the Board of Directors may decide to allocate the assets of any Fund or Class to those of another existing Fund or Class within the Company or to another undertaking for collective investment organized under the provisions of Part I of the UCI Law or to another sub-fund within such other undertaking for collective investment and to redesignate the Shares of the Class or of the Fund concerned as Shares of the new fund or Class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Shareholders). Such decision will be published in the same manner as described in the first paragraph of this section one (1) month before the effectiveness thereof (and, in addition, the publication will contain information in relation to the new fund or Class), in order to enable Shareholders to request redemption or conversion of their Shares, free of charge, during such period.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, a contribution of the assets and of the liabilities attributable to any Fund to another Fund within the Company may be decided upon by a general meeting of the Shareholders of the Fund concerned for which there shall be no quorum requirements and which will decide upon such an amalgamation by resolution taken by simple majority of those present or represented and voting.

If the amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type ("*fonds commun de placement*"), Shareholders who have not voted in favour of such amalgamation will be considered as having requested the redemption of their Shares, except if they have given written instructions to the contrary to the Company. The assets which may not or are unable to be distributed to such Shareholders for whatever reason will be deposited with the Depositary Bank for the period required by Luxembourg law; after such period, the assets will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

4. Directors' Interests

The interests of the Directors and their interests in companies associated with the management, administration, promotion and marketing of the Company and the Shares are set out below:

- (A) Mr. Riachi and Mrs. Khazaneh are both employees of the Investment Manager.
- (B) The Directors or companies of which they are officers or employees may subscribe for Shares in the Company. Their applications for Shares will rank *pari passu* with all other applications.

5. Indemnity

The Articles provide that every Director, agent, auditor, or officer of the Company and his personal representatives shall be indemnified and secured harmless out of the assets of the Company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by him in or about the conduct of the Company business or affairs or in the execution or discharge of his duties, powers, authorities or discretions, including actions,

proceedings, costs, charges, expenses, losses, damages or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning the Company in any court whether in Luxembourg or elsewhere. No such person shall be liable: (i) for the acts, receipts, neglects, defaults or omissions of any other such person; or (ii) by reason of his having joined in any receipt for money not received by him personally; or (iii) for any loss on account of defect of title to any property of the Company; or (iv) on account of the insufficiency of any security in or upon which any money of the Company shall be invested; or (v) for any loss incurred through any bank, broker or other agent; or (vi) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of his office or in relation thereto, unless the same shall happen through his own gross negligence or wilful misconduct against the Company.

6. General

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 Company:

- (A) the Articles and any amendments thereto;
- (B) the Management Company Services Agreement between the Company and the Management Company;
- (C) the Depositary Bank Agreement between the Company and the Depositary Bank;
- (D) the Investment Management Agreement between the Management Company, the Company and the Investment Manager;
- (E) the Administration Agreement between the Management Company, the Company and the Central Administration;
- (F) the KIIDs;
- (G) 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.

DISTRIBUTION POLICY

Whether Accumulation or Distribution Shares will be issued in relation to a particular Fund will be described in the relevant Supplement.

The distribution policy applicable to each Class of Distribution Shares in relation to a particular Fund will be described in the relevant Supplement. The Board of Directors reserves the right to introduce a distribution policy that may vary between Funds and different Classes of Shares in issue.

Subject to the relevant Supplement, the part of the year's net income corresponding to Accumulation Shares will not be paid to shareholders and instead will be capitalised in the relevant Fund for the benefit of the Accumulation Shares.

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

Payments will be made in the Reference Currency of the relevant Class. Dividends unclaimed for five years after their declaration will be forfeited and revert to the relevant Fund.

DIRECTORS

The Board of Directors

The Board of Directors is responsible for the overall management and control of the Company in accordance with the Articles. The Board of Directors is further responsible for the implementation of each Fund's investment objective and policies as well as for oversight of the administration and operations of each Fund.

The Board of Directors shall have the broadest powers to act in any circumstances on behalf of the Company, subject to the powers reserved by law to the Shareholders.

Directors of the Company

William A. Blackwell

Mr. Blackwell is a highly experienced operations and business manager with an established track record in the international pooled fund investment industry, including private placed and publicly offered funds. He has over 25 years of experience in the financial services industry. William's expertise covers governance, product development and management, risk, UCITS and other regulatory structures. William has been involved in the launch of many innovative fund products and has implemented highly tuned client servicing processes. He also brings to boards his in-depth understanding of fixed income and derivatives markets and current country registration requirements, which he developed during his time with PIMCO and JP Morgan. He has managed complex cross-border mergers of UCITS and AIFs for a number of clients. Prior to joining Carne, William worked as a Vice President, Senior Manager Product Development, Global Liquidity EMEA at JPMorgan Asset Management. Previously, he was with PIMCO, where he had responsibility for overseeing the operations and administration of the PIMCO international pooled fund product ranges. William holds a BA in English from Oberlin College and an MBA from the University of California, Irvine.

Tracey McDermott

Ms. McDermott has had over 20 years' experience in the investment funds industry and has extensive directorship experience. Her areas of expertise include Independent Director and Conducting Officer on UCITS (Mixed Strategies – e.g. Long only, Long/Short, Absolute Return, Currency etc.) and Alternative Investment Funds (Mixed Strategies and Infrastructure AIFs), experience in all major, emerging and frontier markets, fund operations, compliance and risk management, operational background, in-depth regulatory knowledge, fund launches / restructuring and general oversight. Tracey is an active participant within ALFI (Luxembourg's fund industry association), ILA (the Luxembourg Directors' Association). Previously she worked at PFPC; BNP Paribas Securities Services and Deutsche Ireland. She holds a Bachelor of Financial Services from the University College Dublin.

Philippe Riachi

Mr. Riachi is a founding partner of Jabre Capital Partners S.A. Prior to joining Jabre Capital Partners S.A., Philippe was a Managing Director at Morgan Stanley and co-head of Global Prime Brokerage Risk Management. During his tenure, Philippe was responsible for global market risk as well as all aspects of non-market risk, including operational risk and conflict management related to International Prime Brokerage activities. Philippe began his career at Morgan Stanley in 1991 where he spent the five years as a Convertible Bonds research analyst. In 1996, he joined Equity Financing Services, responsible for developing risk management for the International Prime Brokerage activities. Philippe graduated with a degree in Economics from Concordia University, Canada, in 1990. Philippe Riachi is the brother-in-law of Philippe Jabre.

Leila Khazaneh

Ms. Khazaneh is General Counsel of Jabre Capital Partners SA. Prior to joining Jabre Capital Partners SA in January 2008, Leila was Managing Director at JP Morgan in London and head of JPMorgan Asset Management's European legal team. In this capacity, she was responsible for all legal and regulatory matters affecting JPMorgan's European asset management business, including the structuring and support of JPMorgan's hedge fund platform. Leila received a B.A. from Georgetown University in 1989 followed by a J.D. from Georgetown Law School in 1993. She began her career in private practice in New York, joining Willkie Farr & Gallagher's corporate department in 1993. At Willkie she specialised in mergers, acquisitions and capital markets transactions. In 1998, Leila joined Dewey Ballantine's financial markets team in London. During her time at Dewey, she led a number of private equity transactions in the tech industry.

MANAGEMENT COMPANY

The Company has appointed Carne Global Fund Managers (Luxembourg) S.A. to serve as its management company within the meaning of the UCI Law. The Management Company is responsible, subject to the overall supervision of the Directors, for the provision of investment management and risk management services, administrative services and marketing services to the Company.

The Management Company was established in Luxembourg on 17 September 2009. Its articles of incorporation were published in the Mémorial on 4 November 2009. The articles of incorporation of the Management Company have been amended for the last time by a notarial deed dated 14 March 2014 published in the Mémorial on 10 July 2014. The Management Company is registered with the Luxembourg Trade and Companies' Register under the number B148258. The Management Company is subject to Chapter 15 of the UCI Law and its registered office is at European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg.

In addition to the Company, the Management Company also acts as management company for other funds. The list of funds managed by the Management Company may be obtained from the Management Company upon request.

In accordance with the UCI Law and with the prior consent of the Directors, the Management Company may delegate all or part of its duties and powers to any person or entity, provided such duties and powers remain under the supervision and responsibility of the Management Company. The Management Company has appointed (i) Jabre Capital Partners S.A. to carry out investment management and distribution of the Company and (ii) Citco Fund Services (Luxembourg) S.A. to carry out certain administrative functions in respect of the Company.

Remuneration Policy of the Management Company

The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website www.carnegroup.com, under the section "Policies and Procedures". A paper copy of the remuneration policy will be made available free of charge upon request.

The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles and the articles of incorporation of the Company.

The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS funds which it manages and of the investors in such UCITS funds and includes measures to avoid conflicts of interest.

The assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS funds managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the UCITS funds and their investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

The Management Company has implemented a remuneration structure whereby the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration. As any variable remuneration portion is fully discretionary, the Management Company retains full flexibility in the operation of the flexible remuneration component as it has the possibility to award no variable pay. This

means that any variable remuneration is paid only if it is sustainable according to the financial situation of the Management Company and the Carne group as a whole, and justified according to the performance of the Management Company and the individual concerned. Where there is subdued or negative performance of the Management Company, the award of any variable remuneration will take into account the current total compensation of the individual. The variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the applicable legislation and regulatory requirements.

Pursuant to the Management Company Services Agreement, the Management Company is entrusted with the day-to-day management of the Company, with the responsibility to perform directly or by way of delegation all operational functions relating to the investment management and the administration of the Company and the marketing and distribution of the Shares.

The Management Company shall adopt procedures aiming to control that the execution of the mandates given to the different agents are carried out in accordance with the conditions agreed and in compliance with the rules and regulations in force.

In consideration for its administration services, the Management Company is entitled to receive from the Company fees for each sub-fund as stipulated in each relevant Supplement. These fees are payable monthly and are calculated on the average net assets of each sub-fund for the relevant month unless otherwise stipulated in each relevant Supplement.

INVESTMENT MANAGER

With the consent of the Company, the Management Company has appointed Jabre Capital Partners S.A. as investment manager to manage and invest the assets of the Funds pursuant to their respective investment objectives and policies. The Investment Manager was incorporated in Switzerland on 28 September 2006 and is a subsidiary of a company which is ultimately controlled by Philippe Jabre. The Investment Manager is regulated by the Swiss Financial Market Supervisory Authority (FINMA) as asset manager of collective investment schemes.

The Investment Manager was appointed pursuant to the Investment Management Agreement. Under the Investment Management Agreement, the Investment Manager is to manage and invest the assets of the Company, on a discretionary basis in pursuit of the investment objectives and policies and under the responsibility and supervision of the Management Company.

The Investment Management Agreement provides that the Investment Manager and its connected persons shall not be liable for any loss arising from any act or omission in connection with the performance or non-performance of its duties under the Investment Management Agreement with respect to the management of the assets of the Company, with the exception of losses arising directly from or in connection with fraud, wilful default or negligence on the Investment Manager's part or on the part of its connected persons. Where liability is found to arise by virtue of any act or omission on the Investment Manager's part or on the part of its connected persons, the losses arising shall take into account both the positive and negative performance impact (or impacts) of the act or omission in question so that these are set-off against each other in the quantification of any liability.

Additionally, the Investment Management Agreement provides that, in the event of an unintended error in the communication or administration of trading instructions that does not result in a breach of the applicable investment objectives, policies and restrictions (whether or not for a reason giving rise to a potential liability), it shall be a matter of the Investment Manager's discretion, as a free-standing investment judgement, whether or not to retain that position. Liability shall only attach to that separate investment judgement in the limited circumstances described in the preceding paragraph.

The Investment Management Agreement also provides that in the event of any failure, interruption or delay in the performance of the Investment Manager's obligations resulting from acts, events or circumstances not reasonably within the control of the Investment Manager or its connected persons (including, for the avoidance of doubt, acts of terrorism), the Investment Manager and its connected persons shall not be liable or have any responsibility for any kind of loss or damage thereby incurred or suffered by the Company.

Save as summarised above and to the extent permitted under applicable law, the Investment Manager and its connected persons will not otherwise be liable for any kind of loss incurred or suffered by the Company.

Under the Investment Management Agreement, the Management Company agrees to indemnify the Investment Manager and its connected persons against any actions, proceedings, claims, losses, costs, liabilities, demands and expenses which may be brought against, suffered or incurred by it or any of its connected persons by reason of the performance or non-performance of any of its duties under the Investment Management Agreement, except insofar as the Investment Manager or the connected person is liable for the same as described above.

In accordance with the UCI Law and with the prior written consent of the Management Company, the Investment Manager may delegate all or part of its duties and powers to any sub-delegate, provided such duties and powers remain under the supervision and responsibility of the Investment Manager and the Management Company.

The Investment Management Agreement may be terminated by one party giving to the other party not less than 90 days' written notice. The Investment Management Agreement may also be terminated forthwith by notice in writing by either party (the "**notifying party**"), if the other party shall (a) commit any material breach of its obligations under the Investment Management Agreement and if such breach is capable of being made good, shall fail to make good such breach within 30 days of receipt of written notice from the notifying party requiring it so to do; or (b) be liquidated or dissolved (except a voluntary liquidation or a voluntary dissolution for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or be unable to pay its debts as they fall due or commit any act of bankruptcy under the laws of any jurisdiction to which that party may be subject, or if a receiver is appointed over any of its assets. Subject to the prior written approval of the Board of Directors, the Investment Management Agreement may also be terminated by the Management Company without notice when this is deemed by the Management Company to be in the interests of the Company's shareholders.

Philippe Jabre is the Chief Investment Officer of the Investment Manager.

Philippe Jabre

Mr. Jabre completed his Masters in Business Administration at Columbia University in 1982 after which he trained at JP Morgan. In 1983, he joined BAii Asset Management (a French Consortium Bank that was later taken over by BNP) where he developed a deep understanding of equity-linked fixed income products. He became a Managing Director and Head of Portfolio Management in 1986 and transferred to the London-based business of BAii Asset Management. In 1997 he joined GLG Partners, then a division of Lehman Brothers International (Europe), to take over responsibility for asset allocation, and managing global convertible bonds and equity-linked investments. He was a Managing Director of GLG Partners LP and a key portfolio manager. He managed the GLG Market Neutral Fund as well as long only absolute return products. He is the Founder and CIO of Jabre Capital Partners S.A., based in Geneva since January 2007.

On 8 April 2005 the FCA issued a Warning Notice to Mr. Jabre seeking withdrawal of his FCA approvals and a financial penalty of £1 million on the grounds that he allegedly had committed breaches of Principle 1 (Integrity) and Principle 3 (Market Conduct) of the FCA's Principles for Approved Persons, and had committed market abuse. Following a hearing before the Regulatory Decisions Committee of the FCA (the "**RDC**"), the FCA issued a Decision Notice finding that Mr. Jabre had committed market abuse and had breached Principle 2 (Due Skill, Care and Diligence) and Principle 3. The RDC rejected the FCA's contention that Mr. Jabre had violated Principle 1 (the more serious offence). The RDC imposed a financial penalty of £750,000 but did not withdraw Mr. Jabre's FCA approvals. Mr. Jabre thereafter appealed the decision but subsequently withdrew his appeal on 27 July 2006. The matter is now closed, the FCA having issued a Final Notice on the same terms as the Decision Notice referred to above.

By a Decision dated 23 November 2006, as a result of an investigation opened on 18 June 2003, the Sanctions Committee of the French *Autorité des marchés financiers* ("**AMF**") imposed a financial penalty of €1,200,000 on GLG Partners LP on the ground that it had used privileged information received by it in the course of a market sounding exercise relating to a proposed issue by Alcatel S.A. of convertible bonds for the purpose of trading shares therein before the public announcement of the issue, such trading having been effected by Mr. Jabre on 12 December 2002. Mr. Jabre was not himself a subject of the investigation and is not the subject of any other investigation relating to the transactions.

USE OF DEALING COMMISSIONS BY THE INVESTMENT MANAGER

The Investment Manager may effect transactions or arrange for the effecting of transactions through brokers with whom it has arrangements whereby the broker agrees to use a proportion of the commission earned on such transactions to discharge the broker's own costs or the costs of third parties in providing certain services to the Investment Manager. Such services relate to the execution of transactions on behalf of customers or the provision of investment research to the Investment Manager. The benefits provided under such arrangements assist the Investment Manager in the provision of investment management services to the Management Company, the Company and to other third parties. Specifically, the Investment Manager may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction so long as, in the good faith judgement of the Investment Manager, the amount of the commission 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, analysis and advisory services and which, depending on the precise nature of the services, may also take the form of market price services, may be used by the Investment Manager in connection with transactions in which the Management Company or the Company will not participate.

The Investment Manager generally intends to accept products and services which would constitute "research" or "brokerage" within the meaning of Section 28(e) of the US Securities Exchange Act of 1934, as amended, and, with respect to transactions effected through US brokers, to enter into arrangements that otherwise are within the safe harbor for fiduciaries' use of "soft dollar" payments established by Section 28(e). However, with respect to transactions executed on behalf of the Company in the UK and other jurisdictions outside of the US, the Investment Manager will enter into arrangements with brokers under which broker compensation other than commissions, including markups and markdowns on principal transactions, will be used to provide products and services to the Investment Manager. In many of these jurisdictions brokers most commonly act as principals, rather than as agents, in executing transactions. Such arrangements will fall outside of the Section 28(e) safe harbor as a result of the use of compensation other than commissions on agency transactions in the provision of products and services to the Investment Manager. While the Investment Manager will seek to pay compensation to brokers on behalf of the Company that is reasonable in relation to the value of the research and brokerage services received, it is more difficult to make this reasonableness determination with respect to compensation other than agency commissions, because such compensation is less transparent and verifiable than commission compensation.

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

CENTRAL ADMINISTRATION

With the consent of the Company, Citco Fund Services (Luxembourg) S.A. has been appointed by the Management Company as the Central Administration pursuant to the Administration Agreement. The Central Administration will carry out all administrative duties related to the administration of the Company, including the calculation of the Net Asset Value of the Shares and the provision of accounting services to the Company.

The Central Administration may from time to time rely on information provided to it by or on behalf of the Company, or which was prepared or maintained by the Company or any third party on behalf of the Company, in the course of discharging its duties under the Administration Agreement. The Central Administration shall not be liable to any person for any liabilities suffered by any person as a result of the Central Administration: (i) having relied upon the authority, accuracy, truth or completeness of such information including, without limitation, information supplied to the Central Administration by the Management Company, the Company or by the Investment Manager or any third party on behalf of the Company which is not a sub-contractor of the Central Administration, including but not limited to, information in relation to trades in respect of the Company or expenses of the Company; (ii) having relied upon the authority, accuracy, truth and completeness of information furnished to the Central Administration by any pricing services, data services, or other market information or information concerning securities held by the Company. However, in accordance with its internal operating procedures, the Central Administration will undertake such tolerance checks as may be expected of a professional provider of fund administration services.

The Central Administration is not responsible for any investment decisions of the Management Company or the Company or the effect of such investment decisions on the performance of the Company.

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

The relationship between the Management Company, the Company and the Central Administration is subject to the terms of the Administration Agreement. Subject to the prior written consent of the Board of Directors, the Management Company may terminate the Administration Agreement on 90 calendar days' prior written notice and the Central Administration may terminate the Administration Agreement on 90 calendar days' prior written notice. The Administration Agreement may also be terminated on shorter notice in certain circumstances.

Subject to the prior written consent of the Board of Directors, the Management Company reserves the right to change the administration arrangements described above by agreement with the Central Administration and/or in its discretion to appoint an alternative central administration without prior notice to Shareholders. Shareholders will be notified in due course of any appointment of an alternative central administration.

The registered address of the Central Administration is Carré Bonn, 20, rue de la Poste – L – 2346 Luxembourg.

DEPOSITARY BANK

The Company has appointed Deutsche Bank Luxembourg S.A. to act as Depositary Bank of its assets pursuant to the Depositary Bank Agreement.

The Depositary Bank is a Luxembourg public limited company (société anonyme), registered with the Luxembourg Trade and Companies Register under number B 9164. The Depositary Bank was incorporated on August 12, 1970 under the laws of the Grand Duchy of Luxembourg and is a subsidiary of Deutsche Bank AG, a German credit institution with limited liability incorporated under the laws of Germany under registration number HRB 30000. Deutsche Bank AG has its registered office at Theodor-Heuss Allee 70 60486, Frankfurt am Main, Germany. Deutsche Bank AG is regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht abbreviated to "BaFin"). The Depositary Bank maintains its registered office and place of central administration in the Grand Duchy of Luxembourg. The Depositary Bank has a banking license granted in accordance with the law of 5 April 1993 on the

Financial Sector, as amended, and provides a range of banking, custodial, depositary, administrative agency and other related services. It is registered on the official list of Luxembourg credit institutions and is subject as such to the supervision of the CSSF.

The Depositary Bank shall carry out functions in respect of the Company including but not limited to the following:

- (i) the Depositary Bank shall, for financial instruments that may be held in custody, hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary Bank's books and all financial instruments that can be physically delivered to the Depositary Bank;
- (ii) the Depositary Bank shall (a) verify the ownership by the Company, or by the management company acting on behalf of the Company, of all assets (other than those referred to in (i) above) by assessing whether the Company or the management company acting on behalf of the Company holds the ownership based on information or documents provided by the Company or by the management company and, where available, on external evidence and (b) maintain a record of such assets it is satisfied are owned by the Company or the management company acting on behalf of the Company and keep the record up to date;
- (iii) the Depositary Bank shall ensure that the cash flows of the Company are properly monitored;
- (iv) the Depositary Bank shall be responsible for certain oversight duties in respect of the Company – see "Summary of Oversight Obligations" below.

Summary of Oversight Obligations:

The Depositary Bank shall ensure, among other things, that:

- the sale, issue, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with applicable national law and the Company rules or the Articles;
- the value of Shares is calculated in accordance with the applicable national law and the Company rules or the Articles;
- in transactions involving the Company's assets, any consideration is remitted to it within the usual time limits;
- the income of the Company is applied in accordance with the applicable national law and the Company rules or the Articles;
- the instructions of the Company or the management company are carried out unless they conflict with applicable national law, the Company rules or the Articles.

The Depositary Bank shall be liable to the Company for any loss incurred by the Company arising from the Depositary Bank's negligent or intentional failure to properly fulfil its obligations pursuant to UCITS V or the Depositary Bank Agreement. In the absence of negligent or intentional failure to properly fulfil such obligations, the Depositary Bank shall not be liable to the Company or any other person with respect to any act or omission in connection with the services provided under the Depositary Bank Agreement. The Depositary Bank shall not be liable to the Company or any

other person for special, indirect or consequential damages arising out of or in connection with the performance or non-performance of its duties and obligations.

The Depositary Bank shall be liable to the Company and its Shareholders for the loss, by the Depositary Bank (or any third party delegate), of a financial instrument held in custody. In such circumstances the Depositary Bank shall return a financial instrument of identical type or the corresponding amount to the Company without undue delay. The Depositary Bank shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

In discharging its role, the Depositary Bank shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

The Depositary Bank is not involved directly or indirectly with the organisation, sponsorship or management of the assets of the Company and is not responsible for the preparation of this document other than the preparation of the above description and accepts no responsibility or liability for any information contained in this document except disclosure relating to it.

Potential conflicts of interest may arise from time to time out of the provision by the Depositary Bank and/or its affiliates of other services to the Company and/or other parties. For example, the Depositary Bank and/or its affiliates may act as depositary, custodian and/or administrator of the Company and other funds. These separate services are structured so that, from an organisational and hierarchical perspective, they are executed by different departments/units within Deutsche Bank Luxembourg S.A. and are governed by separate contracts which can be terminated by any party at any time if it appears that a conflict of interest may exist which cannot be remedied or is prohibited by applicable law.

A potential conflict of interest between the interests of the Company or the Depositary Bank or generally under UCITS may occur:

- where the Depositary Bank's own interests and/or those of its affiliates are in conflict with the interests of the customer;
- where the interests of one customer of the Depositary Bank are in conflict with the interests of another Depositary Bank customer;
- in respect of the Depositary Bank's sub-custodians and counterparties;
- in respect of a combination of any other factors which may lead to a potential conflict of interest.

Where a conflict or potential conflict of interest arises, the Depositary Bank will have regard to its obligations to the Company and will treat the Company and its other customer(s) fairly so that, as far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed.

Based on applicable law and in order to avoid any conflicts of interest, no delegation or sub-delegation relating to the principal function of investment management can be accepted by the Depositary Bank. As this prohibition also applies to any third party custodian/sub-custodian and in general to any entity below the third party custodian/sub-custodian in the custody chain of an asset, the Depositary Bank has made available to the Company and its Management Company a current list of its sub-custodians. Therefore, the Company and the Management Company have full transparency and can ensure that no conflict exists with the Depositary Bank's sub-custodian network.

The Depositary Bank has appointed an affiliate as sub-custodian, namely Deutsche Bank AG, London Branch. Details of the sub-custodian's network are available to the Company and will be

updated on an annual basis. This information is also available on request from the Depositary Bank by email to lux.depo@db.com or by post to the offices of the Depositary Bank (marked for the attention of 'AFS Depositary Services').

To the extent not captured in this Prospectus or in the event such details have changed and have not been reflected in a revised version of this Prospectus, up-to-date information will be available to Shareholders on request from the Depositary Bank by email to lux.depo@db.com or by post to the offices of the Depositary Bank (marked for the attention of 'AFS Depositary Services')., free of charge regarding:

- the identity of the Depositary Bank and a description of its duties and of conflicts of interest that may arise; and
- a description of any functions delegated by the Depositary Bank, a list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation.

PAYING AGENT

The Company has appointed Citco Bank Nederland N.V – Luxembourg Branch as paying agent of the Company.

The relationship between the Company and the Paying Agent is subject to the terms of the Paying Agency Agreement. The Company and the Paying Agent may terminate the Paying Agency Agreement on 90 calendar days' prior written notice. The Paying Agency Agreement may also be terminated on shorter notice in certain circumstances.

DISTRIBUTORS

With the consent of the Company, the Management Company has appointed Jabre Capital Partners LP as the Company's principal distributor (the "**Principal Distributor**") to promote Shares of the Funds subject to applicable selling restrictions. The Principal Distributor may, in turn, appoint sub-distributors and sales agents.

The Principal Distributor receives a fee for its services from the Investment Manager out of the Investment Manager's own fees which the Investment Manager receives in accordance with this Prospectus. The Principal Distributor does not receive any fee out of the Company's assets. The Principal Distributor is responsible for the fees of any sub-distributor and/or sales agent it appoints.

The Principal Distributor and any sub-distributors or sales agents (and/or their directors, employees, related entities and connected persons and their respective directors and employees) may subscribe, directly or indirectly, for Shares during and after the relevant Initial Offer Period.

CONFLICTS OF INTEREST

The Directors, the Management Company, the Investment Manager, the Depositary Bank and the Central Administration and/or their respective affiliates or any person connected with them (together the "**Relevant Parties**") may from time to time act as directors, management company, investment manager, manager, distributor, trustee, custodian, registrar, broker, administrator, investment adviser or dealer in relation to, or be otherwise involved in, other investment funds which have similar or different objectives to those of the Funds or which may invest in the Funds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Funds. The Board of Directors and each of the Relevant Parties will, at all times, have regard in such event to its obligations to the Funds and will endeavour to ensure that such conflicts are resolved fairly. In addition, subject to applicable law, any Relevant Party may deal, as principal or agent, with the Funds, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. Any Relevant Party may deal with the Company as principal or as agent, provided that it complies with applicable law and regulation and the provisions of the Investment Management Agreement, the Administration Agreement or the Depositary Bank Agreement, to the extent applicable.

The Investment Manager or any of its affiliates or any person connected with the Investment Manager 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 Funds. Neither the Investment Manager nor any of its affiliates nor any person connected with the Investment Manager is under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with the Funds or inform the Company 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 Company and other clients.

In calculating a Fund's Net Asset Value, the Central Administration may consult with the Investment Manager with respect to the valuation of certain investments. There is an inherent conflict of interest between the involvement of the Investment Manager in determining the Net Asset Value of a Fund and the entitlement of the Investment Manager to a management fee and/or performance fee which is calculated on the basis of the Net Asset Value of the Fund.

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.

FEES AND EXPENSES

Any fees or expenses payable by a Shareholder or out of the assets of the Company are set out in this section.

Redemption Charge

No redemption charge shall be imposed.

Management Company Fee

The Management Company will receive a management company fee for the provision of its services. The management company fee, which is expressed as a percentage of the Net Asset Value, with a minimum fee, if applicable, is specified in the relevant Supplement.

Investment Management Fee

Unless otherwise stated in the relevant Supplement, in respect of each Class, the Investment Manager will be entitled to receive an Investment Management Fee equal to the pro-rated annual rate set out in the relevant Supplement per annum of the Net Asset Value of the Shares of the relevant Class (before deduction of any accrued but uncrystallised Performance Fees and *taxe d'abonnement*). The Investment Management Fee is calculated and accrued as of each Valuation Day and payable monthly in arrears.

The Investment Manager may from time to time and in its sole discretion and out of its own resources decide to rebate to some or all Shareholders (including the directors), their agents or to intermediaries, part or all of the Investment Management Fee.

The Investment Manager will also, out of its own resources and Investment Management Fee, pay any fees payable to the Principal Distributor for its services to the Company.

Performance Fee

The Investment Manager will also be entitled to receive a Performance Fee from the Company, the details of which are set out in the relevant Supplement for each Fund.

Depositary Bank's Fees

The Company shall pay to the Depositary Bank out of the assets of the relevant Fund an annual fee, accrued at each Valuation Day and payable monthly in arrears the details of which are set out in the relevant Supplement for each Fund.

Paying Agents' Fees

Fees and expenses of any paying agent(s) appointed by the Company, which will be at normal commercial rates, will be borne by the relevant Fund.

Central Administration's Fees

The Company shall pay to the Central Administration out of the assets of the relevant Fund an annual fee, accrued at each Valuation Day and payable monthly in arrears the details of which are set out in the relevant Supplement for each Fund.

Operating Expenses and Fees

The Company bears its own operating and other expenses. Where applicable, these expenses include (but are not limited to): (a) all investment expenses, (b) all fees and expenses of transactional and trade-related services including, for the avoidance of doubt and without limitation and costs incurred in arranging and stocklending programme, (c) all administrative expenses, (d) all of the charges and expenses of legal and professional advisers, accountants and auditors, (e) all brokers' commissions, all fees for investment research (subject to section "Research Charges" below) and/or trade ideas, all borrowing charges on short positions taken through derivative instruments and any issue or transfer taxes or stamp duties chargeable in connection with securities transactions, (f) all taxes and corporate fees payable to governments or agencies, (g) all interest on borrowings, (h) all communication expenses with respect to investor services and all expenses of meetings of Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (i) the fees and expenses of the Directors (in accordance with the Articles), including the reasonable travel expenses of the Directors and all of the costs of insurance for the benefit of the Directors (if any), (j) all litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (k) the fees of the CSSF, (l) the cost of termination of the Company or any Fund, (m) the fees and expenses of any regulator, paying agent, representative, distributor or correspondent bank appointed in connection with the registration of the Company (or any Fund) or the marketing of Shares in any jurisdiction, (n) fees for Company tax services, (o) fees for Company secretarial services (including registered office fees), (p) fees for Company regulatory and compliance reporting services (q) fees for system access and reporting services and (r) all other organisational and operating expenses.

In addition, the Investment Manager shall also be entitled to be repaid out of the assets of the Company all of its disbursements, fees and expenses incurred in connection with the provision of its investment management services. This will include, but not be limited to, research related expenses, technology expenses, professional legal and consulting fees, couriers' fees and telecommunication costs and expenses which shall be at normal commercial rates together with VAT, if any, thereon.

Any such operating and other expenses may be deferred and amortised by the Company, in accordance with standard accounting practice, at the discretion of the Directors. An estimated accrual for operating expenses of the Company will be provided for in the calculation of the Net Asset Value of the Company. Operating expenses and the fees and expenses of service providers which are payable by the Company shall be borne by all Shares in proportion to the Net Asset Value of the Company or attributable to the relevant Class provided that fees and expenses directly or indirectly attributable to a particular Class shall be borne solely by the relevant Class.

Research Charges (*in relation to JABCAP (LUX) - European Credit Opportunities only*)

The Sub-Investment Manager will establish a research payment account from which it may pay for research (as defined in the FCA rules) ("Research") that it receives from third parties in connection with the provision of services to JABCAP (LUX) - European Credit Opportunities (the "RPA"). The RPA will be funded by research charges ("Research Charges") paid by JABCAP (LUX) - European Credit Opportunities, which will be determined by the Sub-Investment Manager in accordance with the Sub-Investment Manager's research payment policy and the FCA rules.

Allocation of Assets, Charges and Expenses

All fees, duties, charges and expenses are charged to the relevant Fund, or class, in which they were incurred.

Costs of Establishment of new Funds

The costs and expenses of establishing any new Fund will be payable and borne by the relevant Fund. These costs and expenses may at the discretion of the Directors be amortised on a straight-line basis over a period of up to 5 years from the date on which the relevant Fund commences business. The Directors may, in their absolute discretion, shorten the period over which such costs and expenses are amortised. Each Fund bears its own direct establishment costs and costs of listing its Shares on any stock exchange.

TAXATION

General

The sections below on Luxembourg and UK taxation are brief summaries of the tax advice received by the Directors relating to current law and practice which may be subject to change and interpretation.

The information given below does not constitute legal or tax advice and prospective investors should consult their own professional advisers on the possible tax consequences of buying, selling, exchanging, holding or redeeming Shares under the laws of the jurisdictions in which they may be subject to tax. Investors are also advised to inform themselves as to any exchange control regulations applicable in their country of residence.

Generally the tax consequences of acquiring, holding, exchanging, redeeming or disposing of Shares in the Company will depend on the relevant laws of the jurisdiction to which the Shareholder is subject. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed gains of the Company. These consequences will vary with the law and practice of the Shareholder's country of residence, domicile or incorporation and with his personal circumstances. The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of Shareholders.

Dividends, interest and capital gains (if any) which the Company receives with respect to investments may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Luxembourg and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

Luxembourg Taxation

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

Taxation of the Company in Luxembourg

The Company is not liable to any Luxembourg tax on profits or income. The Company is, however, liable in Luxembourg to a *taxe d'abonnement* of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate Net Asset Value of the Funds at the end of the relevant calendar quarter. No such tax is payable on the value of assets which consist of units or shares of other Luxembourg funds that have already been subject to such tax. No stamp duty or other tax is payable in Luxembourg on the issue of Shares. No Luxembourg tax is payable on the realized capital appreciation of the assets of the Fund.

A reduced *taxe d'abonnement* rate of 0.01% per annum or an exemption of the *taxe d'abonnement* will be applicable to certain Classes of Shares reserved to institutional investors pursuant to article 174 (2) c) of the UCI Law as well as to certain Funds investing exclusively in money market instruments. The effective rate applicable to the various Classes of Shares is disclosed in the relevant Supplement of each Fund.

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

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

In addition, the Company may be liable to certain taxes in countries where the Company carries out its investment activities. Those taxes are not recoverable by the Company 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 in Luxembourg). Dividend distributions by the Company to Shareholders are not subject to any withholding tax in Luxembourg.

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

The following summary is based on the law and practice currently applicable in the UK and is subject to changes therein.

Taxation of the Company in the UK

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Company 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 Company will not be subject to UK corporation tax or income tax on its profits. The Directors and the Investment Manager each intend that the respective affairs of the Company 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 Company which have a UK source may be subject to withholding or other taxes in the UK.

Taxation of Shareholders in the UK

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will be liable to UK income tax or corporation tax in respect of dividends or other distributions of an income nature made by the Company, whether or not such dividends or distributions are reinvested, together with their share of income retained by a reporting fund (as to which see below). The nature of the charge to tax and any entitlement to tax credit in respect of such dividends or distributions will depend on a number of factors which may include the composition of the relevant assets of the Company and the extent of a Shareholder's interest in the Company.

The Offshore Funds (Tax) Regulations 2009 (the "**Offshore Funds Regulations**") set out the regime for the taxation of investments in offshore funds (as defined in the United Kingdom Taxation (International and Other Provisions) Act 2010 ("**TIOPA 2010**")) 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 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 taxed as capital gains. Investors in non-reporting funds would not be subject to tax.

The Shares will constitute interests in an offshore fund and, accordingly, save in respect of any Class(es) of Shares for which recognition as a reporting fund is obtained and maintained, any gains arising to Shareholders resident or ordinarily resident in the UK on a sale, redemption or other disposal of Shares (including a deemed disposal on death) will be taxed as offshore income gains rather than capital gains. The Directors, where they consider it appropriate, may apply to the UK HM Revenue & Customs for recognition of one or more Classes of Shares as a reporting fund. The relevant Supplement will specify where this is the case. However, there can be no guarantee that reporting fund status will be obtained and maintained for such Class(es) of Shares. Were such application to be unsuccessful or such status subsequently to be withdrawn, any gains arising to Shareholders resident in the UK on a sale, redemption or other disposal of such Class(es) of Shares (including a deemed disposal on death) would be taxed as offshore income gains rather than capital gains.

Persons within the charge to UK corporation tax should note that the regime for the taxation of most corporate debt contained in the United Kingdom 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 Funds Regulations and TIOPA 2010, 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 per cent. 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 derivative 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 Funds, a Fund could fail to satisfy the qualifying investments test. In that eventuality, the Shares in that 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). The United Kingdom Government on 06 June 2013 announced a consultation on the future of the loan relationships regime, which includes proposals potentially to reform this aspect of the regime.

Anti-avoidance

Individuals resident in the UK for taxation purposes should note that Chapter 2 of Part 13 of the United Kingdom 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 Company.

Companies resident in the UK for taxation purposes should note the “controlled foreign companies” legislation contained in Part 9A of TIOPA 2010 (the “CFC rules”). The CFC rules

could in particular be material to any company that has (either alone or together with persons connected or associated with it for UK taxation purposes) an interest in 25 % or more of the “chargeable profits” of the Company if the Company is controlled (as “control” is defined in Section 371RA of TIOPA 2010) 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 Company, and the other of whom has at least 40 % and not more than 55 % of such interests, rights and powers. The effect of the CFC rules could be to render such companies liable to UK corporation tax by reference to their proportionate interest in the chargeable profits of the Company. The chargeable profits of the Company do not include any capital gains.

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 £5. No UK stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

Automatic Exchange of Information

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

In addition, Luxembourg signed the OECD’s multilateral competent authority agreement (“Multilateral Agreement”) to automatically exchange information between financial authorities. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The CRS-Law implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS-Law, the Company may be required to annually report to the Luxembourg tax authority the name, address, state(s) of residence, TIN(s), as well as the date and place of birth of i) each Reportable Person that is an account holder, ii) and, in the case of a Passive NFE within the meaning of the CRS-Law, of each Controlling Person(s) that is a Reportable Person. Such information may be disclosed by the Luxembourg tax authority to foreign tax authorities.

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

Although the Company will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the CRS-Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a tax or penalty as result of the CRS-Law, the value of the Shares may suffer material losses.

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

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

FATCA

Luxembourg has signed a Model 1 inter-governmental agreement with the United States (the "**US-Luxembourg IGA**") to give effect to FATCA. Pursuant to the US-Luxembourg IGA, the Company is required to report certain information about "Specified U.S. Persons" (as defined in the US-Luxembourg IGA) that own, directly or indirectly, an interest in the Company. If the Company does not comply with these obligations, it may be subject to a 30% withholding tax on certain payments to it of US source interest and dividends (from 1 July 2014) and proceeds from the sale of property that could give rise to US source interest or dividends (from 1 January 2017). If any of the Company's investors do not provide to the Company the information it requests, including but not limited to information requested or the purposes of it avoiding the effects of this withholding tax, the Company may require such investor to fully or partially redeem from the Company, and the Company may retain all or a portion of the redemption proceeds to satisfy any withholding tax due on both payments to or in respect of such investor (including payments to the Company to the extent allocable to such investor). Information obtained by the Company about investors, including identifying information obtained in connection with these reporting requirements, may be provided to the Luxembourg tax authorities for exchange with the US Internal Revenue Service if doing so would avoid subjecting the Company to the effects of the withholding tax or is otherwise required by Luxembourg or US law, as determined by the Fund. Investors should consult their own tax advisors regarding the possible implications of this legislation on their investments in the Company.

General

It is expected that Shareholders in the Company will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares in the Company. 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.

APPENDIX 1: INVESTMENT RESTRICTIONS AND POWERS

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 Fund, the Reference Currency of a Fund and the course of conduct of the management and business affairs of the Company.

Except to the extent that more restrictive rules are provided for in connection with a specific Fund under the relevant Supplement, the investment policy shall comply with the investment rules and restrictions laid down hereafter:

1. Permitted Investments

The Funds shall only invest in:

- 1.1 Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
- 1.2 Transferable Securities and Money Market Instruments dealt in on another market in a Member State that is regulated, operates regularly and is recognized and open to the public;
- 1.3 Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Non-Member State or dealt in on another market in an Non-Member State which is regulated, operates regularly and is recognized and open to the public;
- 1.4 recently issued Transferable Securities and Money Market Instruments, provided that:
 - (A) the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market, stock exchange or on another regulated market as described under 1.1 to 1.3 above;
 - (B) such admission is secured within one year of issue;
- 1.5 units of UCITS and/or other UCIs within the meaning of Article 1 (2) points a) and b) of the UCITS Directive, whether or not established in a Member State, provided that:
 - (A) such other UCIs are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
 - (B) the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
 - (C) 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;
 - (D) 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;

- 1.6 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 a Non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- 1.7 financial derivative instruments, in particular options and futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or other market referred to in 1.1 to 1.3 above, and/or financial derivative instruments dealt in over-the-counter ("**over-the-counter derivatives**" or "**OTC**"), provided that:
- (A) - the underlying consists of instruments covered by this section 1, financial indices, interest rates, foreign exchange rates or currencies, in which the Funds may invest according to their investment objectives;
- the counterparties to over-the-counter derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and
- the over-the-counter 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 2.12 below
- (B) Under no circumstances shall these operations cause the Fund to diverge from its investment objectives.
- 1.8 Money Market Instruments other than those dealt in on a Regulated Market, and which fall within the definition given in the Definitions section of this Prospectus, to the extent that the issuer or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- (A) 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 Non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more member states of the EU belong, or
- (B) issued by an undertaking any securities of which are dealt in on Regulated Markets referred to in 1.1, 1.2 or 1.3 above, or
- (C) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
- (D) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second 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, 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.

1.9 However, each Fund:

- (A) shall not invest more than 10% of its net assets in Transferable Securities or Money Market Instruments other than those referred to above under 1.1 to 1.4 and 1.8 above.
- (B) shall not acquire either precious metals or certificates representing them;
- (C) may 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.
- (D) may acquire movable and immovable property which is essential for the direct pursuit of its business;
- (E) may borrow up to 10% of its net assets, provided that such borrowings (i) are made only on a temporary basis or (ii) enables the acquisitions of immovable property essential for the direct pursuit of its business. Where a Fund is authorised to borrow under points (i) and (ii), that borrowing shall not exceed 15% of its assets in total. 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; and
- (F) May acquire foreign currency by means of a back-to-back loan.

2. Investment Restrictions

- 2.1 For the purpose of calculating the restrictions described in 2.3 to 2.7 and 2.10 below, companies which are included in the same Group of Companies are regarded as a single issuer.
- 2.2 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

- 2.3 No Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:
 - (A) upon such purchase more than 10% of its net assets would consist of Transferable Securities and Money Market Instruments of such issuer; or
 - (B) 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 over-the-counter derivative transactions made with financial institutions subject to prudential supervision.

- 2.4 A 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.
- 2.5 The limit of 10% set forth under 2.3(A) above 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 Non-Member State or by a public international body of which one or more Member State(s) are member(s).
- 2.6 The limit of 10% set forth under 2.3(A) above 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 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 Fund.
- 2.7 The securities specified under 2.5 and 2.6 above are not to be included for purposes of computing the ceiling of 40% set forth above under 2.3(B) above.
- 2.8 **Notwithstanding the ceilings set forth above, each Fund is authorized 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 of the EU, by its local authorities, by any other Member State of the OECD, by certain non-Member States of the OECD (currently Brazil, Indonesia, Russia, Singapore and South Africa) or by a public international body of which one or more Member State(s) of the EU 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 Fund.**
- 2.9 Without prejudice to the limits set forth hereunder under 2.22 and 2.23 below, the limits set forth in 2.3 above are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognized by the CSSF, on the following basis:
- (A) the composition of the index is sufficiently diversified,
 - (B) the index represents an adequate benchmark for the market to which it refers,
 - (C) it is published in an appropriate manner.

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

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

Derivative Instruments

- 2.11 The risk exposure to a counterparty in an over-the-counter derivative transaction may not exceed 10% of the Fund's net assets when the counterparty is a credit institution referred to in 2.8 above or 5% of its net assets in other cases.
- 2.12 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 out in this section. When the Fund invests in index-based financial derivative instruments, these investments do not have to be combined with the limits set out above.
- 2.13 When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of 1.7 above as well as with the risk exposure and information requirements laid down in the present Prospectus.

Units of Open-Ended Funds

- 2.14 Save as otherwise disclosed in the relevant Supplement, no Fund may invest in aggregate more than 10% of its net assets in the units of other UCITS or other UCIs. If a Fund is authorised to invest in aggregate more than 10% of its net assets in the units of other UCITS or other UCIs pursuant to its Supplement, the investment in the units of a single other UCITS or a single other UCI may not exceed 20% of the relevant Fund's net assets. Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Fund.
- 2.15 When a Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Fund's investment in the units of such other UCITS and/or other UCIs.

Combined limits

- 2.16 Notwithstanding the individual limits laid down in 2.3, 2.10 and 2.11 above, a Fund shall not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following:
- (i) investments in Transferable Securities or Money Market Instruments issued by that body,
 - (ii) deposits made with that body, and/or
 - (iii) exposures arising from over-the-counter derivative transactions undertaken with that body.
- 2.17 The limits set out in 2.3, 2.5, 2.6, 2.10, 2.11 and 2.16 above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with 2.3, 2.5, 2.6, 2.10, 2.11 and 2.16 above may not exceed a total of 35% of the net assets of each Fund.
- 2.18 The Company may not acquire such amount of shares carrying voting rights which would enable the Company to exercise legal or management control or to exercise a significant influence over the management of the issuer.

- 2.19 The Company may acquire no more than (i) 10% of the outstanding non-voting shares of the same issuer; (ii) 10% of the outstanding debt securities of the same issuer; (iii) 10% of the Money Market Instruments of any single issuer; or (iv) 25% of the outstanding shares or units of the same UCITS or other 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 2.18 and 2.19 do not apply in respect of:

- (A) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- (B) Transferable Securities and Money Market Instruments issued or guaranteed by any Non-Member State;
- (C) Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s); or
- (D) Shares in the capital of a company which is incorporated under or organized pursuant to the laws of a state which is not a Member State provided that (i) such company invests its assets principally in securities issued by issuers having their registered office in that state, (ii) pursuant to the laws of that State a participation by the relevant 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 2.3, 2.7, 2.10, 2.11 and 2.14 to 2.19.
- (E) Shares held by one or more Funds in the capital of subsidiary companies which carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the redemption of shares at the request of shareholders exclusively on its or their behalf.

3. Global Exposure

Each Fund shall employ a Value-at-Risk model in determining its global exposure and will ensure that such global exposure does not exceed the 20% threshold as set out in the CSSF circular 11/512 of 30 May 2011.

4. Additional investment restrictions

- 4.1 No 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.
- 4.2 No 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.
- 4.3 The investment policy of a Fund may replicate the composition of an index of securities or debt securities, in compliance with the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the UCI Law and implementing the UCITS Directive.

- 4.4 A Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned in 1.5, 1.7 and 1.8 above and shall not prevent the lending of securities in accordance with applicable laws and regulations (as described further in 'Securities Lending and Borrowing' below).
- 4.5 The Company may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed in 1.5, 1.7 and 1.8 above.
- 4.6 The ceilings set forth above may be disregarded by each Fund when exercising subscription rights attaching to securities in such Fund's portfolio.
- 4.7 If such ceilings are exceeded for reasons beyond the control of a Fund or as a result of the exercise of subscription rights, such 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 Company are offered or sold.

5. Techniques and Instruments

5.1 General

The Company may employ techniques and instruments relating to Transferable Securities and Money Market Instruments provided that such techniques and instruments are used for the purposes of efficient portfolio management and 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. In particular, those techniques and instruments should not result in a change of the declared investment objective of the relevant Fund or add substantial supplementary risks in comparison to the stated risk profile of the relevant Fund.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC financial derivatives must be combined when calculating counterparty risk limits.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Company. In particular, fees and cost may be paid to agents of the Company and other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Company 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 Depositary Bank or Investment Manager – will be available in the annual report of the Company.

5.2 Securities Lending and Borrowing

The Company may more specifically enter into securities lending transactions provided that the following rules are complied with in addition to the abovementioned conditions:

- (i) The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

- (ii) The Company may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction; and
- (iii) The Company may only enter into 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.

The Company will 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 Company's assets in accordance with its investment policy.

The risk exposure to the counterparty arising from securities lending transactions and OTC financial derivative instruments should be combined when calculating the counterparty risk limits foreseen under section 2.11 of this Appendix 1.

The securities lending agent on behalf of the Fund will ensure that its counterparty delivers collateral either in the form of cash, or in the form of securities compliant with the applicable Luxembourg regulations, as described below.

For further details on the risks linked to such transactions, please refer to the Appendix 2 "Risk factors" to the Prospectus.

Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of each Fund. Each 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 Depositary Bank 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 relevant Fund.

5.3 Reverse repurchase and repurchase agreement transactions

The Company may enter into repurchase agreements that consist of forward transactions at the maturity of which the Company (seller) has the obligation to repurchase the assets sold and the counterparty (buyer) the obligation to return the assets purchased under the transactions. The Company may further enter into reverse repurchase agreements that consist of forward transactions at the maturity of which the counterparty (seller) has the obligation to repurchase the asset sold and the Company (buyer) the obligation to return the assets purchased under the transactions. The Company may also enter into transactions that consist of the purchase/sale of securities with a clause reserving for the counterparty/Company the right to repurchase the securities from the Company/counterparty at a price and term specified by the parties in their contractual arrangements.

The Company's involvement in such transactions is, however, subject to the additional following rules:

- (i) The counterparty to these transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law; and

- (ii) The Company 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 Company.

5.4 Collateral Management

General

In the context of OTC financial derivatives transactions and efficient portfolio management techniques, the Company may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Company in such case, in compliance with CSSF Circular 14/592 and the ESMA Guidelines ESMA/2014/937, as replaced or amended from time to time. All assets received by the Company in the context of efficient portfolio management techniques (securities lending, repurchase or reverse repurchase agreements) shall be considered as collateral for the purposes of this section.

Eligible collateral

Collateral received by the Company 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 with a maximum exposure of 20% of the Fund's net asset value to any single issuer on an aggregate basis, taking into account all collateral received.
- (e) It should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

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

- (a) Cash and cash equivalents, including short-term bank certificates and Money Market Instruments;
- (b) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
- (c) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

- (d) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in (e) and (f) below;
- (e) Bonds issued or guaranteed by first class issuers offering adequate liquidity; and
- (f) Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

Level of collateral

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

Securities lending

The Fund will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, at least 50% of the total value of the securities lent.

Repurchase / reverse repurchase agreements

Repurchase agreements and reverse repurchase agreements will generally be collateralised, at any time during the lifetime of the agreement, at a minimum of 50% of their notional amount.

OTC financial derivative transactions

The Fund will generally require the counterparty to an OTC derivative to post collateral in favour of the Sub-Fund representing, at any time during the lifetime of the agreement, up to 15 % of the Sub-Fund's exposure under the transaction.

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 taking into account the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out by the Fund under normal and exceptional liquidity conditions.

The following haircuts are applied:

Collateral Instrument Type	Haircut
Cash	0%
Government Bonds	5%
Non-Government Bonds	20%
Others	50%

Reinvestment of collateral

Non-cash collateral received by the Company may not be sold, re-invested or pledged.

Cash collateral received by the Company 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 Company 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.

A 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 relevant Fund to the counterparty at the conclusion of the transaction. The relevant 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.

APPENDIX 2: RISK FACTORS

The risks described herein should not be considered to be an exhaustive list of the risk which potential investors should consider before investing in a Fund. Different risks may apply to different Funds. Details of Fund specific risks in relation to a particular Fund which are additional to those described in this section will be disclosed in the relevant Fund Supplement. Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares.

Prospective investors should consider, among others, the following factors before subscribing for Shares:

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

Business Risk

There can be no assurance that the Company will achieve its investment objective in respect of any of the Funds. The investment results of the Fund are reliant upon the success of the Investment Manager.

Key Person Risk

Unless otherwise stated in the relevant supplement, the investment performance of each Fund is substantially dependent on Philippe Jabre. In the event of the death, incapacity, departure, insolvency or withdrawal of Mr. Jabre, the performance of each Fund may be adversely affected.

Charges to Capital

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

Suspension of Dealings in Shares

Investors are reminded that in certain circumstances their right to redeem Shares (including a redemption by way of exchanging) may be suspended (see “Suspension of Valuation of Assets”).

Segregation of liabilities between Funds

As a matter of Luxembourg law, the assets of each Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on behalf of or be subject to claims in other jurisdictions which may not necessarily recognise such ring-fencing and, in such circumstances, the assets of one Fund may be exposed to the liabilities of another.

Depository Bank – Segregation, Sub-Custodians and Insolvency

Where the Depository Bank delegates the safe custody of the Company’s assets held by it pursuant to the Depository Bank Agreement to a sub-custodian, as a result of the settlement, legal and regulatory requirements in the relevant jurisdiction and the relevant practices for the separate identification of the Company’s securities, the Company’s securities may be registered or recorded in the name of the Depository Bank or the relevant sub-custodian. Such assets may therefore not be segregated and hence may not be as well protected as if they were registered or recorded in the name of the Company.

Where securities are held with a sub-custodian of the Depository Bank, such securities may be held by such entities in client omnibus accounts and in the event of a default by any such entity, where there is an irreconcilable shortfall of such securities, the Company may have to share that shortfall on a pro-rata basis. There may be circumstances where the Depository Bank is relieved from liability for the acts or defaults of its appointed sub-custodians.

The Company is at risk of the Depository Bank or a sub-custodian entering into an insolvency procedure. During such a procedure (which may last many years) the use by the Company of assets held by or on behalf of the Depository Bank or the relevant sub-custodian, as the case may be, may be restricted and accordingly (a) the ability of the Investment Manager to fulfil the investment objective of each Fund may be severely constrained, (b) the Funds may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Shares, and/or (c) the Net Asset Value may be otherwise affected. During such a procedure, the Company is likely to be an unsecured creditor in relation to certain assets and accordingly the Company may be unable to recover such assets from the insolvent estate of the Depository Bank or the relevant sub-custodian, as the case may be, in full, or at all.

Depository Bank Liability

In the event of loss suffered by the Company as a result of the Depository Bank’s actions or omissions, the Company would generally, in order to bring a successful claim against the Depository Bank, have to demonstrate that it has suffered a loss as a result of Depository Bank’s failure to use such reasonable care as may be expected of a leading global custodian in performing its obligations under the Depository Bank Agreement. The Company may also have to demonstrate that it has suffered a loss as a result of the Depository Bank’s negligence, fraud or wilful default.

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 Fund’s investment objective. However, the Investment Manager believes that there is a high likelihood of significantly increased regulation of the global financial markets, and that such increased regulation could be materially detrimental to the performance of a Fund’s portfolio.

Taxation Risk

The Company may be subject to withholding, capital gains or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the Company is incorporated, established or resident for tax purposes. Where the Company invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Company may not be able to recover any such tax paid, which would have an adverse effect on the Net Asset Value of the Shares. Where the Company sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the Company.

Where the Company chooses or is required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by the Company (whether in accordance with current or future accounting standards), this would have an adverse effect on the Net Asset Value of the Shares. This could cause benefits or detriments to certain Shareholders, depending upon the timing of their entry and exit from the Fund.

The attention of potential investors is drawn to the taxation risks associated with investing in any Fund. Please see the heading “Taxation” above.

Common Reporting Standard

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the “Standard”) and its Common Reporting Standard (the “CRS”) as set out in the Luxembourg law dated 18 December 2015 implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory automatic exchange of information in the field of taxation (the “CRS-Law”).

Under the terms of the CRS-Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions, the Company will be required to annually report to the Luxembourg tax

authority personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain shareholders as per the CRS-Law (the "Reportable Persons") and (ii) Controlling Persons of certain non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS-Law (the "Information"), will include personal data related to the Reportable Persons.

The Company's ability to satisfy its reporting obligations under the CRS-Law will depend on each Shareholder providing the Company with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that, as data controller, the Company will process the Information for the purposes as set out in the CRS-Law. The Shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Company.

The term "Controlling Person" means in the present context any natural persons who exercise control over an entity. In the case of a trust it means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

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

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

Any Shareholder that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such shareholder's failure to provide the Information.

FATCA

Under FATCA, the Company may be subject to a 30 per cent withholding tax on certain payments to it of US source interest and dividends (from 1 July 2014) and proceeds from the sale of property that could give rise to US source interest or dividends (from 1 January 2017) unless the Company discloses annually to the Luxembourg authorities for eventual transmission to the US IRS the name, address, account activity and taxpayer identification number of United States persons or other types of US financial institutions who are investors or otherwise have a direct or indirect beneficial interest in the Company, as well as certain other information relating to any such interest. Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the return of all shareholders may be materially affected. In addition, the Company may reduce the amount payable on any distribution or redemption to a shareholder that fails to provide the Company with the requested information.

Luxembourg and the US have entered an intergovernmental agreement providing for the reporting by Luxembourg financial institutions of account activity of US taxpayers (as well as non-

cooperating persons and entities) to the Luxembourg government for eventual transmission to the US IRS.

Further information may be found under “Taxation – FATCA”.

All prospective investors and shareholders should consult with their own tax advisors regarding the possible implications of FATCA on their investments in the Company.

The Company may compulsorily redeem the Shares of any shareholder that fails to cooperate with the Company’s efforts to comply with FATCA. The Company’s ability to comply with FATCA will depend on each shareholder providing the Company with information that the Company requests concerning the direct and indirect owners of each shareholder. If a shareholder fails to provide the Company with any information the Company requests, the Company may exercise its right to redeem such shareholder’s Shares compulsorily.

Taxation

Distribution Shares may make distributions from capital as well as from income. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth as well as increasing any capital losses.

Shareholders should note that dividends distributed in this manner may be taxable as income, depending on the local tax legislation, and should seek their own professional tax advice in this regard. Where a Fund has UK Reporting Fund status and reported income exceeds distributions made then the surplus shall be treated as a deemed dividend and will be taxed as income, subject to the tax status of the investor.

Hedging Risk

The Investment Manager may, if set out in the relevant sections of the relevant Supplement, enter into certain transactions using futures, forwards or other exchange-traded or over-the-counter instruments or by the purchasing of securities (“Hedging transactions”) to hedge the Fund’s exposure to foreign exchange risk where Classes of Shares are denominated in a currency other than Reference Currency of the relevant Fund and/or certain other exposures including the risk of the value of a Class of Shares, or any increase thereto, being reduced by inflation in the underlying currency of the relevant Class.

Hedging transactions, while potentially reducing the risk of currency and inflation exposure which a Class of Shares may otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty, as described under “Risks associated with financial derivative instruments” below. There is no guarantee that a Hedging transaction will fully protect a Class of Shares against foreign exchange and/or inflation risks.

Please refer to the heading “Risk Warnings” in the relevant sections in the relevant Supplement for further risks associated with hedging transactions.

Specific Risks

Concentration of Investments

A Fund may at certain times hold relatively few investments. Such a Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

Credit Spreads

A Fund may make investments that expose it to corporate credit spreads and movements in such spreads will thus impact on the Net Asset Value per Share of each Class.

Debt Securities

The Funds may invest in fixed income securities which may be unrated by a recognised credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Funds may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Funds may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Funds will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Deferred Redemptions

In the event that redemption requests are received for redemption of Shares representing in aggregate more than 10% of the total number of Shares representing interests in a single Fund then in issue, redemption requests may be reduced rateably and pro rata and the redemption of Shares may be carried forward to the next following Dealing Day. In the event of a large number of redemptions, this power to defer redemptions could be exercised on a number of successive Dealing Days and materially restrict a Shareholder's ability to redeem his Shares (as described in more detail under the Section "Redemptions" above).

Convertible Bond Transactions

Convertible bond transactions are designed to be relatively market neutral i.e., they hedge out the directional risks generally associated with unhedged investments in the underlying instruments. However, should the credit status of an issuer weaken, losses may result from decreases in the market conversion premium or a loss of liquidity with respect to the security. These losses will be limited by the short hedge on the underlying security, but may be substantial in relation the Net Asset Value of the Company. The Company may also suffer losses if an issuer is acquired for cash or debt securities at a price that does not generate profits on the unhedged portion of a position sufficient to recover the premium paid to acquire the convertible security and any unpaid accrued interest that would be lost should conversion become necessary. Losses may result when securities are called for redemption at prices below the current market prices. Frequently, these losses will include interest accrued but not paid upon conversion of the called securities. In addition, losses may occur if the terms of the convertible bond do not allow for an adjustment in the conversion terms, or the Company is forced to convert a security earlier than anticipated.

Credit Default Swaps

The Company may take positions in credit default swaps. A credit default swap is a type of credit derivative which allows one party (the "protection buyer") to transfer credit risk of a reference entity (the "reference entity") to one or more other parties (the "protection seller"). The protection buyer pays a periodic fee to the protection seller in return for protection against the occurrence of a number of events (each, a "credit event") experienced by the reference entity. Credit default swaps carry specific risks including high levels of gearing, the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In addition, there can be no assurance that the counterparty to a credit default swap will be able

to fulfil its obligations to the Company if a credit event occurs in respect of the reference entity. Further, the counterparty to a credit default swap may seek to avoid payment following an alleged credit event by claiming that there is a lack of clarity in, or an alternative meaning of, language used in the contract, most notably the language specifying what would amount to a credit event.

Swap Agreements

The Company may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Company's exposure to long-term or short-term interest rates (in the US or abroad), non-US currency values, corporate borrowing rates, or other factors such as security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. The Company is not limited to any particular form of swap agreement if consistent with the terms of the Prospectus and the investment objective and policy of a Fund.

Swap agreements tend to shift the Company's investment exposure from one type of investment to another. For example, if the Company agrees to exchange payments in dollars for payments in non-U.S. currency, the swap agreement would tend to decrease the Company's exposure to US interest rates and increase its exposure to non-US currency and interest rates. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Company's portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Company. If a swap agreement calls for payments by the Company, the Company must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Company.

Currency Hedging

The Net Asset Value per Share of each Class will be calculated in the currency of that Class.

The investments of a Fund will generally be hedged into the Reference Currency of the Fund. Currency hedging will be made through the use of various techniques including 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 a 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. Where the currency exposure of the Fund is not fully hedged or where the hedging transactions are not completely effective, the value of the assets of the Fund may be affected favourably or unfavourably by fluctuations in currency rates. From time to time the Investment Manager may not fully hedge the currency exposure, if it considers this to be in the interest of the Shareholders. Any costs incurred relating to the above mentioned hedging will be borne by the Fund.

In addition, the foreign exchange exposure of the Shares denominated in currencies other than the Reference Currency of a Fund may be hedged in order to minimise, so far as reasonably practicable, the impact of fluctuations in the exchange rates between the Reference Currency of the Fund and such other currency (Please refer to the relevant Supplement for further information in relation to a specific Fund). Again, there can be no guarantee that any hedging transactions that are put in place will be effective. The costs and any benefit such transactions will be allocated solely to the relevant Share Class.

Currency Options Trading

The Funds may acquire and sell currency options, the value of which depend largely upon the likelihood of favourable price movements in the underlying currency in relation to the exercise (or strike) price during the life of the option. Many of the risks applicable to trading the underlying currencies are also applicable to over-the-counter options trading. In addition, there are a number of other risks associated with the trading of options including the risk that the purchaser of an option may at worst lose his entire investment (the premium he pays).

Warrants

Certain Funds may invest in equity linked securities or equity linked instruments such as warrants. The gearing effect of investment in warrants and the volatility of warrant prices make the risk attached to the investment in warrants higher than in the case with investment in equities.

Derivatives

The Funds may utilise both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of their investment policies. These instruments can be highly volatile and expose investors to a high risk of loss. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery.

Derivatives, in particular derivatives which are negotiated "over-the-counter" are subject to legal risks including the uncertainty in the applicability of laws, or the interpretation or enforceability of contracts or an action by a court or regulatory body that could invalidate a derivative contract entered into by the Company.

The prices of financial derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements. The prices of exchange traded financial derivative instruments may also be subject to changes in price due to supply and demand factors.

Particular Risks of OTC Derivatives

Unlike exchange-traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC derivatives, are generally established through negotiation with the other party to the instrument. While this type of arrangement allows a Fund greater flexibility to tailor the instrument to its needs, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if OTC derivatives are deemed not to be legally enforceable or are not documented correctly.

Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery.

There also may be a legal or documentation risk that the parties to the OTC derivatives may disagree as to the proper interpretation of its terms. If such a dispute occurs, the cost and

unpredictability of the legal proceedings required for the Company to enforce its contractual rights may lead the Company to decide not to pursue its claims under the OTC derivatives. The Company thus assumes the risk that it may be unable to obtain payments owed to it under OTC arrangements, that those payments may be delayed or made only after the Company has incurred the costs of litigation.

Counterparty Risk

The Funds will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons.

Some of the markets in which a Fund may effect transactions are “over-the-counter” (or “interdealer”) markets. The participants in such markets are typically not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with such “over-the-counter” transactions. This exposes the relevant Fund to the risk that a 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 a credit or liquidity problem, thus causing the relevant Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the relevant Fund has concentrated its transactions with a small group of counterparties. Moreover, although the Funds shall only transact with eligible counterparties, the Investment Manager has no formal credit function which evaluates the creditworthiness of the relevant Fund’s counterparties. The ability of a Fund to transact business with any one or number of counterparties, the lack of any separate evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds.

Synthetic Short Selling

Typically, UCITS, such as the Company, invest on a “long only” basis. This means that their net asset value will rise (or fall) in value based on the market value of the assets they hold. A “short” sale involves the sale of a security that the seller does not own in the hope of purchasing the same security (or a security exchangeable for such security) at a later date at a lower price. To make a delivery to the buyer, the seller must borrow the security and is obligated to return the security (or a security exchangeable for such security) to the lender, which is accomplished by a later purchase of said security. Although the Company is not permitted to enter into short sales under the UCITS regulations, a Fund may, by employing certain derivative techniques (such as contracts for difference) designed to produce the same economic effect as a short sale (a “synthetic short”), establish both “long” and “short” positions in individual stocks and markets. As a result, as well as holding assets that may rise or fall with markets, a Fund may also hold positions that will rise as the market value falls, and fall as the market value rises. Taking synthetic short positions involves trading on margin and accordingly can involve greater risk than investments based on a long position. Investors should also consider the risk factors under “Derivatives” and “Particular Rules of OTC Derivatives” above.

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 Fund may be constrained.

Investments in China

Political and economic considerations

The investments of the Funds may include Shares in companies incorporated in Mainland China which are listed on the Stock Exchange of Hong Kong Limited and primarily traded in Hong Kong (China H-Shares). Investors should be aware that the economy of Mainland China differs from the economies of most developed countries in many respects, including the government involvement in its economy, the level of development, growth rate and control of foreign exchange. The regulatory and legal framework for capital markets and companies in Mainland China is not well developed compared with those of developed countries.

By investing in China H-Shares the Funds are subject to the risks of investing in emerging markets generally and the risks specific to Mainland China in particular. These may include, but are not limited to:

- Less liquid and less efficient securities markets;
- Greater price volatility;
- Exchange rate fluctuations and exchange controls;
- Less publicly available information about issuers;
- The imposition of restrictions on the repatriation of funds or other assets out of the country;
- Higher transaction and custody costs and higher settlement risks;
- Difficulties in enforcing contractual obligations,
- Lesser levels of regulation of the securities markets;
- Different accounting, disclosure and reporting requirements;
- More substantial government involvement in the economy;
- Higher rates of inflation,
- Social, political and economic instability; and
- Risk of nationalization or expropriation of assets and risk of war or terrorism.

Investors should be aware that the Mainland China government has adopted a planned economic system in the past. Since 1978, the Mainland China government has implemented economic reform measures which emphasize decentralization and the utilization of market forces and social progress. However, many of the economic reforms in Mainland China are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on securities markets. Also, many laws and regulations in Mainland China are new and therefore untested and there is no certainty as to how they will be applied. They may also be varied in the future.

The economy of Mainland China has experienced significant growth in the past few years, but such growth has been uneven both geographically and among the various sectors of the economy. Moreover, there can be no assurance that such growth can be sustained.

Investments associated with Mainland China will be sensitive to any significant change in political, social or economic policy. Such sensitivity may adversely affect the capital growth and thus the performance of these investments.

Mainland China government's control of currency conversion and future movements in exchange rates

On 21 July 2005, the Mainland China government began to implement a controlled floating exchange rate system based on the supply and demand in the market and adjusted with reference to a portfolio of currencies. The exchange rate of Renminbi is no longer pegged to the US dollar, resulting in a more flexible Renminbi exchange rate system. China Foreign Exchange Trading System, authorized by the People's Bank of China, promulgates the central parity rate of Renminbi against US dollar, Euro, Yen, pound sterling and Hong Kong dollar at 9:15 a.m. on each business day, which will be the daily central parity rate for transactions on the Inter-bank Spot Foreign Exchange Market and OTC transactions of banks. The exchange rate of Renminbi against the above-mentioned currencies fluctuates within a range above or below such central parity rate. As the exchange rates are based primarily on market forces, the exchange rates for Renminbi against other currencies, including US dollars and Hong Kong dollars, are susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely against US dollars, Hong Kong dollars or any other foreign currency in the future.

Since July 2005, the appreciation of Renminbi has begun to accelerate notably. Although the Mainland China government has constantly reiterated its intention to maintain the stability of the Renminbi, it may introduce measures (such as a reduction in the rate of export tax refund) to address the concerns of the Mainland China's trading partners. Therefore, the possibility that the appreciation of Renminbi will be further accelerated cannot be excluded. On the other hand, there can be no assurance that the Renminbi will not be subject to devaluation. Any devaluation of the Renminbi could adversely affect the Net Asset Value of the Funds concerned.

Investment in China A-Shares

When investing in a Fund invested in China A-Shares Shareholders should be aware of the following additional risks:

Risk of volatility:

The existence of a liquid trading market for China A-Shares may depend on whether there is supply of, and demand for, China A-Shares. The price at which securities may be purchased or sold by a Fund and the Net Asset Value of a Fund may be adversely affected if trading markets for China A-Shares are limited or absent. The China A-Share market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). Market volatility and settlement difficulties in the China A-Share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of a Fund.

Risk of trading limitations:

Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band limits are imposed by the stock exchanges on China A-Shares, where trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Investment Manager to liquidate positions and could thereby expose a Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Investment Manager to liquidate positions at a favourable price, which could thereby expose the Funds to significant losses.

China A-Shares may only be bought from, or sold to, a Fund from time to time where the relevant China A-Shares may be sold or purchased on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, as appropriate.

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

Stock Connect Risk

Risks linked with dealing in securities in China via Stock Connect:

To the extent that a Fund's investments in China are dealt via Stock Connect, such dealing may be subject to additional risk factors. In particular, Shareholders should note that Stock Connect is a new trading programme. The relevant regulations are untested and subject to change. Stock Connect is subject to quota limitations which may restrict a Fund's ability to deal via Stock Connect on a timely basis. This may impact a Fund's ability to implement its investment strategy effectively. Initially, the scope of Stock Connect includes all constituent stocks of the SSE 180 Index and the SSE 380 Index and all SSE-listed China A-Shares. Shareholders should note further that under the relevant regulations a security may be recalled from the scope of Stock Connect. This may adversely affect the Fund's ability to meet its investment objective, e.g. when the Investment Manager wishes to purchase a security which is recalled from the scope of Stock Connect.

Chinese accounting, auditing and financial reporting standards and practices

Accounting, auditing and financial reporting standards and practices applicable to companies in Mainland China may be different to those standards and practices applicable in other countries. For example, there may be differences in the valuation methods for properties and assets and in the requirements for disclosure of information to investors.

Chinese legal system

The legal system of Mainland China in general and for securities markets in particular has been undergoing a period of rapid change over recent years which may lead to difficulties in interpreting and applying newly evolving regulations. The revised securities law which came into force on 1 January 2006 has made a comprehensive revision to the previous regulatory framework relating to the issuing, listing and trading systems of securities.

The Mainland China government has implemented a number of tax reform policies in recent years. There can be no assurance that the current tax laws and regulations will not be revised or amended in future. Any revision or amendment in tax laws and regulations may affect the after-taxation profit of companies in Mainland China.

Mainland China tax risk

Where a Fund invests in China A-Shares or China H-Shares the income of which (such as dividends) are derived from Mainland China, if any, such Fund is subject to withholding of company income tax imposed in Mainland China; such company income tax will adversely affect the performance of a Fund concerned. Such Fund may also be subject to other taxes imposed in Mainland China, which may reduce the income from investments in the Fund.

Investment in Russia

Equity investments in Russia are currently subject to certain risks with regard to the ownership and custody of securities. This results from the fact, that no physical share certificates are issued and ownership of securities is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depository Bank, other than by the local regulation). No certificates representing shareholdings in Russian companies will be held by the Depository Bank or any of its local correspondents or in an effective central depository system.

Equity investments in Russia may also be settled using local depositories. Neither the Depository Clearing Company (DCC) nor the National Settlement Depository (NSD) is legally recognized as a central securities depository (CSD) or supported by legislation to protect finality of title. Like local custodians, DCC and NSD still have to register the equity positions with the registrar in their own nominee names.

If concerns are raised regarding a specific investor, the whole nominee position in a depository could be frozen for a period of months until the investigation is complete. As a result, there is a risk that an investor could be restricted from trading because of another DCC or NSD account holder. At the same time should an underlying registrar be suspended, investors settling through registrars cannot trade, but settlement between two depository accounts can take place. Any discrepancies between a registrar and the DCC or NSD records may impact corporate entitlements and potentially settlement activity of underlying clients,

Securities traded on the "Moscow Stock Exchange MICEX-RTS (Moscow Stock Exchange) can be treated as investment in securities dealt in on a regulated market.

NSD has submitted to the Federal Service for Financial Markets (FSFM) application for receipt of CSD status along with partial supporting documentation. Once NSD and DCC complete their integration and CSD established and fully operational in the market, risk assessment should be revisited

Investment in emerging markets

The Funds may invest in emerging market debt securities, foreign exchange instruments and equities which may lead to additional risks being encountered when compared with investments in developed markets.

Investment in emerging market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favourable tax provisions, and a greater likelihood of severe inflation, unstable or not freely convertible currency, war and expropriation of personal property than investments in securities of issuers based in developed countries. In addition, the investment opportunities of the Funds in certain emerging markets may be restricted by legal limits on foreign investment in local securities.

Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighbouring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published

by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

Some emerging markets securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Further, custodians are not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Company will not be recognised as the owner of securities held on its behalf by a sub-custodian.

With respect to any emerging market country, there is the possibility of nationalisation, expropriation or confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds or other assets of the Company, political changes, government regulation, social instability or diplomatic developments (including war) which could affect adversely the economies of such countries or the value of the Funds' investments in those countries. Further, the economies of emerging countries generally are heavily dependent upon international trade and, accordingly, have been, and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of certain of these countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Effect of Substantial Redemptions

Substantial redemptions by Shareholders within a short period of time could require a Fund to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of the assets of the Fund and/or disrupting the Investment Manager's investment strategy. Reduction in the size of a Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in a Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Event Driven Investing

Event driven investing requires the investor to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company financial instruments. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by a company may not be valued as highly by the market as the Investment Manager had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value, but fail to implement it, which can result in losses to investors. In liquidations and other forms of corporate reorganisation, the risk exists that the reorganisation either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to the Company of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a federal or state regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger

with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable federal or state securities laws; and (vii) inability to obtain adequate financing. Because of the inherently speculative nature of event driven investing, the results of the Company's operations may be expected to fluctuate from period to period. Accordingly, Shareholders should understand that the results of a particular period will not necessarily be indicative of results that may be expected in future periods.

Forward Foreign Exchange Contracts

A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are generally effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Documentation of transactions generally consists of an exchange of telex or facsimile messages. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. The Funds are subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Funds to cover their commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Market Liquidity and Leverage

A Fund may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the relevant Fund's ability to adjust its positions. The size of a Fund's positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by counterparties with which a Fund enters into repurchase/reverse repurchase agreements or derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect a Fund's portfolio.

A Fund may invest in unlisted emerging market securities and may be exposed to emerging market currencies, which may involve a high degree of business and financial risk that could result in substantial losses. Because of the relative absence of any trading market for these investments, it may take longer to liquidate, or it may not be possible to liquidate, these positions than would be the case for listed securities. Although these securities may be resold in privately negotiated transactions, the prices realised on these sales could be less than those originally paid by the relevant Fund. Further, companies whose securities are not listed will generally not be subject to public disclosure and other investor protection requirements applicable to listed securities.

Net Asset Value Considerations

The Net Asset Value per Share is expected to fluctuate over time with the performance of the Fund's investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption, if the Net Asset Value per Share at the time of such redemption is less than the Subscription Price paid by such Shareholder or if there remain any unamortised costs and expenses of establishing the Company. In addition, where

there is any conflict between Luxembourg generally accepted accounting principles and the valuation principles set out in the Articles and this document in relation to the calculation of Net Asset Value, the latter principles shall take precedence.

In calculating a Fund's Net Asset Value, the Central Administration may consult the Investment Manager with respect to the valuation of certain investments. Whilst there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of each Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Funds, the Investment Manager will endeavour to resolve any such conflict of interest fairly and in the interest of investors.

Price Fluctuations

It should be remembered that the value of Shares and the income (if any) derived from them can go down as well as up.

Transaction Costs

The investment policies of the Funds may involve a high level of trading and turnover of the investments of the Funds which may generate substantial transaction costs which will be borne by each Fund separately.

Clearing House Protections

On many exchanges, the performance of a transaction by a broker (or a third party with whom it is dealing on the Company's behalf) is "guaranteed" by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover the Company and may not protect the Company if a broker or another party defaults on its obligations to the Company.

Profit Sharing

In addition to receiving an Investment Management Fee, the Investment Manager may also receive a Performance Fee based on the appreciation in the Net Asset Value per Share 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 a Fund, which are riskier than would be the case in the absence of a fee based on the performance of a Fund.

Redemption Risks

Payment of redemption proceeds may be delayed if the Directors declare a temporary suspension of the determination of the Net Asset Value of the Company or a Fund in any of the exceptional circumstances as described under "Determination of the Net Asset Value of Shares – Suspension of Valuation of Assets".

Volatility

Futures prices are highly volatile. Such prices are influenced by, amongst other things: government trade, fiscal, monetary and exchange control programmes and policies; national and international political and economic events; and changes in interest rates. In addition, governments from time to time intervene, directly and by regulation, in the foreign exchange markets with the specific intention of influencing exchange rates. The effect of such intervention is often heightened by a group of governments acting in concert. The other investments in which the Funds may invest, principally debt securities, will be subject to their own fluctuations in value as a

result of, amongst other things, market, interest rate and currency movements. The Funds may be exposed to adverse changes in its Net Asset Value as a result of these factors.

Other Activities of the Investment Manager

The Investment Manager and its members, officers, employees and affiliates, including those involved in the investment management of the Funds may be engaged in businesses in addition to the investment management of the Funds. The Investment Manager may have proprietary interests in, and manage and advise, other accounts or funds which may have investment objectives similar or dissimilar to those of the Funds and/or which may engage in transactions in the same types of securities and instruments as the Funds. The Fund's performance may differ significantly from the results achieved by the Investment Manager for other accounts managed or advised by the Investment Manager. When making an investment where conflicts of interest arise, the Investment Manager will endeavour to act in a fair and equitable manner as between the Company and its other clients. Personnel of the Investment Manager are not required to devote all or any specified portion of their time to managing the affairs of the Company, but will devote to the Company so much of their time as the Investment Manager deems necessary or appropriate. Investment activities by the Investment Manager on behalf of other clients may give rise to additional conflicts of interest and demands on their time and resources. The Investment Manager may from time to time act as directors, investment managers, administrators or prime brokers in relation to or otherwise be involved with other companies established by parties other than the Company. In such event, should a conflict of interest arise, the Investment Manager will endeavour to ensure that it is resolved fairly.

MiFID 2

MiFID 2 imposes new regulatory obligations on EU authorised investment firms, such as the Sub-Investment Manager. These regulatory obligations may impact on, and constrain the implementation of, the investment strategy of JABCAP (LUX) – European Credit Opportunities and lead to increased compliance obligations upon and accrued expenses for the Sub-Investment Manager and/or this Fund.

Extension of pre- and post-trade transparency

MiFID 2 introduces wider transparency regimes in respect of trading on EU trading venues and with EU counterparties. MiFID 2 extends the pre- and post-trade transparency regimes from equities traded on a regulated market to cover equity-like instruments, such as depositary receipts, exchange-traded funds and certificates that are traded on regulated trading venues, as well as to cover non-equities, such as bonds, structured finance products, emission allowances and derivatives.

The increased transparency regime under MiFID 2, together with the restrictions on the use of “dark pools” and other non-regulated trading venues, may lead to enhanced price discovery across a wider range of asset classes and instruments which could disadvantage JABCAP (LUX) – European Credit Opportunities, particularly in the fixed income markets. Such increased transparency and price discovery may have macro effects on trading globally, which may have an adverse effect on the Net Asset Value.

Access to research

MiFID 2 prohibits an EU authorised investment firm from receiving investment research unless it is paid for directly by the firm out of its own resources or from a separate research payment account. EU research providers that are MiFID firms will be obliged to price their research services separately from their execution services. It is uncertain whether these changes will lead to an overall increase in the price of research and/or lead to reduced access to research for the

Sub-Investment Manager in relation to JABCAP (LUX) – European Credit Opportunities’ investment strategy.

Changes to use of direct market access

MiFID 2 introduces new requirements on EU banks and brokers which offer direct market access (“DMA”) services to allow their clients to trade on EU trading venues via their trading systems. EU DMA providers will be required to impose trading and credit thresholds on their clients, and to have the benefit of monitoring rights. It will also be necessary for the EU DMA provider to enter into a binding written agreement with its clients, which deals with compliance with MiFID 2 and the trading venue rules. These changes may affect the implementation of JABCAP (LUX) – European Credit Opportunities’ investment strategy.

Changes to policies and procedures and costs of compliance

MiFID 2 requires significant changes to a number of the Sub-Investment Manager’s policies and procedures, including with respect to best execution, payment for and access to research, algorithmic trading, high frequency trading and conflicts of interest, which may adversely affect the Sub-Investment Manager’s implementation of JABCAP (LUX) – European Credit Opportunities’ investment strategy. Compliance with these requirements is likely to result in the Sub-Investment Manager incurring significant costs.

Fund Specific Risks

Please review the particular Fund Supplement for specific risks associated with each particular Fund.

SUPPLEMENT 1: JABCAP (LUX) - GLOBAL BALANCED

The information contained in this part of this Prospectus in relation to JABCAP (LUX) - Global Balanced should be read in conjunction with the full text of this Prospectus.

Name of Fund

JABCAP (LUX) - Global Balanced

Investment Objective

The investment objective of the Fund is to seek to achieve long term capital appreciation through a top down active asset allocation policy that seeks to invest in a diversified portfolio of global equities, equity-linked instruments, fixed income and other money market and foreign exchange instruments. The Fund is expected to dynamically adjust its exposures to equities, fixed income and cash in response to market conditions.

There can be no assurance that the Fund will achieve its investment objective.

Investment Policy

The Fund will invest principally in equity and equity related products (including depository receipts, warrants and other participation rights) and may additionally invest in fixed and floating rate debt securities, index and participation notes, equity linked notes, convertible securities, deposits with credit institutions and money market instruments. Issuers of these securities may be located in any country, including emerging markets.

The use of financial derivative instruments is an integral part of the Fund's investment policy. The Fund may invest in financial derivative instruments for all purposes, including without limitation, for investment, asset allocation and for hedging purposes. Financial derivative instruments utilised by the Fund may include, but are not limited to, futures, options, contracts for difference, total return swaps and OTC derivatives, which have as underlying the investments foreseen by the investment policy described in the above paragraph. Short positions will be entered into by way of financial derivative instruments in order to gain a specific short exposure to a security or sector. Other derivatives may also be used in order to gain exposure to a security or sector or to obtain leveraged exposure in the same way.

The Investment Manager will actively vary asset and country allocations over time to reflect market conditions and opportunities. In exceptional market conditions, the Fund may temporarily hold up to 100% of its assets in money market instruments.

The Fund will not invest more than 10% of its net assets in aggregate in the units of other UCITS or other collective investment schemes.

Euro is the Reference Currency of the Fund but assets may be denominated in other currencies.

The total return swaps will be entered into with first class financial institutions acting as swap counterparties selected at the choice and discretion of the Fund. The exposure to these institutions is based on the market value of the relevant swap taking into account, where relevant, any collateral. To limit these exposures, the swaps will be reset on a periodic basis.

Where the Fund enters into a total return swap or invests in other derivatives with similar characteristics:

- the assets held by the Fund should comply with the investment limits set in this Prospectus; and
- the underlying exposures of such derivatives must be taken into account to calculate the investment limits set out in the Prospectus.

The counterparty does not have discretion over the composition or on management of the Fund investment portfolio or over the underlying of the financial derivative instruments. The approval of the counterparty is not required in relation to any Fund investment portfolio transactions.

All of the above investments will be made in accordance with the limits set out in the Prospectus.

Techniques and Instruments

The Fund is not authorised to use securities financing transactions (i.e. repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions or margin lending transactions) within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse.

To authorise the Fund to use securities financing transactions within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, an update of the Prospectus will be required.

Total Return Swaps

A total return swap is a derivative contract as defined in point (7) of Article 2 of Regulation (EU) No 648/2012 in which one counterparty (the total return payer) transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of reference obligation to another counterparty (the total return receiver).

In particular, total return swaps may be used to gain economic exposures for both investment purposes as well as to offset potential losses that may be incurred by other investments (hedging). The instruments that can be subject to Total Return Swaps are equities and corporate bonds (including convertible Bonds).

The amount of the Fund's assets that can be invested in total return swaps may represent up to a maximum of 200% of the net asset value of the Fund. Under normal circumstances, it is generally expected that the notional amount of such total return swap will remain within the range of 50% to 150% of the net asset value. In certain circumstances this proportion may be higher.

The Fund may incur fees and transaction costs upon entering into total return swaps and/or any increase or decrease of their notional amount including fees levied by the swap counterparty for execution, financing and stock loan.

Profile of Typical Investor:

The Fund is an investment vehicle for investors:

- who wish to invest in a diversified portfolio of shares and bonds worldwide;
- who are willing to bear variations in market value and are able to sustain significant loss;
- who have a medium-term investment horizon (at least 3 years).

Valuation Day

Every Business Day, other than a day on which any exchange or market on which a substantial portion of the Fund's investments is traded, is closed.

Dealing Day

Every Business Day, other than a day on which any exchange or market on which a substantial portion of the Fund's investments is traded, is closed.

Dealing Request Deadline

3.15 pm (Luxembourg time) on the Business Day immediately preceding the relevant Dealing Day for the Class R (USD) Shares, Class R (EUR) Shares, Class R (GBP) Shares, Class P (USD) Shares, Class P (EUR) Shares, Class P (GBP) Shares, Class N (USD) Shares, Class N (EUR) Shares, Class N (GBP) Shares, Class I (EUR) Shares, Class I (USD) Shares, Class Z (EUR) Shares and Class Z (USD) Shares.

11.00 am (Luxembourg time) on the Business Day immediately preceding the relevant Dealing Day for the Class R (CHF) Shares, Class P (SEK) Shares, Class N (SEK) Shares, Class I (CHF) Shares and Class I (SEK) Shares.

10.30 pm (Luxembourg time) two Business Days immediately preceding the relevant Dealing Day for Class P (JPY) Shares and Class N (JPY) Shares.

Price Publication

The Net Asset Value per Share of each Class will be updated following each calculation of Net Asset Value and will be available from the Central Administration.

Reference Currency of the Fund

Euro.

Duration

The Fund is established for an unlimited duration.

Share Classes and types of Shares

If not stated to be Distribution Shares, a Class will be Accumulation Shares.

All Share Classes denominated in currencies other than Euro will be hedged against the Euro, the Reference Currency of the Fund.

If not otherwise stated, a Class will be open to all types of investors.

Name of Share Class	Currency	Initial Offer Price	Minimum Subscription*	Minimum Holding	Minimum Additional Subscription	ISIN	Investment Management Fee (%)	Performance Fee (%)
Class R (USD) Shares	US\$ (Hedged)	US\$100	US\$1,000	US\$1,000	\$1,000	LU0533243472	2	20
Class R (Euro) Shares	€	€ 100	€ 1,000	€ 1,000	€ 1,000	LU0533243555	2	20
Class R	£	£100	£1,000	£1,000	£1,000	LU0533243639	2	20

(GBP) Shares Class R (CHF) Shares Class P (USD) Shares Class P (Euro) Shares Class P (GBP) Shares Class P (JPY) Shares Class P (SEK) Shares Class N (USD) Shares Class N (Euro) Shares Class N (GBP) Shares Class N (JPY) Shares Class N (SEK) Shares Class I (USD) shares	(Hedged) CHF (Hedged) US\$ (Hedged) € £ (Hedged) JPY (Hedged) SEK (Hedged) US\$ (Hedged) € £ (Hedged) JPY (Hedged) SEK (Hedged) US\$ (Hedged)	CHF100 US\$100 € 100 £100 ¥10,000 SEK 1,000 US\$100 € 100 £100 ¥10,000 SEK 1,000 US\$100 € 100 CHF 100 SEK 1,000 € 100 US\$100 €100	CHF1,000 US\$100,000 € 100,000 £100,000 ¥10,000,000 SEK 1,000,000 US\$10,000,000 € 10,000,000 £10,000,000 ¥1,000,000,000 SEK 100,000,000 US\$2,000,000 € 2,000,000 CHF 2,000,000 SEK 20,000,000 € 2,000,000 US\$1,000 € 1,000	CHF1,000 US\$100,000 € 100,000 £100,000 ¥10,000,000 SEK 1,000,000 US\$10,000,000 € 10,000,000 £10,000,000 ¥1,000,000,000 SEK 100,000,000 US\$2,000,000 € 2,000,000 CHF 2,000,000 SEK 20,000,000 € 2,000,000 US\$1,000 € 1,000	CHF1,000 \$1,000 € 1,000 £1,000 ¥100,000 SEK 10,000 \$1,000 € 1,000 £1,000 ¥100,000 SEK 10,000 \$1,000 € 1,000 CHF 1,000 SEK 10,000 € 1,000 \$1,000 €1,000	LU0533243803 LU0533244363 LU0533244447 LU0533244793 LU0533245097 LU0533245253 LU0533245410 LU0533245766 LU0533246061 LU0533246657 LU0533246814 LU1757390254 LU1757390767 LU1757391062 LU0533247119 LU1161211740 LU1161211823	2 2 2 2 2 2 1.5 1.5 1.5 1.5 1.5 1.5 1 1 1 1 1 0 0	20 20 20 20 20 20 20 20 20 20 20 20 20 20 20 20 20 20 20
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*(Investors should refer to the section of the Prospectus headed “Important Information” which may refer to an alternative minimum subscription requirement for investors from a particular country)

The Directors may reduce or waive the Minimum Subscription, the Minimum Additional Subscription and the Minimum Holding at their discretion.

Class I Shares are restricted to institutional investors.

Class Z Shares will be available to (i) the Investment Manager or any of its directors or employees, (ii) any person connected with any such person referred to under item (i) (including, without limitation, a trustee of a trust established by or for such a person), (iii) any company, partnership or other person or entity controlled by or which is the controller of any such persons or (iv) any nominee of any of the foregoing. The Directors are authorised to determine, in their

sole discretion, a person's eligibility to subscribe for Class Z (USD) Shares and Class Z (Euro) Shares.

If a request for a partial redemption of Class I Shares is received which would, as a result of such partial redemption, result in the Net Asset Value of the relevant Class of Class I Shares retained by the Shareholder being less than the relevant Minimum Holding, the Shareholder's holding of Class I Shares of the relevant Class will, at the discretion of the Directors, be either compulsorily redeemed or exchanged for Class N Shares.

If a request for a partial redemption of Class N Shares is received which would, as a result of such partial redemption, result in the Net Asset Value of the relevant Class of Class N Shares retained by the Shareholder being less than the relevant Minimum Holding, the Shareholder's holding of Class N Shares of the relevant Class will, at the discretion of the Directors, be either compulsorily redeemed or exchanged for Class P Shares.

If a request for a partial redemption of Class P Shares is received which would, as a result of such partial redemption, result in the Net Asset Value of the relevant Class of Class P Shares retained by the Shareholder being less than the relevant Minimum Holding, the Shareholder's holding of Class P Shares of the relevant Class will, at the discretion of the Directors, be either compulsorily redeemed or exchanged for Class R Shares.

Listing

It is not intended to list the Shares of the Fund on the Luxembourg Stock Exchange.

Reporting Fund Status

Each of the Class R (GBP) Shares, the Class P (GBP) Shares and the Class N (GBP) Shares have been recognized by HM Revenue & Customs as a reporting fund. Accordingly, any gains arising to Shareholders resident or ordinarily resident in the UK for taxation purposes on a sale, redemption or other disposal of such Shares (including a deemed disposal on death) that have been recognised as a reporting fund throughout the period they have been held will be taxed as capital gains. However, there can be no guarantee that reporting fund status will be maintained for the Class R (GBP) Shares, the Class P (GBP) Shares or the Class N (GBP) Shares for each account period of the Fund.

It is not currently proposed to apply to HM Revenue & Customs for recognition of any other Class of Shares as a reporting fund.

Please see "Taxation of Shareholders in the UK" above for more information.

Other Fees and Expenses

Redemption Charge

No redemption charge shall be imposed.

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. 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.

Management Company Fees

The fee payable to the Management Company shall not exceed 0.04% per annum, subject to a minimum monthly fee of up to EUR 2,250.- and calculated on the basis of the Net Asset Value of the assets attributable to the Fund on the last Valuation Day of each month, and paid out monthly in arrears. Reasonable out of pocket expenses may be recharged including any legal expenses of the Management Company in relation to the business of the Company or Fund.

Performance Fee

The Performance Fee is based on net realised and net unrealised gains and losses (both capital and income) as of the end of each Calculation Period and as a result, performance fees may be paid on unrealised gains, which may subsequently never be realised.

The Fund will pay to the Investment Manager a Performance Fee. The Performance Fee will be calculated in respect of each six month period ending on 30 June and 31 December in each year (a "**Calculation Period**"). The Performance Fee will be calculated and accrued as an expense of the relevant Class at each Valuation Day and will be payable to the Investment Manager in arrears within 14 days of the end of each Calculation Period after calculation of the Performance Fee by the Central Administration.

For each Calculation Period, the Performance Fee in respect of each Share will be equal to 20% of the appreciation in the Net Asset Value per Share of the relevant Class during that Calculation Period above the High Watermark of that Class. The High Watermark is the greater of the Initial Offer Price of the relevant Class and the highest Net Asset Value per Share of the relevant Class achieved as of the end of any previous Calculation Period (if any). In certain circumstances a Performance Fee may be charged to Shares which have not appreciated in value (for example, when an investor subscribes for Shares at a time when the Net Asset Value per Share of the relevant Class is greater than the High Watermark of that Class). Also, all holders of Shares of the same Class may not have the same amount of capital per Share at risk in the Company and certain investors may get a "free ride" (for example, when an investor subscribes for Shares at a time when the Net Asset Value per Share of the relevant Class is less than the High Watermark of that Class).

For the purposes of calculating the Performance Fee, the High Watermark will be appropriately adjusted to reflect any dividends paid to the holders of the relevant Class.

If a redemption is made from the relevant Class as of a date other than 30 June or 31 December, a Performance Fee (if accrued as of the date of such redemption) shall be crystallised in respect of the Shares being redeemed and paid to the Investment Manager 14 days after the Dealing Day (or upon termination of the Investment Management Agreement, if earlier). Furthermore, for the purposes of the calculation of the Performance Fee, a transfer of Shares will, unless determined otherwise by the Directors, be treated as if there was a redemption of such Shares by the transferor and a subscription (at the most recent Subscription Price) for such Shares by the transferee on the date of the transfer. However, a transfer will not be treated as a redemption and subscription where the relevant transfer of Shares will not result in a change in the beneficial ownership of the Shares. Crystallised Performance Fees shall remain in the relevant Class (but shall not participate in subsequent gains and losses of the relevant Class) until paid to the Investment Manager, and shall not be used or made available to satisfy redemptions or pay any fees and expenses of the relevant Class.

The Investment Manager may from time to time and in its sole discretion and out of its own resources decide to rebate to some or all Shareholders (or their agents including the directors), or to intermediaries, part or all of the Performance Fee.

If the appointment of the Investment Manager is terminated during a Calculation Period the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

Administration and Depositary Fees

The Depositary and Central Administration fees are calculated based on the month end Net Asset Value, subject to minimums, accrued on each Valuation Day and paid out monthly in arrears.

It is not intended that the fees payable for the depositary and central administration services out of the Fund's assets exceed 0.50% per annum of the average assets calculated with reference to the same period. If, nevertheless, the fees for the depositary and central administration services should exceed the cap of 0.50% of the average assets per annum, the Investment Manager will reimburse the exceeding amount to the Fund. The aforementioned cap is accrued on each Valuation Day and, if applicable, paid into the Fund by the Investment Manager annually in arrears.

The above mentioned cap of 0.50% per annum does not cover fees payable to the Central Administration or the Depositary for services other than depositary and central administration services, such as (without being limited thereto) Company tax services, Company secretarial services, Company regulatory and compliance reporting services or fees for system access and reporting services.

Details on other fees and expenses to be incurred by the Company are detailed in the main body Prospectus under the heading entitled "Fees and Expenses".

Local Tax ("Taxe d'Abonnement")

Class R Shares – 0.05% per annum of the Fund's Net Asset Value payable quarterly

Class P Shares – 0.05% per annum of the Fund's Net Asset Value payable quarterly

Class N Shares – 0.05% per annum of the Fund's Net Asset Value payable quarterly

Class I Shares – 0.01% per annum of the Fund's Net Asset Value payable quarterly

Class Z Shares – 0.05% per annum of the Fund's Net Asset Value payable quarterly

Risk Profile of the Fund

The Fund invests primarily in a portfolio of equity and debt securities. The Fund's exposure to equities means that investors are exposed to stock market fluctuations and the financial performance of the companies held in the Fund's portfolio. As a result, investors may see the value of their investment fall as well as rise, and they may get back less than they originally invested.

As the Fund may regularly invest in financial derivative instruments, it could be exposed to even higher levels of risks typically associated with such investments. In addition, the Fund invests in emerging markets, which may be subject to additional political and economic risks, while stocks can be negatively impacted by low liquidity, poor transparency and greater financial risks.

The Fund seeks to limit its volatility through diversification across a large number of companies and industry groups.

Currency Hedging

The Reference Currency of the Fund is the Euro.

The Net Asset Value per Share of each Class will be calculated in the currency of that Class.

The investments of the Fund will generally be hedged into the Reference Currency of the Fund. Currency hedging will be made through the use of various techniques including 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 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. Where the currency exposure of the Fund is not fully hedged or where the hedging transactions are not completely effective, the value of the assets of the Fund may be affected favourably or unfavourably by fluctuations in currency rates. From time to time the Investment Manager may not fully hedge the currency exposure, if it considers this to be in the interest of the Shareholders. Any costs incurred relating to the above mentioned hedging will be borne by the Fund.

In addition, the foreign exchange exposure of the Shares denominated in currencies other than Euro is generally hedged in order to minimise, so far as reasonably practicable, the impact of fluctuations in the exchange rates between Euro (being Reference Currency of the Fund) and such other currency. Again, there can be no guarantee that any hedging transactions that are put in place will be effective. The costs and any benefit such transactions will be allocated solely to the relevant Share Class.

With the exception of the costs or gains which relate to specific Share Class currency hedging, all Share Classes will participate in all other assets and liabilities of the Fund on a pro rata basis.

Risk Management of the Fund

In accordance with the UCI Law and applicable regulations, in particular CSSF Circular 11/512, the Management Company uses a risk management process which enables it to assess the exposure of the Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material to the Fund.

Calculation of global exposure

As part of this risk management process, the global exposure of the Fund is measured and controlled by the absolute Value at Risk ("**VaR**") approach.

In financial mathematics and financial risk management, the VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR is defined as a threshold value such that the probability that the mark-to-market loss on the investment portfolio over the given time horizon exceeds this value (assuming normal markets and no trading in the investment portfolio) is the given probability level.

The calculation of the VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The Management Company uses the Monte Carlo approach.

The Fund's VaR is limited by an absolute VaR calculated on the basis of the Net Asset Value of the Fund. This absolute VaR cannot be exceeded and is determined by the Management

Company on the basis of the investment policy and risk profile of the Fund. The maximum VaR of the Fund is 20% of the Net Asset Value of the Fund.

Leverage

As the Management Company uses the VaR approach for risk monitoring of the Fund, it is required to disclose the expected gross leverage. For these purposes gross leverage must be calculated using the "sum-of-notionals" methodology, as set out in the Guidelines from the European Securities and Markets Authority ("ESMA") on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS, dated 28 July 2010. Due to the nature of the Fund's assets and the methodology used for calculation, it is expected that the leverage level calculated using the "sum-of-notionals" methodology will generally be below 400%. In circumstances where a favourable macroeconomic environment offers compelling investment opportunities, the gross leverage might exceed the above level.

SUPPLEMENT 2: JABCAP (LUX) – CONVERTIBLE BONDS

The information contained in this part of this Prospectus in relation to JABCAP (LUX) – Convertible Bonds should be read in conjunction with the full text of this Prospectus.

Name of Fund

JABCAP (LUX) - Convertible Bonds

Investment Objective

The investment objective of the Fund is to seek capital growth in absolute terms by investing primarily in a diversified portfolio of convertible bonds. The Fund is expected to dynamically adjust its exposures to convertible bonds in response to market conditions.

There can be no assurance that the Fund will achieve its investment objective.

Investment Policy

The Fund will invest primarily in convertible bonds, exchangeable bonds and convertible preferred shares. The Fund may also invest in equity and equity-related products including warrants, options, and asset-swapped convertible option transactions (ASCOTs). The Fund may additionally invest in corporate bonds and also take credit risks on various issuers by investing in means of credit derivatives (such as credit default swaps) on indexes or on a basket of issuers. Issuers of these securities may be located in any country, including emerging markets.

The use of financial derivative instruments is an integral part of the Fund's investment policy. The Fund may invest in financial derivative instruments for all purposes, including without limitation, for investment, asset allocation and for hedging purposes. Financial derivative instruments utilised by the Fund may include, but are not limited to, futures, options, contracts for difference, total return swaps and OTC derivatives, which have as underlying the investments foreseen by the investment policy described in the above paragraph. Short positions may be entered into by way of financial derivative instruments in order to gain a specific short exposure to a security or sector. Other derivatives may also be used in order to gain exposure to a security or sector or to obtain leveraged exposure in the same way.

The Investment Manager will actively vary asset and country allocations over time to reflect market conditions and opportunities. In exceptional market conditions, the Fund may temporarily hold up to 100% of its assets in money market instruments.

The Fund will not invest more than 10% of its net assets in aggregate in the units of other UCITS or other collective investment schemes.

Euro is the Reference Currency of the Fund but assets may be denominated in other currencies.

The total return swaps will be entered into with first class financial institutions acting as swap counterparties selected at the choice and discretion of the Fund. The exposure to these institutions is based on the market value of the relevant swap taking into account, where relevant, any collateral. To limit these exposures, the swaps will be reset on a periodic basis.

Where the Fund enters into a total return swap or invests in other derivatives with similar characteristics:

- the assets held by the Fund should comply with the investment limits set in this Prospectus; and

- the underlying exposures of such derivatives must be taken into account to calculate the investment limits set out in the Prospectus.

The counterparty does not have discretion over the composition or on management of the Fund investment portfolio or over the underlying of the financial derivative instruments. The approval of the counterparty is not required in relation to any Fund investment portfolio transactions.

All of the above investments will be made in accordance with the limits set out in the Prospectus.

Techniques and Instruments

The Fund is not authorised to use securities financing transactions (i.e. repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions or margin lending transactions) within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse.

To authorise the Fund to use securities financing transactions within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, an update of the Prospectus will be required.

Total Return Swaps

A total return swap is a derivative contract as defined in point (7) of Article 2 of Regulation (EU) No 648/2012 in which one counterparty (the total return payer) transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of reference obligation to another counterparty (the total return receiver).

In particular, total return swaps may be used to gain economic exposures for both investment purposes as well as to offset potential losses that may be incurred by other investments (hedging). The instruments that can be subject to Total Return Swaps are equities and corporate bonds (including convertible Bonds).

The amount of the Fund's assets that can be invested in total return swaps may represent up to a maximum of 160% of the net asset value of the Fund. Under normal circumstances, it is generally expected that the notional amount of such total return swap will remain within the range of 40% to 100% of the net asset value. In certain circumstances this proportion may be higher.

The Fund may incur fees and transaction costs upon entering into total return swaps and/or any increase or decrease of their notional amount including fees levied by the swap counterparty for execution, financing and stock loan.

Profile of Typical Investor:

The Fund is an investment vehicle for investors:

- who wish to invest in a diversified portfolio of convertible bonds worldwide;
- who are willing to bear variations in market value and have a medium aversion to risk.

Valuation Day

Every Business Day, other than a day on which any exchange or market on which a substantial portion of the Fund's investments is traded, is closed.

Dealing Day

Every Business Day, other than a day on which any exchange or market on which a substantial portion of the Fund's investments is traded, is closed.

Dealing Request Deadline

3.15 pm (Luxembourg time) on the Business Day immediately preceding the relevant Dealing Day for the Class I (EUR) Shares, Class R (EUR) Shares, Class I (USD) Shares, Class R (USD) Shares, Class I (GBP) Shares, Class R (GBP) Shares, Class Z (EUR) Shares and Class Z (USD) Shares.

11.00 am (Luxembourg time) on the Business Day immediately preceding the relevant Dealing Day Shares for the Class I (CHF) Shares, Class R (CHF) Shares, Class I (SEK) Shares and Class R (SEK) Shares.

Price Publication

The Net Asset Value per Share of each Class will be updated following each calculation of Net Asset Value and will be available from the Central Administration.

Reference Currency of the Fund

Euro.

Duration

The Fund is established for an unlimited duration.

Share Classes and types of Shares

If not stated to be Distribution Shares, a Class will be Accumulation Shares.

All Share Classes denominated in currencies other than the Euro will be hedged against the Euro, the Reference Currency of the Fund.

If not otherwise stated, a Class will be open to all types of investors.

Name of Share Class	Currency	Initial Offer Price	Minimum Subscription*	Minimum Holding	Minimum Additional Subscription	ISIN	Investment Management Fee (%)	Performance Fee (%)
Class I (Euro) Shares	€	€100	€2,000,000	€2,000,000	€1,000	LU0909725615	1	20
Class R (Euro) Shares	€	€100	€1,000	€1,000	€1,000	LU0909725706	2	20
Class I (USD) Shares	US\$ (Hedged)	US\$100	US\$ 2,000,000	US\$2,000,000	US\$1,000	LU0909725961	1	20
Class R (USD) Shares	US\$ (Hedged)	US\$100	US\$1,000	US\$1,000	US\$1,000	LU0909726001	2	20
Class I (CHF) Shares	CHF (Hedged)	CHF100	CHF 2,000,000	CHF2,000,000	CHF1,000	LU0909726183	1	20
Class R (CHF) Shares	CHF (Hedged)	CHF100	CHF1,000	CHF1,000	CHF1,000	LU0909726266	2	20
Class I (GBP) Shares	£ (Hedged)	£100	£2,000,000	£2,000,000	£1,000	LU0909726340	1	20
Class R (GBP) Shares	£ (Hedged)	£100	£1,000	£1,000	£1,000	LU0909726423	2	20
Class I (SEK) Shares	SEK (Hedged)	SEK 1,000	SEK 20,000,000	SEK 20,000,000	SEK 10,000	LU0909726696	1	20
Class R (SEK) Shares	SEK (Hedged)	SEK 1,000	SEK 10,000	SEK 10,000	SEK 10,000	LU0909726779	2	20
Class Z (USD) Shares	US\$ (Hedged)	US\$100	US\$1,000	US\$1,000	US\$1,000	LU1161212045	0	20
Class Z (Euro) Shares	€	€100	€1,000	€1,000	€1,000	LU1161212128	0	20

Shares are divided within the Fund into “I” and “R” Classes of Shares. Class I Shares are restricted to institutional investors.

Class Z Shares will be available to (i) the Investment Manager or any of its directors or employees, (ii) any person connected with any such person referred to under item (i) (including, without limitation, a trustee of a trust established by or for such a person), (iii) any company, partnership or other person or entity controlled by or which is the controller of any such persons or (iv) any nominee of any of the foregoing. The Directors are authorised to determine, in their sole discretion, a person’s eligibility to subscribe for Class Z (USD) Shares and Class Z (Euro) Shares.

The Directors may reduce or waive the Minimum Subscription, the Minimum Additional Subscription and the Minimum Holding at their discretion.

If a request for a partial redemption of Class I Shares is received which would, as a result of such partial redemption, result in the Net Asset Value of the relevant Class of Class I Shares retained by the Shareholder being less than the relevant Minimum Holding, the Shareholder’s holding of Class I Shares of the relevant Class will, at the discretion of the Directors, be either compulsorily redeemed or exchanged for Class R Shares.

Listing

It is not intended to list the Shares of the Fund on the Luxembourg Stock Exchange.

Other Fees and Expenses

Redemption Charge

No redemption charge shall be imposed.

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. 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.

Management Company Fees

The fee payable to the Management Company shall not exceed 0.04% per annum, subject to a minimum monthly fee of up to EUR 2,250.- and calculated on the basis of the Net Asset Value of the assets attributable to the Fund on the last Valuation Day of each month, and paid out monthly in arrears. Reasonable out of pocket expenses may be recharged including any legal expenses of the Management Company in relation to the business of the Company or Fund.

Performance Fee

The Performance Fee is based on net realised and net unrealised gains and losses (both capital and income) as of the end of each Calculation Period and as a result, performance fees may be paid on unrealised gains, which may subsequently never be realised.

The Fund will pay to the Investment Manager a Performance Fee. The Performance Fee will be calculated in respect of each six month period ending on 30 June and 31 December in each year (a "**Calculation Period**"). The Performance Fee will be calculated and accrued as an expense of the relevant Class at each Valuation Day and will be payable to the Investment Manager in arrears within 14 days of the end of each Calculation Period after calculation of the Performance Fee by the Central Administration.

For each Calculation Period, the Performance Fee in respect of each Share will be equal to 20% of the appreciation in the Net Asset Value per Share of the relevant Class during that Calculation Period above the High Watermark of that Class. The High Watermark is the greater of the Initial Offer Price of the relevant Class and the highest Net Asset Value per Share of the relevant Class achieved as of the end of any previous Calculation Period (if any). In certain circumstances a Performance Fee may be charged to Shares which have not appreciated in value (for example, when an investor subscribes for Shares at a time when the Net Asset Value per Share of the relevant Class is greater than the High Watermark of that Class). Also, all holders of Shares of the same Class may not have the same amount of capital per Share at risk in the Company and certain investors may get a "free ride" (for example, when an investor subscribes for Shares at a time when the Net Asset Value per Share of the relevant Class is less than the High Watermark of that Class).

For the purposes of calculating the Performance Fee, the High Watermark will be appropriately adjusted to reflect any dividends paid to the holders of the relevant Class.

If a redemption is made from the relevant Class as of a date other than 30 June or 31 December, a Performance Fee (if accrued as of the date of such redemption) shall be crystallised in respect of the Shares being redeemed and paid to the Investment Manager 14 days after the Dealing Day (or upon termination of the Investment Management Agreement, if earlier). Furthermore, for the purposes of the calculation of the Performance Fee, a transfer of Shares will, unless determined otherwise by the Directors, be treated as if there was a redemption of such Shares by the transferor and a subscription (at the most recent Subscription Price) for such Shares by the transferee on the date of the transfer. However, a transfer will not be treated as a redemption and subscription where the relevant transfer of Shares will not result in a change in the beneficial ownership of the Shares. Crystallised Performance Fees shall remain in the relevant Class (but shall not participate in subsequent gains and losses of the relevant Class) until paid to the Investment Manager, and shall not be used or made available to satisfy redemptions or pay any fees and expenses of the relevant Class.

The Investment Manager may from time to time and in its sole discretion and out of its own resources decide to rebate to some or all Shareholders (or their agents including the directors), or to intermediaries, part or all of the Performance Fee.

If the appointment of the Investment Manager is terminated during a Calculation Period the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

Administration and Depositary Fees

The Depositary and Central Administration fees are calculated based on the month end Net Asset Value, subject to minimums, accrued on each Valuation Day and paid out monthly in arrears.

It is not intended that the fees payable for the depositary and central administration services out of the Fund's assets exceed 0.50% per annum of the average assets calculated with reference to the same period. If, nevertheless, the fees for the depositary and central administration services should exceed the cap of 0.50% of the average assets per annum, the Investment Manager will reimburse the exceeding amount to the Fund. The aforementioned cap is accrued on each Valuation Day and, if applicable, paid into the Fund by the Investment Manager annually in arrears.

The above mentioned cap of 0.50% per annum does not cover fees payable to the Central Administration or the Depositary for services other than depositary and central administration services, such as (without being limited thereto) Company tax services, Company secretarial services, Company regulatory and compliance reporting services or fees for system access and reporting services.

Details on other fees and expenses to be incurred by the Company are detailed in the main body Prospectus under the heading entitled "Fees and Expenses".

Local Tax ("Taxe d'Abonnement")

Class I Shares: 0.01% per annum of the Fund's Net Asset Value payable quarterly

Class R Shares: 0.05% per annum of the Fund's Net Asset Value payable quarterly

Class Z Shares: 0.05% per annum of the Fund's Net Asset Value payable quarterly

Risk Profile of the Fund

The Fund invests primarily in a portfolio of convertible bonds. The Fund's exposure to convertible bonds means that investors are exposed to market fluctuations as well as the financial

performance of the companies held in the Fund's portfolio. In addition, investors are exposed to variations in exchange rates and interest rates.

As the Fund may regularly invest in financial derivative instruments, it could be exposed to even higher levels of risks typically associated with such investments.

The Fund seeks to limit its volatility through diversification across a large number of companies and industry groups.

Currency Hedging

The Reference Currency of the Fund is the Euro.

The Net Asset Value per Share of each Class will be calculated in the currency of that Class.

The investments of the Fund will generally be hedged into the Reference Currency of the Fund. Currency hedging will be made through the use of various techniques including 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 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. Where the currency exposure of the Fund is not fully hedged or where the hedging transactions are not completely effective, the value of the assets of the Fund may be affected favourably or unfavourably by fluctuations in currency rates. From time to time the Investment Manager may not fully hedge the currency exposure, if it considers this to be in the interest of the Shareholders. Any costs incurred relating to the above mentioned hedging will be borne by the Fund.

In addition, the foreign exchange exposure of the Shares denominated in currencies other than Euro is generally hedged in order to minimise, so far as reasonably practicable, the impact of fluctuations in the exchange rates between Euro (being Reference Currency of the Fund) and such other currency. Again, there can be no guarantee that any hedging transactions that are put in place will be effective. The costs and any benefit such transactions will be allocated solely to the relevant Share Class.

With the exception of the costs or gains which relate to specific Share Class currency hedging, all Share Classes will participate in all other assets and liabilities of the Fund on a pro rata basis.

Risk Management of the Fund

In accordance with the UCI Law and applicable regulations, in particular CSSF Circular 11/512, the Management Company uses a risk management process which enables it to assess the exposure of the Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material to the Fund.

Calculation of global exposure

As part of this risk management process, the global exposure of the Fund is measured and controlled by the absolute Value at Risk ("**VaR**") approach.

In financial mathematics and financial risk management, the VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR is defined as a threshold value such that the probability that the mark-to-market loss on the investment portfolio over the given time horizon exceeds this value (assuming normal markets and no trading in the investment portfolio) is the given probability level.

The calculation of the VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The Management Company uses the Monte Carlo approach.

The Fund's VaR is limited by an absolute VaR calculated on the basis of the Net Asset Value of the Fund. This absolute VaR cannot be exceeded and is determined by the Management Company on the basis of the investment policy and risk profile of the Fund. The maximum VaR of the Fund is 20% of the Net Asset Value of the Fund.

Leverage

As the Management Company uses the VaR approach for risk monitoring of the Fund, it is required to disclose the expected gross leverage. For these purposes gross leverage must be calculated using the "sum-of-notionals" methodology, as set out in the Guidelines from the European Securities and Markets Authority ("ESMA") on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS, dated 28 July 2010. Due to the nature of the Fund's assets and the methodology used for calculation, it is expected that the leverage level calculated using the "sum-of-notionals" methodology will generally be below 350%. In circumstances where a favourable macroeconomic environment offers compelling investment opportunities, the gross leverage might exceed the above level.

SUPPLEMENT 3: JABCAP (LUX) – EUROPEAN CREDIT OPPORTUNITIES

The information contained in this part of this Prospectus in relation to JABCAP (LUX) - European Credit Opportunities should be read in conjunction with the full text of this Prospectus.

Name of Fund

JABCAP (LUX) – European Credit Opportunities

Investment Objective

The Fund's investment objective is to produce consistent absolute returns with low volatility and risk in all market conditions, regardless of the direction of interest rates or default rates.

There can be no assurance that the Fund will achieve its investment objective.

Investment Policy

The Fund primarily invests in credit instruments issued by European corporations, institutions and governments and their related derivatives.

Credit instruments include inter alia fixed and floating rate debt securities, index and participation notes and money market instruments. No rating criteria have been established for the debt securities in which the Fund may invest so that the Fund may invest across the credit quality spectrum.

The Fund adopts the widest definition of European credit. These investments will primarily include securities of issuers in developed European countries where the Investment Manager believes that these may offer exposure to developed and emerging European markets. Excluding cash and near-cash (such as money market instruments), the Fund invests at least 50% of its total assets in a diversified portfolio of credit instruments. These credit instruments will often be issued by entities that have sub-investment grade ratings or no ratings at all. As such, these investments carry a greater risk in relation to issuer solvency and trading liquidity. All investments are made within the limits set out in Appendix 1 "Investment Restrictions and Powers".

On an ancillary basis, the Fund may invest in equities (including closed-ended equity funds), equity related securities, convertible securities, ADRs and GDRs, warrants, equity and equity index contracts for difference, single equity or equity index futures and options, provided that the underlying assets of such securities comply with the requirements of article 41 of the UCI Law.

The Fund seeks to identify and invest in a diversified range of long, short, relative value and paired opportunities. In addition to its core portfolio, the Fund may also pursue more opportunistic strategies or investments. Some securities may be used to hedge or augment the portfolio's existing long or short exposure. Investments are selected by combining the disciplines of macro-economic analysis, fundamental company analysis and market trading. These disciplines also take into account issuer, sector and cycle considerations. Short positions are exclusively entered into through the use of derivative instruments.

The use of financial derivative instruments is an integral part of the Fund's investment policy. The Fund may invest in financial derivative instruments for all purposes, including without limitation, for investment, asset allocation and for hedging purposes. Financial derivative instruments utilised by the Fund may include, but are not limited to, futures, options, contracts for difference, total return swaps and OTC derivatives, which have as underlying the investments foreseen by the investment policy described in the above paragraph. Credit default swaps and options on these credit instruments may also be used. Short positions will be entered into by way of financial

derivative instruments in order to gain a specific short exposure to a security or sector. Other derivatives may also be used in order to gain exposure to a security or sector or to obtain leveraged exposure in the same way. The Fund invests in both listed and over-the-counter derivatives.

The Fund may also invest in credit default swap indices, provided that such indices meet the conditions set out in Appendix 1 “Investment Restrictions and Powers” of this Prospectus.

The Investment Manager will actively vary asset and country allocations over time to reflect market conditions and opportunities. In exceptional market conditions, the Fund may temporarily hold up to 100% of its assets in money market instruments or cash.

The Fund will not invest more than 10% of its net assets in aggregate in the units of other UCITS or other collective investment schemes.

EUR is the Reference Currency of the Fund but assets may be denominated in other currencies.

Any total return swaps will be entered into with financial institutions, acting as swap counterparties, selected at the choice and discretion of the Fund. The exposure to these institutions is based on the market value of the relevant swap taking into account, where relevant, any collateral. To limit these exposures, the swaps will be reset on a periodic basis.

Where the Fund enters into a total return swap or invests in other derivatives with similar characteristics:

- the assets held by the Fund should comply with the investment limits set in this Prospectus; and
- the underlying exposures of such derivatives must be taken into account to calculate the investment limits set out in the Prospectus.

Techniques and Instruments

The Fund is not authorised to use securities financing transactions (i.e. repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions or margin lending transactions) within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse.

To authorise the Fund to use securities financing transactions within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, an update of the Prospectus will be required.

Total Return Swaps

A total return swap is a derivative contract as defined in point (7) of Article 2 of Regulation (EU) No 648/2012 in which one counterparty (the total return payer) transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of reference obligation to another counterparty (the total return receiver).

In particular, total return swaps may be used to gain economic exposures for both investment purposes as well as to offset potential losses that may be incurred by other investments (hedging). The instruments that can be subject to Total Return Swaps are equities and corporate bonds (including convertible Bonds).

The amount of the Fund's assets that can be invested in total return swaps may represent up to a maximum of 100% of the net asset value of the Fund. Under normal circumstances, it is generally expected that the notional amount of such total return swap will remain within the range of 10% to 60% of the net asset value. In certain circumstances this proportion may be higher.

The Fund may incur fees and transaction costs upon entering into total return swaps and/or any increase or decrease of their notional amount including fees levied by the swap counterparty for execution, financing and stock loan.

Profile of Typical Investor:

The Fund is an investment vehicle for investors who:

- wish to invest in a diversified portfolio that is weighted towards Europe;
- wish to invest in a diversified portfolio that is weighted towards credit instruments and/or the equity of entities that are, or have been, active debt issuers;
- are willing to bear variations in market value and are able to sustain significant loss;
- have a medium-term investment horizon (at least 3 years).

Dealing Day

The first Business Day of each month ("Monthly Dealing Day") and each Thursday, but if such day is not a Business Day, applications for the subscription, redemption and exchange of Shares will be dealt with on the next following Business Day ("Weekly Dealing Day"). Where a Weekly Dealing Day and a Monthly Dealing Day (together referred to as the "Dealing Day") would fall in the same calendar week, the Weekly Dealing Day will not be a Dealing Day.

Valuation Day

In respect of a Monthly Dealing Day, the last Business Day in the month immediately preceding the Monthly Dealing Day ("Monthly Valuation Day"), and in respect of a Weekly Dealing Day, the Wednesday immediately preceding the Weekly Dealing Day, but if such day is not a Business Day or if on any such day any exchange or market on which a substantial portion of the Fund's investment is traded, is closed, then the preceding Business Day ("Weekly Valuation Day").

Dealing Request Deadline

3.15 pm (Luxembourg time) on the third Business Day immediately preceding the relevant Dealing Day for the Class I (EUR) Shares, Class P (EUR) Shares, Class P-Dist. (EUR) Shares, Class R (EUR) Shares, Class Z (EUR) Shares, Class I (USD) Shares, Class P (USD) Shares, Class P-Dist. (USD) Shares, Class R (USD) Shares, Class Z (USD) Shares, Class P (GBP) Shares, Class P-Dist. (GBP) Shares, Class R (GBP) Shares and Class Z (GBP) Shares.

11.00 am (Luxembourg time) on the third Business Day immediately preceding the relevant Dealing Day Shares for the Class P (CHF) Shares, Class R (CHF) Shares, Class Z (CHF) Shares, Class P (SEK) Shares and Class R (SEK) Shares.

10.30 pm (Luxembourg time) on the fourth Business Day immediately preceding the relevant Dealing Day for Class P (JPY) Shares.

Price Publication

The Net Asset Value per Share of each Class will be updated following each calculation of Net Asset Value and will be available from the Administrator.

Reference Currency of the Fund

EUR.

Duration

The Fund is established for an unlimited duration.

Share Classes and types of Shares

If not stated to be Distribution Shares, a Class will be Accumulation Shares. Shares of Class P-Dist. (EUR), Class P-Dist. (USD) and Class P-Dist. (GBP) will be Distribution Shares.

All Share Classes denominated in currencies other than EUR will be hedged against the EUR, the Reference Currency of the Fund.

If not otherwise stated, a Class will be open to all types of investors.

Name of Share Class	Currency	Initial Offer Price	Minimum Subscription*	Minimum Holding	Minimum Additional Subscription	ISIN	Investment Management Fee (%)	Performance Fee (%)
Class I (EUR)	€	€100	€2,000,000	€2,000,000	€1,000	LU1340030060	1	20
Class I (USD)	US\$ (Hedged)	US\$100	US\$2,000,000	US\$2,000,000	US\$1,000	LU1340030144	1	20
Class P (EUR)	€	€100	€100,000	€100,000	€1,000	LU1340030227	2	20
Class P (USD)	US\$ (Hedged)	US\$100	US\$100,000	US\$100,000	US\$1,000	LU1340030490	2	20
Class P (CHF)	CHF (Hedged)	CHF100	CHF100,000	CHF100,000	CHF1,000	LU1340030656	2	20
Class P (GBP)	£ (Hedged)	£100	£100,000	£100,000	£1,000	LU1340030573	2	20
Class P (SEK)	SEK (Hedged)	SEK1,000	SEK1,000,000	SEK1,000,000	SEK10,000	LU1340030730	2	20
Class P (JPY)	JPY (Hedged)	JPY10,000	JPY10,000,000	JPY10,000,000	JPY100,000	LU1340030813	2	20
Class P-Dist. (EUR)	€	€100	€100,000	€100,000	€1,000	LU1340030904	2	20
Class P-Dist. (USD)	US\$ (Hedged)	US\$100	US\$100,000	US\$100,000	US\$1,000	LU1340031035	2	20
Class P-Dist. (GBP)	£ (Hedged)	£100	£100,000	£100,000	£1,000	LU1340031118	2	20
Class R (EUR)	€	€100	€1,000	€1,000	€1,000	LU1340031464	2	20
Class R (USD)	US\$ (Hedged)	US\$100	US\$1,000	US\$1,000	US\$1,000	LU1340031209	2	20
Class R (CHF)	CHF (Hedged)	CHF100	CHF1,000	CHF1,000	CHF1,000	LU1340031548	2	20
Class R (GBP)	£ (Hedged)	£100	£1,000	£1,000	£1,000	LU1340031621	2	20
Class R (SEK)	SEK (Hedged)	SEK1,000	SEK10,000	SEK10,000	SEK10,000	LU1340031894	2	20
Class Z (USD)	US\$ (Hedged)	US\$100	US\$1,000	US\$1,000	US\$1,000	LU1340031977	0	20
Class Z (EUR)	€	€100	€1,000	€1,000	€1,000	LU1340032199	0	20
Class Z (CHF)	CHF (Hedged)	CHF100	CHF1,000	CHF1,000	CHF1,000	LU1340032272	0	20

Class Z (GBP)	£ (Hedged)	£100	£1,000	£1,000	£1,000	LU1340032355	0	20
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Shares are divided within the Fund into “I”, “P”, “R” and “Z” Classes of Shares. Class I Shares are restricted to institutional investors, Class P Shares are restricted to professional investors.

Class Z Shares will be available to (i) the Investment Manager or any of its directors or employees, (ii) any person connected with any such person referred to under item (i) (including, without limitation, a trustee of a trust established by or for such a person), (iii) any company, partnership or other person or entity controlled by or which is the controller of any such persons or (iv) any nominee of any of the foregoing. The Directors are authorised to determine, in their sole discretion, a person’s eligibility to subscribe for Class Z (USD) Shares, Class Z (CHF) Shares, Class Z (GBP) Shares and Class Z (Euro) Shares.

The Directors may reduce or waive the Minimum Subscription, the Minimum Additional Subscription and the Minimum Holding at their discretion.

If a request for a partial redemption of Class P Shares is received which would, as a result of such partial redemption, result in the Net Asset Value of the relevant Class of Class P Shares retained by the Shareholder being less than the relevant Minimum Holding, the Shareholder’s holding of Class P Shares of the relevant Class may, at the discretion of the Directors, be either compulsorily redeemed or exchanged for Class R Shares.

Distribution Policy

It is not envisaged that any income or gains derived from the Fund’s investments will be distributed by way of dividend other than to holders of Class P-Dist (EUR) Shares, Class P-Dist (USD) Shares, and Class P-Dist (GBP) Shares (“**Distribution Shares**”). However, this does not preclude the Directors from declaring a dividend at any time in the future to holders of Shares other than Distribution Shares, if they consider it appropriate to do so.

Holders of Distribution Shares will receive dividends at such rates as the Directors generally determine on the first Business Day of each financial year to which the dividend relates.

The Directors will generally declare dividends on the last Business Day of June and December in respect of each financial year. The Directors will confirm the amount thereof on the second Business Day of calendar month following a declaration of dividend (if any), and in each case the dividend will be paid within five Business Days of such confirmation.

Notwithstanding the foregoing, the Directors reserve the right to declare a dividend in respect of Distribution Shares at such other time or times as they may determine in their discretion. The Directors may cancel or adjust any dividend payable to holders of Distribution Shares after it has been declared, at their discretion.

For the avoidance of doubt, any holder of Distribution Shares who redeems his holding, in whole or in part, on any Redemption Day preceding the declaration of any dividend will not have a right to receive any such dividend in respect of the Distribution Shares he is seeking to redeem.

To the extent that a dividend is declared, it will be paid in compliance with any applicable laws.

If the dividend declared in respect of a class of Distribution Shares held by a Shareholder is less than €50 (or its equivalent in any other currency), the Directors reserve the right to reinvest the dividend into the same class of the relevant Distribution Shares.

Listing

It is not intended to list the Shares of the Fund on the Luxembourg Stock Exchange.

Initial Offer Period

The Initial Offer Period shall commence on April 4, 2016 at 9 a.m. (Luxembourg time) and will close on April 6, 2016 at 5 p.m. (Luxembourg time) or such other date and time as the Directors may determine. Shares are available for issue during the Initial Offer Period at the price set out above.

Other Fees and Expenses

Redemption Charge

No redemption charge shall be imposed.

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. 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.

Management Company Fees

The fee payable to the Management Company shall not exceed 0.04% per annum, subject to a minimum monthly fee of up to EUR 2,250.- and calculated on the basis of the Net Asset Value of the assets attributable to the Fund on the last Valuation Day of each month, and paid out monthly in arrears. Reasonable out of pocket expenses may be recharged including any legal expenses of the Management Company in relation to the business of the Company or the Fund.

Investment Manager payment at launch

The Investment Manager will pay the Fund EUR 7,500 per month, accrued on a pro-rata basis on each Valuation Day and payable monthly in arrears, until the Net Asset Value of the Fund is greater than EUR 20,000,000. Once the Net Asset Value of the Fund is greater than EUR 20,000,000, this payment will cease and will not be reinstated even if the Net Asset Value of the Fund decreases again below the above mentioned threshold.

Performance Fee

The Performance Fee payable to the Investment Manager is calculated on a Share-by-Share basis so that each Share is charged a Performance Fee which equates precisely with that Share's performance. This method of calculation ensures that (i) any Performance Fee is charged only to those Shares which have appreciated in value, (ii) all holders of Shares of the same Class have the same amount of capital per Share at risk in the Fund, and (iii) all Shares of the same Class have the same Net Asset Value per Share.

The Performance Fee in respect of each Share will be calculated in respect of each period of six months ending on 30 June and 31 December in each year (each a "Calculation Period"). However, the first Calculation Period in respect of each Class will be the period commencing on the Business Day immediately following the close of the relevant Initial Offer Period and ending on the following 30 June or 31 December, whichever is earlier. The Performance Fee is deemed to accrue as at each Valuation Day.

For each Calculation Period, the Performance Fee in respect of each Share will be equal to 20% of the appreciation in the Net Asset Value of that Share during that Calculation Period above the Base Net Asset Value per Share.

The Base Net Asset Value per Share is the greater of (1) the Net Asset Value per Share of the relevant Class at the time of issue of that Share and (2) the highest Net Asset Value per Share of that Class achieved as at the end of any previous Calculation Period (if any) during which such Share was in issue. Shares which are acquired in the secondary market will be treated as if they were issued on the date of the acquisition at the most recent Subscription Price for these purposes. The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fee.

For the avoidance of doubt, a Performance Fee shall be payable from the Fund to the Investment Manager in respect of the Class Z Shares, as set out above.

The Performance Fee will normally be payable to the Investment Manager in arrears within 14 calendar days of the end of each Calculation Period. However, in the case of Shares redeemed during a Calculation Period, the accrued Performance Fee in respect of those Shares is payable within 14 calendar days after the date of redemption. In the event of a partial redemption, Shares will be treated as redeemed on a first in, first out ("fifo") basis.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of the Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash.

If the appointment of the Investment Manager is terminated during a Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

Adjustments

If an investor subscribes for Shares at a time when the Net Asset Value per Share of the relevant Class is other than the Peak Net Asset Value per Share of that Class, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or to the Investment Manager. The Peak Net Asset Value per Share of a Class ("Peak Net Asset Value per Share") is the greater of (i) the price at which Shares of that Class are issued at the close of the relevant Initial Offer Period and (ii) the highest Net Asset Value per Share of the relevant Class in effect immediately after the end of any previous Calculation Period in respect of which a Performance Fee (other than a Performance Fee Redemption, as defined below) was charged.

- (A) If Shares are subscribed for at a time when the Net Asset Value per Share of the relevant Class is less than the Peak Net Asset Value per Share of that Class, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Shares. With respect to any appreciation in the value of those Shares from the Net Asset Value per Share at the date of subscription up to the Peak Net Asset Value per Share of that Class, the Performance Fee will be charged at the end of each Calculation Period by redeeming at par value such number of the investor's Shares of that

Class as have an aggregate Net Asset Value (after accrual for any Performance Fee) equal to 20 per cent of any such appreciation (a "Performance Fee Redemption"). An amount equal to the aggregate Net Asset Value of the Shares so redeemed will be paid to the Investment Manager as a Performance Fee. The Fund will not be required to pay to the investor the redemption proceeds of the relevant Shares, being the aggregate par value thereof. Performance Fee Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per Share of each Class. As regards the investor's remaining Shares of the relevant Class, any appreciation in the Net Asset Value per Share of those Shares above the Peak Net Asset Value per Share of that Class will be subject to a Performance Fee in the normal manner described above.

If the Shareholder redeems its Shares of the relevant Class within a Calculation Period, the Shareholders redemption proceeds will be adjusted accordingly by any Performance Fee adjustment then owing and paid to the Investment Manager.

- (B) If Shares are subscribed for at a time when the Net Asset Value per Share of the relevant Class is greater than the Peak Net Asset Value per Share of that, the investor will be required to pay an amount in excess of the then current Net Asset Value per Share of that Class equal to 20 per cent of the difference between the then current Net Asset Value per Share of that Class before accrual for the Performance Fee) and the Peak Net Asset Value per Share of that Class (a "Equalisation Credit"). At the date of subscription the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the other Shares of the same Class in the Fund (the "Maximum Equalisation Credit"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Share of that Class has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders and serves as a credit against the Performance Fee that might otherwise be payable by the Fund but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares of the same Class have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the Shares of the relevant Class subsequent to the issue of the relevant Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Day in the Net Asset Value per Share of those Shares, the Equalisation Credit will also be reduced by an amount equal to 20 per cent of the difference between the Net Asset Value per Share of the relevant Class (before accrual for the Performance Fee) at the date of issue and as at that Valuation Day. Any subsequent appreciation in the Net Asset Value per Share of the relevant Class will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Calculation Period, if the Net Asset Value per Share of the relevant Class (before accrual for the Performance Fee) exceeds the prior Peak Net Asset Value per Share of that Class, that portion of the Equalisation Credit equal to 20 per cent of the excess, multiplied by the number of Shares of that Class subscribed for by the Shareholder, will be applied to subscribe for additional Shares of that Class for the Shareholder. Additional Shares of the relevant Class will continue to be so subscribed for at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Shares of that Class was made, has been fully applied.

If the Shareholder redeems its Shares of the relevant Class before the Equalisation Credit (as adjusted for depreciation and appreciation as described above) has been fully applied,

the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares of that Class being redeemed and the denominator of which is the number of Shares of that Class held by the Shareholder immediately prior to the redemption in respect of which a Equalisation Credit was paid on subscription.

Administration and Depositary Fees

The Depositary and Central Administration fees are calculated based on the month end Net Asset Value, subject to minimums, accrued on each Valuation Day and paid out monthly in arrears.

It is not intended that the fees payable for the depositary and central administration services out of the Fund's assets exceed 0.50% per annum of the average assets calculated with reference to the same period. If, nevertheless, the fees for the depositary and central administration services should exceed the cap of 0.50% of the average assets per annum, the Investment Manager will reimburse the exceeding amount to the Fund. The aforementioned cap is accrued on each Valuation Day and, if applicable, paid into the Fund by the Investment Manager annually in arrears.

The above mentioned cap of 0.50% per annum does not cover fees payable to the Central Administration or the Depositary for services other than depositary and central administration services, such as (without being limited thereto) Company tax services, Company secretarial services, Company regulatory and compliance reporting services or fees for system access and reporting services.

Details on other fees and expenses to be incurred by the Company are detailed in the main body Prospectus under the heading entitled "Fees and Expenses".

Local Tax ("Taxe d'Abonnement")

Class I Shares: 0.01% per annum of the Fund's Net Asset Value payable quarterly
Class P Shares: 0.05% per annum of the Fund's Net Asset Value payable quarterly
Class R Shares: 0.05% per annum of the Fund's Net Asset Value payable quarterly
Class Z Shares: 0.05% per annum of the Fund's Net Asset Value payable quarterly

Risk Profile of the Fund

The Fund invests primarily in a portfolio of credit instruments.

The Fund may invest up to 100% of its assets in "high-yield" securities. This means that the Fund may invest in fixed income securities that carry a rating below "investment grade" (as described below) as well as fixed income securities that carry no rating at all. High yield securities usually bear greater issuer solvency and market liquidity risk. The compartment may also invest a small proportion of its portfolio in debt securities of an issuer in financial distress or even in default of payment. Investment in these securities may lead to unrealised capital losses and/or losses that can negatively affect the net asset value of the Fund.

High yield credit instruments often carry greater risk than that borne by "investment grade" credit instruments. "Investment grade" is a creditworthiness classification usually made by a recognised credit rating agency, such as Moodys, S&P and Fitch. The high-yield credit instruments in which the Fund may invest can be subject to meaningful price volatility. This can stem from various factors including, but not limited to, interest rate fluctuations, market liquidity and issuer creditworthiness – both real and perceived. High yield credit instruments are often subject to many of the unpredictable factors that impact equities. As such, they can often behave like equities.

As the Fund may regularly invest in financial derivative instruments, it could be exposed to even higher levels of risks typically associated with such investments.

The Fund seeks to limit its volatility through diversification across a large number of companies and industry groups. The Fund will ensure that it has sufficient liquidity to meet redemptions.

Currency Hedging

The Reference Currency of the Fund is the EUR.

The Net Asset Value per Share of each Class will be calculated in the currency of that Class.

The investments of the Fund will generally be hedged into the Reference Currency of the Fund. Currency hedging will be made through the use of various techniques including 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 Fund's investments are denominated. In this regard, it is anticipated that currency risks may be hedged to some extent although there is no guarantee that such hedging will be effective. Where the currency exposure of the Fund is not fully hedged or where the hedging transactions are not completely effective, the value of the assets of the Fund may be affected favourably or unfavourably by fluctuations in currency rates. From time to time the Investment Manager may not fully hedge the currency exposure, if it considers this to be in the interest of the Shareholders. Any costs incurred relating to the above mentioned hedging will be borne by the Fund.

In addition, the foreign exchange exposure of the Shares denominated in currencies other than EUR is generally hedged in order to minimise, so far as reasonably practicable, the impact of fluctuations in the exchange rates between EUR (being Reference Currency of the Fund) and such other currency. Again, there can be no guarantee that any hedging transactions that are put in place will be effective. The costs and any benefit such transactions will be allocated solely to the relevant Share Class.

With the exception of the costs or gains which relate to specific Share Class currency hedging, all Share Classes will participate in all other assets and liabilities of the Fund on a pro rata basis.

Risk Management of the Fund

In accordance with the UCI Law and applicable regulations, in particular CSSF Circular 11/512, the Management Company uses a risk management process which enables it to assess the exposure of the Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material to the Fund.

Calculation of global exposure

As part of this risk management process, the global exposure of the Fund is measured and controlled by the absolute Value at Risk ("VaR") approach.

In financial mathematics and financial risk management, the VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR is defined as a threshold value such that the probability that the mark-to-market loss on the investment portfolio over the given time horizon exceeds this value (assuming normal markets and no trading in the investment portfolio) is the given probability level.

The calculation of the VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The Fund uses the Monte Carlo approach.

The Fund's VaR is limited by an absolute VaR calculated on the basis of the Net Asset Value of the Fund. This absolute VaR cannot be exceeded and is determined by the Company on the basis of the investment policy and risk profile of the Fund. The maximum VaR of the Fund is 20% of the Net Asset Value of the Fund.

Leverage

As the Fund uses the VaR approach for risk monitoring, it is required to disclose the expected gross leverage. For these purposes gross leverage must be calculated using the "sum-of-notionals" methodology, as set out in the Guidelines from the European Securities and Markets Authority ("ESMA") on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS, dated 28 July 2010. Due to the nature of the Fund's assets and the methodology used for calculation, it is expected that the leverage level calculated using the "sum-of-notionals" methodology will generally be below 300%. In circumstances where a favourable macroeconomic environment offers compelling investment opportunities, the gross leverage might exceed the above level.

Sub-Investment Manager

With the consent of the Management Company, the Investment Manager has appointed Park Vale Capital Limited with its registered office at Unit 6 Albion Riverside Building, 8 Hester Road, London, SW11 4AX, United Kingdom as sub-investment manager of the Fund to manage and invest the assets of the Fund pursuant to its respective investment objective and policy. The Sub-Investment Manager was incorporated in the United Kingdom on 11 September 2012. The Sub-Investment Manager is regulated and supervised by the Financial Conduct Authority (FCA) in the United Kingdom.

The Sub-Investment Manager was appointed pursuant to the Sub-Investment Management Agreement. Under the Sub-Investment Management Agreement, the Sub-Investment Manager manages and invests the assets of the Fund on a discretionary basis in pursuit of the investment objective and policy of the Fund and under the responsibility and supervision of the Management Company and the Investment Manager.

The Sub-Investment Manager's remuneration will be paid by the Investment Manager out of its own assets.