

# RICHELIEU BOND

Prospectus  
September 2015



EUROPEAN  
PRIVATE BANKERS

Variable capital investment fund - Luxembourg  
Undertaking for collective investment in transferable securities  
VAT No LU23684314 - R.C.S. Luxembourg : No. B 149.250

Subscriptions are not valid unless made on the basis of the Prospectus in force and the KIID accompanied by the most recent annual report, and by the most recent half-yearly report if the latter is published after the most recent

annual report. No persons are authorised to supply information about the Sicav which is not contained in the Prospectus.

## WARNING

Richelieu Bond (the "**Sicav**") is a variable capital investment company registered on the list of undertakings for collective investment in transferable securities (**UCITS**) and governed in accordance with Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment (the "**Law of 2010**"). Such registration does not however imply approval or disapproval on the part of a Luxembourg authority regarding the adequacy or accuracy of this Prospectus (hereinafter the "**Prospectus**") or the securities portfolio held by the Sicav. Any declaration to the contrary would not be authorised and would be illegal.

The Sicav's board of directors (hereinafter the "**Board of Directors**") is responsible for the accuracy of the information contained in the current Prospectus on the date of its publication. Consequently, any information or affirmation not contained in the Prospectus, the appendices to Part II of the Prospectus if appropriate, or in the reports which form an integral part of it must be considered as unauthorised.

This Prospectus is subject to updates. Therefore it is recommended that potential subscribers enquire at the Sicav about the publication of the most recent Prospectus.

Investing in shares in the Sicav entails risks, details of which are given in the chapter "Risks associated with an investment in the Sicav".

The Sicav has been approved as a UCITS in Luxembourg. This Prospectus may not be used as an offer or solicitation for sale in any country or in any circumstances where such an offer or solicitation is not authorised. Any potential investor in shares who receives a copy of the Prospectus or subscription sheet in a territory other than those described above may not consider these documents as an invitation to buy or subscribe to shares, unless, in the territory in question, a similar invitation could be legally made, without the need to register, or unless this person complies with the legislation in force in the territory in question, obtains any government or other authorisations required and submits to any applicable formalities. It is necessary to verify before any subscription which countries the Sicav has been registered in and more particularly which sub-funds, categories or asset classes have been authorised for marketing and whether there are any legal constraints or foreign exchange restrictions regarding the subscription, purchase, possession or sale of the Sicav's shares.

No steps have been taken to register the Sicav or its shares with the US Securities and Exchange Commission as provided for in the 1940 Investment Company Act, as amended, or any other regulation on transferable securities. This Prospectus may consequently not be introduced, transmitted or distributed to the United States of America (USA), its territories and dependencies, or to a US person as defined by Regulation S of the US Securities Act of 1933, as amended, except as part of transactions which are exempt from registration under the 1933 Securities Act. Any breach of these restrictions may constitute a violation of US laws on transferable securities.

Shares in the Sicav may be neither offered nor sold to US persons, nor to persons who may not have the legal capacity to do so or with regard to whom a solicitation to sell is illegal (hereinafter "**non-authorised persons**").

The abovementioned definition of US persons is extended to the criteria defined by the *Foreign Account Tax Compliance Act* ("FATCA").

The Board of Directors may demand the immediate redemption of the shares bought or held by unauthorised US persons, including investors who become unauthorised US persons after acquiring the shares.

Investors are to inform the Sicav and/or the Transfer Agent and Registrar (i) if they become unauthorised persons or (ii) if they hold shares in the Sicav in violation of the Sicav's legal/regulatory provisions, or those of its Prospectus or articles of association, or (iii) any circumstances which may have legal/regulatory consequences for the Sicav or the shareholders or may otherwise be contrary to the interests of the Sicav or other shareholders.

The Sicav draws investors' attention to the fact that an investor may fully exercise his investor rights directly against the Sicav, in particular the right to attend General Shareholders' Meetings only if the investor himself and his name are in the Sicav's register of Shares. If an investor invests in the Sicav through an intermediary investing in the Sicav in his name but for the investor's account, certain shareholder rights may not necessarily be exercised directly by the investor vis-à-vis the Sicav. It is advised that the investor informs himself as to his rights.

Investments in the Sicav involve risks including those linked to equity and bond markets, the exchange rate between currencies and the volatility of interest rates. No assurance can be given that the Sicav will attain its objectives. The value of capital and income deriving from the Sicav's investments is subject to variations and investors may not get back the amount initially invested. Furthermore, past performance is no indication of future performance.

Before investing in the Sicav or if there are any doubts about the risks linked to an investment in the Sicav or the suitability of a sub-fund to the investor's risk profile with regard to his personal situation, investors are advised to consult their own financial, legal and tax advisers to determine whether an investment in the Sicav is suitable for them and to request their assistance so as to be fully informed about the legal or tax consequences or the results of any currency restrictions or controls with regard to the subscription, possession, redemption, conversion or transfer of the shares pursuant to the laws in force in the country of residence, domicile or establishment of these persons.

The objective of the Sicav is to offer its shareholders the possibility to invest in an investment vehicle oriented towards the growth of capital invested in UCITS, UCI and other transferable securities.

### **Handling of data**

Certain personal data concerning investors (including, but not limited to, the name, address and amount invested by each investor) may be collected, recorded, stored, adapted, transferred or processed and used by the Sicav, the Administrative Agent, Custodian, Transfer Agent and Registrar and any other person providing services to the Sicav and the financial intermediaries of these investors.

Such data may in particular be used for accounting and administration purposes in connection with the remuneration paid to distributors, as well as for the purposes of complying with identification requirements imposed by laws to combat money laundering and the financing of terrorism, keeping the register of registered shares, processing subscription, repurchase and conversion applications and dividend payments to shareholders and providing targeted services to clients. Such information shall not be transmitted to unauthorised third parties.

The Sicav may delegate the processing of personal data to another entity such as the Administrative Agent, Transfer Agent and Registrar. The Sicav undertakes not to transmit personal data to unauthorised third parties, i.e. third parties other than the Delegate, unless required to do so by law or on the basis of the investor's prior agreement.

All investors are entitled to access their personal data and may request amendments if said data are inaccurate or incomplete.

By applying for the Sicav's shares, all investors accept that their personal data may be processed in this way.

Shares of the Sicav are subscribed only on the basis of the information contained in the Prospectus and the Key Investor Information Document (hereinafter KIID). The KIID is a pre-contractual document which contains key information for investors. It includes appropriate information on the key characteristics of each class of shares in the Sicav.

If you plan to subscribe shares, you should first carefully read the KIID together with the Prospectus and its annexes, if appropriate, which contain specific information on the investment policies of the Sicav and consult the most recently published annual and six-monthly reports of the Sicav, copies of which are available on the web site [www.kbl.lu](http://www.kbl.lu) from local agents or from those entities marketing the Sicav's shares, as appropriate, and may be obtained on demand, free of charge, at the registered office of the Sicav during office hours on banking days in the Grand Duchy of Luxembourg.

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Each sub-fund has its own separate information section. This specifies, for each sub-fund, its investment policy and objective, share characteristics, benchmark currency, subscription, redemption

and/or conversion modalities, applicable fees and other specific aspects of the sub-fund in question. Investors are reminded that unless otherwise specified in Part II, each sub-fund is subject to the general conditions laid out in Part I.

## ORGANISATION

Registered office	11, rue Aldringen L-1118 Luxembourg
Board of Directors of the Sicav	
Chairman	Rafik Fischer KBL European Private Bankers SA 43, boulevard Royal L-2955 Luxembourg
Directors	Bernard Jacquemin KBL European Private Bankers SA 43, boulevard Royal L-2955 Luxembourg  Serge D'ORAZIO KBL European Private Bankers SA 43, boulevard Royal L-2955 Luxembourg
Management Company	KREDIETRUST LUXEMBOURG S.A. 11, rue Aldringen L-2960 Luxembourg
Board of Directors of the Management Company	Olivier de Jamblinne de Meux KBL European Private Bankers SA 43, boulevard Royal L-2955 Luxembourg Chairman  Rafik Fischer KBL European Private Bankers SA 43, boulevard Royal L-2955 Luxembourg Director  Franck Sarre Banque Puilaetco Dewaay Luxembourg S.A. 2, boulevard Emmanuel Servais Director  Stefan van Geyt Kredietrust Luxembourg S.A. 11, rue Aldringen L-2960 Luxembourg Managing Director



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Conducting officers of the Management Company	Stefan van Geyt Kredietrust Luxembourg S.A. 11, rue Aldringen L-2960 Luxembourg  Aurélien Baron Kredietrust Luxembourg S.A. 11, rue Aldringen L-2960 Luxembourg
Custodian bank	KBL EUROPEAN PRIVATE BANKERS S.A. 43, boulevard Royal L-2955 Luxembourg
Domiciliary Agent, Administrative Agent, Registrar and Transfer Agent	KREDIETRUST LUXEMBOURG S.A. 11, rue Aldringen L-2960 Luxembourg
Global Distributor	KBL EUROPEAN PRIVATE BANKERS S.A. 43, boulevard Royal L-2955 Luxembourg
Auditor	DELOITTE AUDIT 560, rue de Neudorf L-2220 Luxembourg
Representative and Paying Agent in Germany	MERCK FINK & CO 16, Pacellistrasse D-80333 Munich
Financial service in Belgium	Puilaetco Private Bankers S.A. 46, avenue Herrmann Debroux B-1160 Bruxelles
Central correspondent in France	CM-CIC SECURITIES S.A. 6, avenue de Provence F-75009 Paris
Representative and Paying Agent in the Netherlands	THEODOOR GILISSEN BANKIERS N.V. Nieuwe Doelenstraat 12-14 1012 CP, Postbus 567 NL-1000 AN Amsterdam
Representative in Switzerland	CARNEGIE FUND SERVICES S.A., 11, rue du Général-Dufour CH-1204 Genève
Local paying agent in Switzerland	BANQUE CANTONALE DE GENÈVE 17, quai de l'Île CH-1204 Genève

## PART I - GENERAL INFORMATION

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The information contained in this part summarises the main characteristics of the Sicav; it should be read in the light of the whole Prospectus, including the appendices in Part II.

### 1. THE SICAV

**RICHELIEU BOND** is a multiple sub-fund variable capital investment company (Sicav) under Luxembourg law, incorporated for an unlimited period on 9 November 2009 in the form of a limited liability company. An extraordinary general meeting of the shareholders of the Sicav held on 8 July 2015 decided to amend the Sicav's Articles of Association in order, among other things, to change the name of the Sicav from KBL EPB BOND FUND to RICHELIEU BOND. The consolidated Articles of Association of the Sicav were deposited with the registry of trade and companies in Luxembourg and published in the Mémorial C, Recueil des Sociétés et Associations du Luxembourg on (hereinafter the "**Mémorial**") on 29 July 2015 under the number 1898..

The Sicav is subject in particular to the stipulations of Part I of the Law of 2010 as well as the 1915 Law, as amended.

Its minimum capital is equal to EUR 1,250,000. The initial capital on incorporation was EUR 31,000 represented by 62 (sixty-two) shares in the RICHELIEU BOND FUND - SELECTED INVESTMENT GRADE CORPORATE EUR sub-fund without par value. Variations in capital occur ipso jure and without the measures for publicity and entry in the Luxembourg Trade Register stipulated for capital increases and diminutions for private limited companies.

Variations in capital occur ipso jure and without the measures for publicity and entry in the Luxembourg Trade Register stipulated for capital increases and diminutions for private limited companies.

The Sicav is registered with the Trade Register of Luxembourg under the number B 149.250.

The Sicav may be composed of various sub-funds each representing a specific mass of assets and liabilities and each corresponding to a distinct investment policy and benchmark currency.

In each sub-fund, the shares may be of different share classes and within these, of distinct categories.

The Sicav is designed to be a multiple sub-fund UCI allowing investors to choose the sub-fund whose investment policy best corresponds to their objectives and their profile

## Richelieu Bond

As at the date of the Prospectus, the following sub-funds were open to investors:

- RICHELIEU BOND – SELECTED INVESTMENT GRADE CORPORATE EURO
- RICHELIEU BOND – GOVERNMENT BONDS USD
- RICHELIEU BOND – GOVERNMENT EURO
- RICHELIEU BOND – UPPER INVESTMENT GRADE CORPORATE EURO
- RICHELIEU BOND – HIGH YIELD EURO
- RICHELIEU BOND – RICHELIEU 2020
- RICHELIEU BOND – INTERNATIONAL
- RICHELIEU BOND – DOLLAR
- RICHELIEU BOND – EURO
- RICHELIEU BOND – EURO PRIME

The Board of Directors may decide to create new sub-funds. The Prospectus will be changed in line with this and will contain detailed information on these new sub-funds, their investment policies and sales modalities.

In each sub-fund the Board of Directors may at any time decide to issue different share classes (hereinafter “share classes” or “classes”) whose assets shall be invested in accordance with the investment policy of the sub-fund in question but shall have a specific fee structure or other distinctive characteristics proper to each class.

The Sicav is a single legal entity.

In accordance with Article 181 of the 2010 Law:

- The rights of shareholders and creditors relating to a sub-fund or arising as a result of the constitution, operation or liquidation of a sub-fund are limited to assets thereof;
- The assets of a sub-fund are the exclusive property of the shareholders of this sub-fund and the creditors whose debt arises as a result of the constitution, operation or liquidation of this sub-fund
- For relations between the shareholders, each sub-fund is treated as a separate entity.

The Sicav’s capital is denominated in EUR.

## **2. ADMINISTRATION AND MANAGEMENT**

### **2.1. Board of Directors**

The Board of Directors shall be vested with the broadest powers to act on behalf of the Sicav in any circumstances, notwithstanding the powers expressly assigned by Luxembourg law to the General Meeting of Shareholders.

The Board of Directors is responsible for the administration and management of the assets of each of the Sicav's sub-funds. It may carry out all acts of management on behalf of the Sicav, in particular, purchase, sell, subscribe for or exchange any transferable securities all rights directly or indirectly attached to the Sicav.

### **2.2. Custodian bank and paying agent**

KBL European Private Bankers S.A., public limited company (société anonyme), with its registered office at 43, boulevard Royal, Luxembourg, was appointed Custodian Bank for the Sicav by virtue of an agreement concluded on 9 November 2009.

KBL European Private Bankers S.A. is a bank under Luxembourg law, incorporated on 23 May 1949. It has been carrying out banking operations since its inception.

As at 31 December 2014 KBL European Private Bankers S.A.'s capital and reserves amounted to EUR 1,149,029,176.65.

All securities and cash held by the Sicav are entrusted to the Custodian Bank, which fulfils the obligations and duties prescribed by the Custodian Bank Agreement.

The Custodian must:

- (i) ensure that the sale, issue, redemption and cancellation of the shares made by the Sicav or on its behalf are in accordance with the law or its articles of association;
- (ii) ensure that in transactions involving Sicav's assets any consideration is remitted to it within the usual time limits;
- (iii) ensure that the Sicav's income is allocated in accordance with the Articles.

In accordance with banking practice the Custodian Bank may, on its own responsibility, entrust to other institutions some of the Sicav's assets not listed or traded in Luxembourg.

All acts generally, of whatever nature, regarding the disposition of the Sicav's assets are carried out by the Custodian Bank on instructions of the Sicav.

Pursuant to an agreement concluded on 09 November 2009 between the Sicav and KBL European Private Bankers S.A. the latter also acts as Paying Agent.

The abovementioned agreements were concluded for an indefinite period and may be terminated by either party with 90 calendar days' notice.

### **2.3. Management Company, Domiciliary Agent, Administrative Agent, Registrar and Transfer Agent**

The Board of Directors of the Sicav appointed KREDIETRUST Luxembourg S.A. as Management Company (hereinafter "**Management Company**") by means of a contract dated 9 November 2009 to provide management, administration and marketing services. KREDIETRUST LUXEMBOURG S.A. is an approved Management Company pursuant to the stipulations of Chapter 15 of the Law of 2010. The list of other undertakings for collective investment managed by the Management Company is available on request from the management company.

The Management Company has been appointed Domiciliary Agent, Administrative Agent, Registrar and Transfer Agent pursuant to the agreements concluded on 9 November 2009.

The Management Company delegates, on its own responsibility and under its own control, the functions of Registrar and Transfer and Administrative agent to the European Fund Administration S.A., 2 rue d'Alsace, L-1017 Luxembourg.

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

<b>Chairman</b>	Mr Olivier de Jamblinne de Meux, KBL European Private Bankers SA
<b>Directors</b>	Mr Franck Sarre, Puilaetco Dewaay Private Bankers S.A.
	Mr Rafik Fischer KBL European Private Bankers SA Luxembourg
	Mr Stefan van Geyt Kredietrust Luxembourg S.A.

The managers of the Management Company:

Mr Stefan van Geyt  
  
Mr Aurélien Baron

The amount of paid-up capital for the Management Company is EUR 2,300,000.

Kredietrust Luxembourg S.A. is a subsidiary of KBL European Private Bankers S.A.

The abovementioned agreements were concluded for an indefinite period and may be terminated by either party with 90 calendar days' written notice.

### **2.4. Manager**

Subject to the Sicav's prior approval, the Management Company may delegate, on its own responsibility and under its own control, the management of one of more sub-funds to one or more managers (hereinafter "**Managers**") who are named in the appendices to the sub-funds in Part II of this Prospectus

Depending on the strategy followed by one or more sub-funds, several Managers may be designated to manage them. In this case it will be mentioned in the appendix to the sub-fund concerned.

The name and a description of the Managers, if appropriate, and their remuneration are given in the appendices to the sub-funds in Part II of this Prospectus.

## **2.5. Investment advisers**

The Sicav may be helped by one or more investment advisers ("**Investment advisers**") who advise the Sicav on its investment policy.

The name and a description of the Investment Advisers, if appropriate, and their remuneration are given in the appendices to the sub-funds in Part II of this Prospectus.

## **2.6. Distributor**

The Management company has delegated share distribution to KBL European Private Bankers S.A., 43, boulevard Royal, L-2955 Luxembourg.

The agreement, dated 9 November 2009, has been concluded for an indefinite period and may be cancelled by KBL European Private Bankers S.A. with 90 working days written notice.

### **3. INVESTMENT OBJECTIVES AND POLICY**

The Sicav's principle objective is to seek as high a valuation as possible for the capital invested by following the principle of risk diversification as defined in the investment policy of each sub-fund as described in the appendices to Part II of this Prospectus.

An investment in the Sicav must be considered as a medium to long-term investment. No guarantee can be given that the Sicav's investment targets will be reached.

The Sicav's investments are subject to normal market fluctuations and the risks inherent in any investment and no guarantee can be given that the Sicav's investments will be profitable.

The past performance of the various sub-funds can be seen in their KIID.

#### **Warning**

Each sub-fund may use the financial techniques and instruments within the limits described in Chapter 6 "Financial techniques and instruments associated with transferable securities and money-market instruments for efficient portfolio management." Commitments from these transactions may at no time exceed the value of the net assets of the sub-fund in question.

## 4. ELIGIBLE FINANCIAL ASSETS

All the provisions in this section are common to all present and future sub-funds. All transferable securities and money-market instruments acquired by the Sicav shall in the main be officially listed on a stock exchange or traded on a regulated market operating regularly, recognised and open to the public (hereinafter the "**regulated market**") in a country in Europe, in Asia, Africa, the Americas or Oceania.

Investments made by the Sicav's sub-funds must only comprise:

### Transferable securities and money-market instruments

- 1) transferable securities and money-market instruments listed or traded on a regulated market;
- 2) transferable securities and money market instruments traded on another regulated market of a Member State of the European Union (EU), which functions regularly and is recognised and open to the public;
- 3) transferable securities and money market instruments listed on a stock exchange of a State which is not a member of the EU or traded on another market of a State which is not part of the EU, which functions regularly and is recognised and open to the public;
- 4) recently issued transferable securities and money-market instruments given that:
  - a) the conditions of issue include an undertaking that an application for the official listing of such securities on a stock exchange or another regulated market, operating regularly, recognised and open to the public, shall be filed;
  - b) that this admission will be received at the latest one year from the issue.
- 5) money-market instruments other than those traded on a regulated market and referred to in Article 1 of the Law of 2010, insofar as the issue or issuer of these instruments is subject itself or themselves to regulations aimed at protecting investors and savings and that these instrument are:
  - a) issued or guaranteed by a central, regional or local administration, by a central bank of a Member State, by the European Central Bank, the European Union or by the European Investment Bank, by a third State or, in the case of a Federal State, by one of the members comprising the federation or by a public international body of which one or more Member States is a member, or
  - b) issued by an undertaking whose stocks are traded on regulated markets referred to in points 1, 2 or 3 above, or
  - c) issued or guaranteed by an institution subject to prudential supervision according to the criteria defined by Community law or by an institution which is subject and conforms to prudential regulations considered by the CSSF as at least as strict as those laid down in Community legislation, or
  - d) issued by other bodies belonging to the categories approved by the CSSF inasmuch as investments in these instruments are subject to investor protection rules which are equivalent to those laid down in the first, second and third indents and that the issuer is a company with capital and reserves amounting to at least 10 million euro (EUR 10 000 000) and which presents and publishes its annual accounts pursuant to the fourth directive 78/660/EEC or a body which, within a group of companies including one or more listed companies, is dedicated to the financing of the group or a body which is dedicated financing securitisation vehicles benefiting from a bank line of finance.



### **Shares/units in undertakings for collective investment**

- 6) shares / units of UCITS pursuant to Directive 2009/65/EC and / or UCI in the sense of Article 1 (2) (a) and (b) of Directive 2009/65/EC, whether or not located in a Member State of the European Union, provided that:
  - a) these other UCI are authorised pursuant to legislation providing that these undertakings are subject to monitoring which is considered by the CSSF to be equivalent to that stipulated in Community legislation and that co-operation between the authorities is sufficiently guaranteed;
  - b) the level of protection guaranteed to holders of units in these other UCI is equivalent to that provided for holders of units in UCITS and, in particular, that the rules on the division of assets, loans, borrowings, short sales of securities and money-market instruments are equivalent to those of Directive 2009/65/EC;
  - c) the activities of the other UCI are subject to half-yearly and annual reports allowing valuation of assets and liabilities, profits and operations during the period under consideration;
  - d) the proportion of assets of the UCITS or other UCI whose acquisition is envisaged, which, pursuant to their articles of association, may be invested in the units of other UCITS or other UCI does not exceed 10 %;

### **Credit institution deposits**

- 7) demand deposits with a credit institution or deposits that can be withdrawn and having a maturity date of less than or equal to 12 months, on condition that the credit institution has its registered office in an EU Member State or if the registered office of the credit institution is in a third country, it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community legislation.

### **Financial derivatives**

- 8) financial derivatives, including similar instruments giving rise to a cash settlement, which are dealt in on a regulated market of the type referred to under points 1), 2) and 3) above and/or financial derivatives traded over the counter (OTC derivatives) provided that:
  - a) the underlying consists of instruments relating to the investments described above, financial indices, interest rates, foreign exchange rates or currencies in which the Sicav may invest in accordance with its investment objectives;
  - b) the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to categories authorised by the CSSF and
  - c) the OTC derivatives are subject to a reliable evaluation on a daily basis and may, on the initiative of the Sicav, be sold, liquidated or closed by a symmetrical transaction, at any time and at their fair value and
  - d) under no circumstances can these operations cause the Sicav to deviate from its investment objectives.

The Sicav may hold ancillary liquid assets.

The Sicav may invest a maximum 10% of the net assets of each sub-fund in transferable securities or money-market instruments other than those referred to in section I above ;

The Sicav may not acquire either precious metals or certificates representing them;

The Sicav may acquire moveable or immovable property which is essential for the direct pursuit of its business.

## 5. RESTRICTIONS ON INVESTMENTS

### Transferable securities and money-market instruments

- 1) The Sicav shall not invest its net assets in transferable securities and money market instruments of the same issuer in a proportion which exceeds the limits set out below, it being understood that (i) these limits are to be respected within each sub-fund and that (ii) companies that are grouped together for account consolidation purposes are to be considered as a single entity for the purpose of calculating the limits described under points a) to e) below.

- a) a sub-fund may not invest more than 10% of its net assets in transferable securities or money-market instruments from the same issuer

Moreover, the total value of the transferable securities and money market instruments held by the sub-fund in issuers in which it invests more than 5% of its assets may not exceed 40% of the value of the its net assets. This limit does not apply to deposits with financial institutions subject to prudential supervision and OTC derivative transactions with these institutions.

- b) Any single sub-fund can invest cumulatively up to 20 % of its net assets in transferable securities and money market instruments of the same group.
- c) The limit of 10% mentioned under (a) above may be extended to 35% maximum when the transferable securities or money market instruments are issued or guaranteed by an EU Member State, by its public territorial authorities, by a non-EU country or by international public institutions to which one or more EU Member States belong.
- d) The limit of 10% mentioned under (a) above may be extended to 25% maximum for certain bonds when they are issued by a financial institution having its registered office in an EU Member State and subject , by law, to specific public supervision intended to protect holders of these bonds.

If a sub-fund invests more than 5% of its assets in such bonds issued by one and the same issuer, the total value of these investments should not exceed 80% of the value of its net assets.

- e) The transferable securities and money market instruments referred to under (c) and (d) shall not be taken into account for the application of the 40% limit specified under (a).
- f) By way of derogation, the Board of Directors of the Company is authorised, in accordance with the principle of the spreading of risks, to invest up to 100% of the net assets of any sub-fund in transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, by its public territorial bodies, by a Member State of the Organisation for Economic Co-operation and Development (OECD), or by international organisations of a public character of which one or more Member States of the European Union are part, on the condition that such securities belong to at least six different issues, without the securities belonging to a single issue exceeding 30% of the total amount.

### **Credit institution deposits**

- 2) Deposits with the same body may not exceed 20% of the net assets of each sub-fund.

### **Financial derivatives**

- 3) (a) The counterparty risk in an OTC derivative transaction may not exceed 10% of the net assets of the sub-fund if the counterparty is one of the credit institution referred to in section 4, point 7 above, or 5% of its net assets in all other cases.
- b) Investments in derivatives may be made provided that, overall, the risks to which the underlying assets are exposed do not exceed the investment limits laid down in points 1(a) to (e), 2, 3(a) above and 5 and 6 below. When the Sicav invests in derivatives based on an index, such investments are not necessarily combined with the limits set out under points 1 (a) to (e), 2., 3(a) above and 5 and 6 below.
- c) When a transferable security or a money market instrument includes a derivative, the latter must be taken into account when applying the provisions of points 3(d) and 6 below as well as for the assessment of the risks related to derivatives transactions, so that the overall risk related to derivatives does not exceed the total net value of assets.
- d) Each sub-fund shall ensure that the overall risk related to derivatives does not exceed the total net value of its portfolio. The risks are calculated by taking into account the current value of underlying assets, counterparty risks, foreseeable market changes and the time available to liquidate the positions.

### **Shares/units in undertakings for collective investment**

**Subject to other specific more restrictive provisions relating to a given sub-fund and described in Part II if applicable:**

- 4) (a) The Sicav may not invest more than 20% of the net assets of each sub-fund in shares/units of undertakings for collective investment in transferable securities (UCITS) or the same UCI as described above (and in Article 41 (e) of the Law of 2010).
- b) Investments in shares or units of UCI other than UCITS may not exceed a total of 30% of the net assets of each sub-fund.

When a sub-fund has acquired shares/units in other UCITS and/or UCI, the assets of these UCITS and/or UCI are not combined for the limits laid down in point (7) (a) to (e) below.

- c) When the Sicav invests in the shares of other UCITS and/or other UCI which are managed, directly or indirectly, by the same Management Company or by any other company to which the Management Company is affiliated within the framework of common management or common control or via a significant direct or indirect participating interest, the Management Company or the other company may not invoice any front-end load or back-end load in respect of the Sicav's investment in the shares of other UCITS and/or other UCI.

The maximum level of the management commissions which may be invoiced at the same time to the Sicav and the UCITS and/or other UCI in which the Sicav intends to invest is that indicated in the specific investment policy of the sub-fund in question.

To the extent that this UCITS or UCI is a legal entity with multiple sub-funds where the assets of a sub-fund are surety exclusively for the rights of investors relating to that sub-fund and those of creditors

whose debt claim was created on the occasion of the constitution, operating or liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the application of the above risk-spreading rules.

4.1. Each sub-fund of the Sicav is also authorised to subscribe, to acquire and/or to hold Shares issued or having to be issued by one or more other sub-funds of the Sicav subject to the supplementary requirements specified above if:

- i. the sub-fund does not invest, in its turn, in the sub-fund invested in the this sub-fund; and
- ii. the proportion of assets in the sub-fund in question whose acquisition is planned being able to be invested in its entirety in the shares of other sub-funds in the Sicav does not exceed 10%; and
- iii. the voting rights, if there are any, for the securities concerned are suspended as long as they are held by the sub-fund in question; and
- iv. in any case, as long as these securities held by the sub-fund concerned, their value will be taken into consideration with the aim of verifying the minimum threshold for the net assets taxed by the Law of 2010 and
- v. if there is no duplication of management/subscription or redemption fees at the level of the sub-fund invested in the sub-fund in question and this sub-fund.

Specific rules for master/feeder sub-funds

- (a) A feeder Sub-fund is a Sub-fund of the Sicav authorised to invest, in derogation from Article 2(2), first indent of the UCI Law, at least 85% of its assets in units of other UCITS or Sub-funds (hereinafter "master UCITS").
- (b) A feeder sub-fund is authorised to hold up to 15% of its assets in one or more of the following instruments :
  - (i) Ancillary cash in accordance with point 8 of Chapter 4 above;
  - (ii) Derivatives, used for hedging only, pursuant to Article 41 (1) point (g) above and to Article 42 (2) and (3) of the Law of 2010.
  - (iii) Movable and immovable property essential for the direct exercising of its activities.
- (c) For reasons pursuant to Article 42 (3) of the Law of 2010, the feeder sub-fund must calculate its global exposure to derivatives by combining its own direct exposure to the instruments specified in point (iii) above with:
  - (i) the master UCITS real exposure to derivatives, proportional to the feeder Sub-fund's investment in the master UCITS;
  - (ii) or the master UCITS' maximum potential global exposure to derivatives stipulated in the master UCITS regulations or articles of association, proportional to the feeder sub-fund's investments in the master UCITS.
- (d) A master UCITS is a UCITS, or one of its Sub-funds, which:
  - (i) has at least one feeder UCITS among its shareholders ;
  - (ii) is not itself a feeder UCITS ; and
  - (iii) does not hold units in a feeder UCITS.
- (e) If a master UCITS has at least two feeder UCITS as shareholders, Article 2(2) first indent and Article 3, second indent of the Law of 2010 will not apply.

### **Combined limits**

- 5) Notwithstanding the individual limits stipulated in points 1 (a), 2. and 3(a) above, a sub-fund may not combine:
- investments in transferable securities or money-market instruments issued by one issuing body;
  - deposits with a single body and/or
  - risks resulting from OTC derivative transactions with a single body,
- which are more than 20% of its net assets.
- 6) The limits stipulated under points 1(a), (c), (d), 2, 3(a) and 5 may not be combined and, accordingly, investments in the transferable securities of the same issuer made in accordance with points 1(a), (c), (d), 2, 3(a) and 5 may not, in any event, exceed in total 35 % of the net assets of the sub-fund concerned.

### **Limits on control**

- 7) (a) The Sicav may not acquire shares with voting rights and enabling it to have a significant influence on the management of an issuer.
- b) The Sicav shall not acquire more than 10 % of non-voting shares of any single issuer.
- c) The Sicav shall not acquire more than 10 % of the bonds of any single issuer.
- d) The Sicav shall not acquire more than 25 % of the units of any single UCITS and/or other UCI.
- e) The Sicav shall not acquire more than 10 % of the money-market instruments of any single issuer.

The limits set out in points 7(c) to (e) above do not need to be observed at the time of acquisition if at that time the gross amount of the debt securities or money-market instruments or the net amount of the securities issued cannot be calculated;

The limits mentioned in points 7 (c) to (e) do not apply to:

- transferable securities and money-market instruments issued or guaranteed by an EU Member State or its territorial authorities;
- transferable securities and money-market instruments issued or guaranteed by a non-EU Member State;
- transferable securities and money-market instruments issued by international public institutions to which one or more EU Member States belong;
- shares held by the Sicav in the capital of a company of a non-EU country, which invests its assets essentially in securities of issuers who are nationals of this country, when, pursuant to this country's legislation, such participation is the only possibility for the Sicav to invest in securities of issuers of that country. This derogation, however, is only applicable when the company of the non-EU Member State respects in its investment policy the limits laid down in points 1 (a), 1(c), 1(d) 2, 3(a), 4. (a) and (b), 5, 6 and 7(a) to (e)
- shares held by the Sicav in the capital of subsidiaries which carry out certain management, advisory or marketing activities exclusively for the Sicav ;

### **Loans**

- 8) Each sub-fund is authorised to borrow up to 10 % of its net assets provided that such borrowing is on a temporary basis. Each sub-fund may also acquire foreign currency by means of a 'back-to-back' loan.

Commitments under options contracts, purchases and sales of forward contracts are not considered as borrowing for the purpose of calculating this investment limit.

Moreover, the Sicav may borrow up to 10% of its assets for the acquisition of fixed property indispensable to the direct pursuit of its activities. The aggregate of the two loans may in no case exceed 15% of the net assets of each sub-fund of the Sicav;

**Finally, the Sicav shall ensure that the investments of each sub-fund respect the following rules:**

- 9) The Sicav may not grant loans or act as a guarantor on behalf of third parties.
- 10) The Company may not short sell transferable securities, money-market instruments or other financial instruments mentioned in Chapter 4, clauses 5, 6 and 8 above.
- 11) The Sicav may not acquire commodities, precious metals or certificates representing them;

**Notwithstanding all the abovementioned provisions:**

- 12) The limits fixed previously do not need to be observed when exercising subscription rights relating to transferable securities or money-market instruments that form part of the assets of the sub-fund in question.

While respecting the principle of risk diversification, the Sicav may derogate from the limits set out for a period of 6 months following the date of the agreement.

- 13) When the abovementioned maximum percentages are exceeded for reasons beyond the control of the Sicav or as a result of exercising the rights attached to the portfolio securities, the priority objective of the Sicav's sales transactions must be to remedy the situation, taking into account the interests of the shareholders

The Sicav reserves the right to introduce other investment restrictions at any time insofar as they are vital to conform with the laws in force in certain States where the Sicav's shares may be bought and sold.

### **Risk Warning**

As the portfolio of each sub-fund of the Sicav is subject to market fluctuations and to the risks inherent in any investment, share prices may vary as a result and the Sicav cannot give any guarantee that its objectives will be achieved.

### **Risk management method**

- 14) The management company uses a risk management method which allows it to control and measure at all times the risk associated with the positions and their contribution to the general risk profile of each sub-fund and which allows an exact and independent valuation of the OTC derivatives.

The risk management method used depends on the specific investment policy of each sub-fund.

Unless otherwise stipulated for a particular sub-fund in the appendix to Part II of the Prospectus, the recourse to liabilities will be used to measure global risk.

## **6. FINANCIAL TECHNIQUES AND INSTRUMENTS ASSOCIATED WITH TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS FOR EFFICIENT PORTFOLIO MANAGEMENT**

### **6.1. General provisions**

Each sub-fund listed in Part II of this Prospectus may use derivatives and other techniques and instruments to efficiently manage the portfolio or to manage risk or duration. When a sub-fund uses other techniques and instruments than those listed in Part I of the Prospectus, it should be mentioned in the appendix corresponding to the sub-fund in Part II of the Prospectus.

It should be specified in the stipulations mentioned in Chapter 5, Clause 14. (Risk management method)

All proceeds coming from other techniques and instruments, net of direct and indirect operational costs, must be repaid to the sub-fund in question. Fees and expenses may in particular be paid to the Sicav's agents and other intermediary service providers linked to other techniques and instruments as remuneration for their services under normal conditions. These fees are calculated in the form of a percentage of the value of the securities lent or of the buying or selling price for repurchase agreements. Information on the costs and direct and indirect operational fees and costs that may be incurred as well as the identity of the bodies to which they are paid and likewise any relationship the latter may have with the custodian bank or the management company will be listed in the Sicav's annual report.

A sub-fund may not, under any circumstances, deviate from its investment policy as laid down in Part II of the Prospectus for the said sub-fund or add extra major risks when concluding transactions involving derivatives or other techniques and instruments.

Each sub-fund's total exposure may not exceed 210% of its net assets including the authorised loan (in accordance with Chapter 5, Clause 8) of 10% of the net assets of the sub-fund in question.

The counterparty risk of each Sub-fund coming from other Techniques and Instruments and in OTC derivative transactions may not exceed 10% of its net assets when the counterparty is a credit institution referred to in Chapter 4, Clause 7 or 5% of its net assets in all other cases.

### **6.2. Use of derivatives**

The Sicav may buy and sell any type of derivative insofar as derivatives are (i) traded on a regulated market, which functions regularly and is recognised and open to the public or (ii) traded OTC with top-rated financial institutions specialised in this type of transaction.



### **6.2.1. Restrictions**

The use of derivatives is subject to the respect of the conditions and limits set out in Chapters 4 and 5 of the Prospectus.

Investments may be made in derivatives insofar as, overall, the risks to which the underlying assets are exposed do not exceed the investment limits set out in Chapter 5 of the Prospectus. When a sub-fund invests in index-based derivatives, these investments are not to be combined for the purposes of the limits set out in Chapter 5 of the Prospectus.

When transferable securities or money-market instruments embed a derivative, the derivative shall be taken into account when complying with the requirements of Chapter 5 of the Prospectus and for calculating the risks associated with derivatives transactions, as long as the global exposure to derivatives does not exceed the total net asset value of the sub-fund's assets.

### **6.2.2. Financial derivatives used**

The Sicav may buy and sell credit derivatives. Credit derivative products aim to isolate and transfer the credit risk associated with a benchmark asset. There are two categories of credit derivative: funded and unfunded. This distinction depends on whether the purchaser of protection has or has not made an initial payment without recourse to the benchmark asset.

Despite the wide variety of credit derivatives, the three most common types are:

- (i) The first type: credit default products such as credit default swaps (CDS) or options on CDS are transactions in which the parties' bonds are linked to the occurrence or not of one or more credit events related to the benchmark asset. Credit events are defined in the contract and represent a fall in the credit value of the benchmark asset. As regards settlement methods, credit defaults can be settled in cash or by the physical delivery of the benchmark asset following a default. These instruments will be used to cover credit risks. The party to the CDS pays a periodic premium in return for a possible payment by the counterparty if the benchmark issuer defaults. The purchaser of a CDS may either sell the bonds issued by the defaulting debtor when a credit event occurs or be financially compensated on the basis of the difference between the market price and the benchmark price. A credit event is generally defined as a bankruptcy, liquidation, appointment of an administrator, a restructuring with substantial negative consequences or ceasing to pay due debts.
- (ii) The second type, total return swaps (TRS) correspond to an exchange on the economic performance of an underlying asset, without transferring the ownership of this asset. . The buyer of a total return swap, pays a periodic coupon at a variable rate for all income, relating to a notional amount of this asset (coupons, interest payment, evolution of the asset value) are acquired over a period of time agreed with the counterparty. The Sicav does not intend to use TRS or derivatives with similar characteristics. Otherwise this Prospectus shall be modified and completed pursuant to Clause 38 of the ESMA 014/937 recommendations on funds listed and other questions on UCITS in Circular CSSF14/592.
- (iii) The last type, credit spreads are transactions to protect credit in which payments can be made either by the buyer or the seller of the protection depending on the relative value of the credit of the two or more reference assets.

### **6.3. Techniques and Instruments**

The sub-funds may conclude securities' lending transactions and repurchase agreements (together the Techniques and Instruments) in accordance with the applicable regulations in force and in particular the 2010 Law, Circular CSSF 08/356, Circular CSSF 14/592 and the ESMA recommendations (European Securities and Markets Authority) recommendations).

The sub-funds may use the Techniques and Instruments if (i) they are economically appropriate and viable and (ii) used in order to reduce risks and costs, raise capital or extra income for the Sicav with a level of risk in line with the risk profile and applicable risk diversification rules.

#### **6.3.1. Securities' lending**

The sub-funds should meet the following conditions to conclude securities' lending transactions :

- (i) The sub-funds may lend securities to a counterparty if it is subject to prudential supervisory regulations which the CSSF considers equivalent to those laid down by European Union legislation.
- (ii) The sub-funds may lend or borrow securities either directly or through a standard system used by a securities clearing house such as Clearstream or Euroclear through a lending programme set up by a financial institution or through the intermediary of a financial institution specialised in these transactions subject to the prudential supervisory regulations considered by the CSSF as equivalent to those laid down by European Union legislation.
- (iii) A sub-fund must at all times ensure that the securities lent can be returned or that the securities lending transaction can be carried out
- (iv) The sub-fund may not sell securities which it has borrowed during the loan contract. A sub-fund may borrow transferable securities under the following circumstances when settling a transferable security transaction: (x) during a period in which the securities are being re-registered; (y) when the securities lent are not returned on time and (z) to avoid being unable to carry out a settlement due to the custodian bank's incapacity to deliver the securities.

#### **6.3.2. Repurchase agreements**

Each sub-fund is authorised to conclude, incidentally or principally, repurchase transactions by buying or selling transferable securities within the framework of a contract authorising or obliging the seller to repurchase the securities from the buyer at a price and date agreed between the two parties at the time the contract is concluded. A sub-fund may be either a buyer or a seller in one or more repurchase transactions.

Consequently, the sub-funds should meet the following conditions to conclude securities' repurchase transactions:

- (i) the securities may be bought or sold within the framework of a repurchase transaction only if the counterparty to this transaction is a top-quality financial establishment specialised in this type of transaction, subject to the prudential supervisory regulations considered by the CSSF as equivalent to those laid down by European Union legislation.
- (ii) during a repurchase transaction, the sub-fund may not sell the these securities before the counterparty has exercised his right to repurchase the securities or the repurchase period has expired;

- (iii) since the sub-funds have variable capital and repurchase on equities on request, they have to be sure to keep their exposure to repurchase transactions to a level which ensures that at any moment they can meet the repurchase requests made;
- (iv) subject to point (vi) below, a sub-fund concluding a repurchase contract as buyer (repurchase contract) must ensure that it can at all times demand the return of the total amount in cash or terminate the contract on the basis of the accounting value or the market value; When the cash amount is due at any time on the basis of the market value, it is the market value of the repurchase contract which is used in calculating the sub-fund's net asset value ;
- (v) subject to point (vi) below, a sub-fund concluding a repurchase contract as seller must ensure that it can at all times demand the return of the securities in the contract or terminate the contract; and
- (vi) the repurchase contracts with a fixed maturity which does not exceed seven (7) calendar days are considered agreements under conditions allowing the assets to be payable at any time by a sub-fund;

#### **6.4. Guarantees and Reinvestment of Guarantees received within the framework of Financial derivatives and techniques and instruments**

To limit the counterparty risks linked to OTC financial instruments and to efficient portfolio management techniques, the sub-fund shall ensure that the counterparty remits and holds throughout the duration of the transaction, financial guarantees in accordance with the regulations in force and in particular the 2010 Law, Circular CSSF 08/356 and Circular CSSF 14/592 and the recommendations from ESMA (European Securities and Markets Authority).

##### **6.4.1. Guarantee level and valuation**

The level of guarantee required for OTC derivatives and other techniques and instruments shall be fixed in line with the nature and characteristics of the transactions carried out, counterparties, market conditions and regulations applicable. The level of guarantees received by a sub-fund during the period of the transaction should be equal to 100% of the total value of the securities lent or repurchased or received within the framework of the OTC derivatives transaction.

The guarantees shall be valued on a daily basis, based on the available market prices and adequate deductions decided on by the Management Company for each asset class other than cash on the basis of its policy on haircuts. If the prices of the guarantees received are very volatile, the Sicav shall require other guarantees or apply a conservative discount.

##### **6.4.2. Discount policy**

This policy takes account of many factors depending on the nature of the guarantees received, such as the issuer's credit rating, the maturity, currency and volatility of the assets price.

The following discounts are applied by the Sicav to the eligible assets in accordance with Chapter 6, Clause 6.4.2. of the Prospectus below:

<b>Eligible guarantee</b>	<b>Discount</b>
Cash	0%
Bonds issued by supranational issuers or agencies ( $\geq$ AA)	3%
Bonds issued by OECD States ( $\geq$ BBB)	3%
Bonds issued by private companies ( $\geq$ A)	5%

### 6.4.3. Assets accepted in guarantee

**Cash:** Any guarantee received by the sub-fund should be highly liquid, traded on a regulated market or a multilateral trading system offering price transparency to allow the quick resale at a price close to the value at the moment of presale. The Sicav shall only accept as guarantees :

- (i) cash;
- (ii) bonds issued by supranational issuers or agencies with an AA rating from Standard & Poor's or equivalent;
- (iii) bonds issued by OECD states with an BBB credit rating from Standard & Poor's or equivalent; or
- (iv) bonds issued by private companies with a credit rating equal to or higher than A from Standard & Poor's or equivalent.

**High-grade issuers:** the guarantees received will be of high quality.

**Correlation:** the guarantees received should be issued by a body independent of the counterparty and should not be strongly correlated with the counterparty's performance.

**Diversification:** The financial guarantees must be sufficiently diversified in terms of countries, markets and issuers. In particular, when a sub-fund is exposed to several counterparties, all the financial guarantees received from the counterparties must be aggregated and the value of the assets issued by the same issuer and received as a guarantee may not be more than 20% of the sub-fund's net assets.

**Risks:** the risks linked to managing the guarantees, such as legal and operational risks are identified, managed and reduced in accordance with the risk management procedure.

**Transfer of ownership:** guarantees received with the transfer of ownership shall be held by the Sicav's custodian bank. For other guarantees received, the guarantees may be held by a third-party custodian subject to supervision and not linked to the counterparty providing the guarantee.

**Realisation:** The sub-fund must be able to realise the guarantees at any time without the involvement or agreement of the counterparty.

### 6.4.4. Investment policy

The financial guarantees other than in cash received for OTC derivatives may not be sold, reinvested or pledged.

The financial guarantees received in cash for OTC derivatives or other techniques and instruments, as described in Chapter 6 of the Prospectus below may only be:

- (i) invested with bodies as stipulated in Chapter 4, Clause 7;
- (ii) invested in top quality government bonds ;
- (iii) used for repurchase transactions, provided that these transactions are concluded with credit institutions subject to prudential supervision and that the Sub-fund may at any time recall the total cash amount including accrued interest;
- (iv) invested in short-term money market funds.

The reinvested financial guarantees in cash must be sufficiently diversified in terms of countries, markets and issuers. The criterion for adequate diversification in terms of concentration of issuers is considered respected when the sub-fund receives from a counterparty a basket of financial guarantees with an exposure to a given issuer of a maximum of 20% of its net asset value. When a sub-

fund is exposed to several issuers, the different baskets of financial guarantees must be aggregated to calculate the exposure limit of 20% to one issuer.

## **7. RISKS ASSOCIATED WITH AN INVESTMENT IN THE SICAV**

Before deciding to subscribe to shares in the Sicav, all investors are invited to read carefully the information in the Prospectus and take into account their current and future financial and tax situation. Investors should pay particular attention to the risks described in this chapter, in the appendices in Part II of the prospectus and in Key Information. The risk factors listed above are likely, individually or collectively, to reduce the return on an investment in the Sicav's shares and may result in the partial or total loss of the investment in the Sicav's shares.

The Sicav draws investors' attention to the fact that an investor may fully exercise his investor rights directly against the Sicav, in particular the right to attend General Shareholders' Meetings only if the investor himself and his name are in the Sicav's register of Shares. If an investor invests in the Sicav through an intermediary investing in the Sicav in his name but for the investor's account, certain shareholder rights may not necessarily be exercised directly by the investor vis-à-vis the Sicav. The investor is advised to inform himself as to his rights with his adviser.

The value of the investment in the Sicav's shares may increase or decrease and is not guaranteed in any way. The shareholders run the risk that the redemption price of their shares or the amount of the liquidation surplus of their shares will be significantly less than the price the shareholders paid to subscribe to the Sicav's shares or to acquire shares in the Sicav

An investment in the Sicav's shares is exposed to risks which may include or be linked to equity and bond risks, foreign exchange, rate, credit, counterparty and volatility risks and also political risks and those of force majeure. Each type of risk may appear in conjunction with other risks.

The risk factors in the Prospectus and Key Information are not exhaustive. Other risk factors may exist that an investor should consider in lien with his personal situation and current and future circumstances.

Investors must in addition be fully aware of the risks linked to an investment in the Sicav's shares and consult with a legal, tax or financial adviser in order to get full information on (i) the appropriate character of investment in these shares in line with their personal financial and tax situation and personal circumstances, (ii) information contained in the Prospectus, the appendices to Part II of the Prospectus and the Key Information, before taking an investment decision.

The diversification of the sub-funds' portfolios and the conditions and limits set out in Chapters 4 and 5 aim to manage and limit the risks without however excluding them. No guarantee can be given that a management strategy employed by the Sicav in the past and which was successful, will continue to be successful in the future. Likewise, no guarantee can be given that the past performance of the management strategy used by the Sicav will be similar to the future performance. The Sicav cannot guarantee that the objective of the sub-funds will be achieved and that investors will recover the amount of their initial investment.

Although this list is not exhaustive, the attention of investors is drawn to the following risks :

### **Risk of capital loss**

Investors are not certain to recover their initially invested capital.

### **A risk linked to financial management**

The performance of the Sub-funds will depend on the companies selected by the Management Company. There is a risk that the Management Company will not keep the companies which have proved the most successful.

### **Equity risk**

The performance of the sub-fund depends on the securities in which it is invested, securities whose evolution may be independent of that posted by the market indices. If the equity market falls, the Net Asset Value of the sub-fund may fall.

### **A risk linked the size of capitalisation**

It is possible to invest in shares in small and medium capitalisations. As the exchange volume of these securities is more reduced, variations both up and down may be more marked. The behaviour of the Net Asset Value of the sub-fund will be the same.

### **Credit risk**

A part of the Sub-funds' portfolio may be invested directly or through UCITS invested in private or public debt securities. If the quality of the private or public issuers degrades, in particular their rating by financial rating agencies, the value of these debts may fall and cause a drop in the Net Asset Value.

### **High-yield bonds**

The sub-funds may, as mentioned in the appendices to the sub-funds concerned in Part II of this Prospectus, invest in bonds rated below Baa3 from Moody's, BBB- from S&P or below investment grade by other recognised rating agencies or in unrated securities which the Sicav considers to be comparable quality.

These bonds are subject to a higher risk of loss of income and principal than bonds with a higher rating and are considered as highly speculative. They are more sensitive to an unfavourable economic situation, real or supposed, and to competitive pressure within certain sectors.

The market for such bonds is smaller and less attractive than for better rated bonds which may substantially affect the price at which these bonds can be resold and the Sicav's capacity to determine their value. In addition, the negative image of high-yield bonds and the negative view that investors have of them, whether or not based on fundamental analysis, may tend to devalue the market and reduce liquidity.

The Sicav will look to reduce the investment risk of such transferable securities through a credit analysis, diversification and developments and trends in interest rates and economic conditions. However, it cannot be guaranteed that there will be no loss.

The sub-funds may also acquire bonds with a lower rating according to Moody's, S&P or another ratings agency considered comparable by the Sicav. If this type of bond defaults on payment, the issuer of these bonds could be bankrupt and the bonds may be considered as having little chance of achieving better ratings. Non-listed bonds may also have investment potential when the Sicav thinks that the issuers' financial conditions or the protection resulting from these bonds' conditions limit the risks borne by the sub-fund.

## **Credit Default Swaps**

Credit default swaps in principle serve to protect against credit risks arising from the acquisition of bonds or a loan. The counterparties chosen by the Sicav shall be top quality financial institutions, specialised in this type of transaction. However, there can be no guarantee that the counterparties will not default.

## **Rate risk**

A part of the Sicav may be invested directly in debt securities or through UCITS. If interest rates rise, the value of these debts may fall and cause a fall in the Net Asset Value.

## **Exchange risk**

This is the risk of the investment currencies falling in comparison to the Sub-fund's currency. The variation in a currency could consequently cause an exchange loss which would cause the Net Asset Value to fall.

## **Emerging market risks**

The operational and monitoring conditions for emerging markets may differ from the standards prevailing on the large international markets; information on certain stocks may be incomplete and liquidity reduced. Consequently the evolution of these stocks' prices may vary sharply and cause a drop in the Net Asset Value.

## **A risk linked to the use of financial derivatives**

Derivatives may generate significant profits. However, the risks inherent to this type of investment are, in certain cases, greater than those of a traditional investment. They are subject to the following risks in particular:

### **Management risk**

The investment and risk analysis techniques for derivatives are different from those for traditional investments. The use of derivatives requires knowledge of the evolution of both the derivative and its underlying. Therefore the evaluation of a derivative's performance to that of a given market is more difficult. The complexity of derivatives requires the implementation of an appropriate monitoring structure which allows the monitoring of transactions carried out, the evaluation of extra risks, evaluation of the evolution of the price, interest and exchange rate. The main risk with derivatives is therefore in the risk of erroneously fixing or evaluating the price of the derivative and the impossibility of the derivative of corresponding to the assets, rates and indices of the underlying.

### **Credit risk**

The Sicav may suffer a loss resulting from the parties' breaching the conditions of the derivative contract. The credit risk for stock market derivatives is generally lower than for derivatives traded privately. The clearing house, as issuer or counterparty for the derivatives exchange on the stock market, provides a guarantee of performance. Furthermore, the system of daily payment (hedging requirements) lessens the credit risk.



## **Liquidity risk**

It may be difficult to sell or buy certain derivatives. When derivative transactions are particularly large or when the corresponding market is illiquid (as is the case with many OTC-traded derivatives on a free market) it may prove impossible to conclude a transaction or liquidate a position at an advantageous price.

## **Other risks**

Other risks associated with using derivatives include not determining or evaluating the price of the derivative correctly and that the derivative is not perfectly correlated with the underlying assets, interest rates and indices. Many derivatives are complex and frequently valued subjectively. Inadequate valuations may lead to increases in cash payments for counterparties or a loss of value for the Sicav. There is not always a direct or parallel correlation between a derivative and the value of the assets, interest rates or indices from which it results. For these reasons the use of derivatives by the Sicav is not always an efficient means of achieving the Sicav's investment objective and may even have the opposite effect.

## **Securities lending risk**

The main risk in securities lending is that the borrower defaults or does not return the securities. In this case, the Sicav may suffer delays in recovering its securities and may potentially lose all or part of the capital, which may restrict the Sicav's capacity to sell securities or meet its obligations in repurchasing securities.

## **Repurchase transaction risks**

There is no guarantee that a sub-fund will meet its targets in the transactions it concludes. Repurchase transactions may expose a sub-fund to similar risks to those associated with derivatives.

## **Financial guarantee risk**

A sub-fund may reduce the counterparty risk by requiring financial guarantees. If this guarantee is in the form of securities, the risk is that selling the securities will not be enough to cover the counterparty's debt or to acquire securities to replace those lent. In this case, the sub-fund may be compensated but there is a risk that this will be insufficient or otherwise unavailable.

## **Risks linked to reinvesting cash received as a guarantee**

The Sicav may also suffer a loss by reinvesting the cash received as a guarantee to cover the counterparty risk in OTC derivatives or as part of efficient portfolio management. Such a loss may be due to a reduction in the value of the investment made with the cash received as guarantee from the counterparty leading to a reduction in the value of the guarantee that the Sicav will give to the counterparty at the end of the securities' lending contract. The Sicav will then have to make up the difference between the total amount of the guarantee received when the contract was signed and the amount available for the counterparty, which will then become a loss. Although cash reinvestments are restricted to assets supposed to be liquid, there may be an illiquidity risk in these reinvestments which may cause cash problems if the Sicav does not manage to sell its reinvestments.

**Specific risks linked to investing in contingent convertible bonds:**

Risk linked to the trigger level: triggers determine the instrument's conversion risk depending on their distance with the issuer's hard solvency ratio and may differ from one issue to the another.

Coupon cancellation risk: coupon payments on the AT1 instruments are entirely discretionary and may be cancelled by the issuer at any time, for any reason and for any period of time.

Risk of capital structure inversion: contrary to the traditional capital hierarchy, coco investors may suffer a capital loss while holders of the same issuer's shares will not.

Risk of non-reimbursement: coco AT1 instruments are perpetual instruments, reimbursable at predetermined levels only with the approval of the competent authority.

Redemption/estimation risk: the cocos often attractive returns can be seen as complexity premium.

Risk of delayed reimbursement: coco AT1 instruments are issued as perpetual instruments, reimbursable at predetermined levels only with the approval of the competent authority.

Unknown risk: the structure of the instrument, while innovative, has not yet been tested.

## 8. SHARES

### 8.1. Registered shares

Shares shall be issued as registered shares and no certificate shall be delivered. Shares may also be held and transferred in various accounts open in the settlement systems. Physical bearer share certificates issued on the date of this prospectus shall not be replaced if they are lost or damaged but shall be replaced by Registered shares issued without a certificate. None of the Sicav's shares shall be issued physically, whatever the share class.

For bearer shares which are still in circulation, their holders have until 18 February 2016 to immobilise and register their bearer shares with the European Fund Administration S.A. (EFA) appointed by the Sicav as custodian within the meaning of the Law of 28 July 2014 on the immobilisation of bearer shares EFA has delegated the task of collecting physical bearer shares to be registered by EFA in the shareholders' register to KBL European Private Bankers S.A.

The voting and dividend rights attached to bearer shares may only be exercised if these bearer shares have been immobilised and registered before 18 February 2016. Any bearer shares which have not been immobilised and registered by 16 February 2016 shall be cancelled.

### 8.2. Fractions of shares

The issue of the fractions is authorised with a precision of a thousandth of a share (three decimals). These share fractions represent a part of the net assets and give the right to a proportional share of the dividend that the Sicav may distribute as well as the proceeds of the liquidation of the latter. The share fractions do not have voting rights.

### 8.3. Characteristics of the shares

Existing shareholders have no preferential subscription rights when new shares are issued.

For each sub-fund, the Board of Directors may issue one or more Share Classes. These may later be reserved for specific group of investors approved by the Board of Directors (hereinafter "**approved investors**") such as, in particular, investors from a specific country or region or institutional investors in the sense of Article 174(2) of the Law of 2010.

Cost structures, the initial investment amount, the benchmark currency in which the Net Asset Value is expressed, etc; may vary from one class to another. The Sicav's Board of Directors may impose minimum initial investment amounts for Share Classes, Sub-funds or the Sicav.

Other classes may be created by the Sicav's Board of Directors, which shall decide on their names and characteristics.

The share classes or categories available for each sub-fund are listed in the corresponding appendices to Part II of this Prospectus.

The Benchmark Currency designates the benchmark currency of a Sub-fund (or a Share Class of a Sub-fund if appropriate). It does not necessarily correspond to the currency in which the net assets of the sub-fund are invested at a given moment. When a currency is mentioned in the name of a sub-fund,

this simply designates the sub-fund's benchmark currency and does not indicate any particular bias for a currency within the portfolio. When a currency is mentioned in the name of a sub-fund, this simply designates the sub-fund's benchmark currency and does not indicate any particular bias for a currency within the portfolio. These should be distinguished from the share classes covered.

The sub-funds may be issued by the categories of shares denominated in a currency other than the benchmark currency of the said sub-fund. These share categories may be offered with exchange hedging against the benchmark currency (hedged share class) within the limits allowed in Chapter 6 of the Prospectus *"Financial Instruments and Techniques associated with transferable securities and money-market instruments for efficient portfolio management."* The return from these hedging transactions is entered directly in the profit or loss for this share category.

At the same time as dividends are paid to distribution shares of a given sub-fund, the part of the net assets of the sub-fund to be allocated to all the distribution shares will be reduced by the global amount of the dividends paid out, while the part of the net assets of the sub-fund to be allocated to all the capitalisation shares will increase.

All of the Sicav's shares are freely transferable subject to the restrictions below. The shares carry no preferential right nor a right of pre-emption and each share gives the right to one vote at each General Shareholders Meeting (**General Meeting**) whatever its sub-fund or net asset value. The shares are issued with no face value and must be fully paid up. There is no limit to the number of shares issued by the Sicav.

#### **Warning about exchange hedging risks where a share class is hedged against currency risk :**

Exchange hedging transactions against the benchmark currency may be carried out within the limits allowed in Chapter 6 of the Prospectus *"Financial Instruments and Techniques associated with transferable securities and money-market instruments for efficient portfolio management."* The return from these hedging transactions is entered directly in the profit or loss for this share category.

This hedging may not, for technical reasons, be total nor cover the entire exchange risk. Moreover, such hedging removes any chance of investors profiting from any positive developments in the exchange rate.

#### **Warning if using a nominee:**

The distributor and his distribution agents may act as nominees or appoint a nominee for investors subscribing to shares through the distribution network. Investors may in addition mandate any other financial intermediary, such as a credit institution or a clearing house for the same ends.

These nominees may also send orders for subscriptions, conversions and redemptions of shares in their name but on behalf of the investors and request that they are listed in the Sicav's share register in their name. These nominees may also send orders for subscriptions, conversions and redemptions of shares in their name but on behalf of the investors and request that they are listed in the Sicav's share register in their name. Unless forbidden by law or local practice, investors may always invest directly in the Sicav without going through a nominee.

The Sicav draws investors' attention to the fact that an investor may fully exercise his investor rights directly against the Sicav, in particular the right to attend shareholders' meetings only if the investor himself and his name are in the Sicav's share register. If an investor invests in the Sicav through an intermediary investing in the Sicav in his name but for the investor's account, certain shareholder

rights may not necessarily be exercised directly by the investor vis-à-vis the Sicav. It is advised that the investor informs himself as to his rights.

**All banking and management fees invoiced by a nominee for registering share-related transactions (payment of dividends, redemptions, conversion of shares etc) shall be paid by the investor using this nominee, unless the nominee agrees to pay them.**

## **8.4. Issuing shares**

### **8.4.1. Warning**

**The attention of investors is drawn to the fact that the initial subscription amount cannot be guaranteed as the net asset value applicable for any redemption will be that calculated at the moment of the sale of the said shares.**

The measures aimed at preventing money laundering and the fight against terrorism require the detailed verification of the identity of investors and the origin of the amounts transferred, pursuant to the legal stipulations and regulations in force in Luxembourg. The Management Company (and the Registrar and Transfer Agent acting for the Management Company) reserve the right to request at any time (including when there are no transactions) the information required to verify the identity of an investor, in accordance to the abovementioned legal and regulatory stipulations. If the investor is late in presenting or fails to present the information required for verification, the Management Company (and the nominee or Registrar or Transfer Agent acting for the Management Company) may refuse the subscription request and the related amounts, the transfer of shares, all rights associated with the shares (access to general meetings, voting rights and dividends) or block the redemption of the subscribed shares.

### **8.4.2. Procedure for issuing shares**

The Board of Directors is authorised to issue shares at any moment and without limit.

The shares in each sub-fund and/or each share class may be subscribed to each valuation day as defined in Part II of the Prospectus, at the delegated Transfer Agent and Registrar.

The Board of Directors reserves the right to refuse all or part of a Share subscription request.

When a new share class is launched within a sub-fund the initial price per share in the new share class will be fixed by the Board of Directors.

When the initial subscription period is over, subscription requests will be handled on the basis of the NAV pursuant to the procedure described in Part B of the Prospectus.

For each sub-fund and/or share class the Board of Directors may fix a minimum subscription amount which may be either the number of shares (minimum holding) or the amount to be subscribed in the sub-fund's benchmark currency.

If there are minimum subscription amounts, these will be detailed in Part II of the current Prospectus.

### **8.4.3. Payment**

The price of the subscribed shares is payable in the benchmark currency of the sub-fund or share class in question as specified in Part II of the current Prospectus. The subscription price of each share is payable within the deadline set in Part II of the Prospectus.

Payment must be made exclusively by bank transfer to the Sicav's account with the Custodian Bank. Any payment must clearly indicate the name of the sub-fund and/or share class in which the subscriber is investing.

The price of shares issued may be increased by a fee for professional intermediaries, as specified for each sub-fund in Part II of this Prospectus.

The price of shares issued may be increased by a fee for professional intermediaries, as specified for each sub-fund in Part II of this Prospectus.

The Sicav may, on the request of a potential shareholder and if the Board of Directors agrees, follow up any subscription request which is presented in the form of a non-cash consideration, subject to the conditions of Article 26-1 of the Law of 1915. The nature and type of assets to be accepted in this case will be determined by the Board of Directors and must correspond to the investment policy and restrictions of the Sicav or sub-fund in which the amounts are invested. The costs involved in such a consideration shall be borne by the investor in question.

### **8.4.4. Miscellaneous**

Share certificates will, in normal circumstances, be delivered without delay following payment of the subscription price. The application price per share is payable in the currency of the share category concerned.

The Sicav reserves the right to reject, wholly or partly, any subscription application. Moreover the Board of Directors reserves the right to suspend the issue and sale of shares at any time and without notice.

No share will be issued if the calculation of the net asset value is suspended by the Sicav. Notice of any such suspension will be given to all persons who applied for a subscription and the applications during such a suspension may be withdrawn upon written notice received by the Sicav prior to revocation of the suspension. Unless withdrawn, the applications shall be considered on the first Valuation Day following the revocation of the suspension.

## **8.5. Redemption of shares**

### **8.5.1. Share redemption procedure**

A shareholder wanting to redeem all or part of his shares can make a written request at any time.

The request must indicate the number of shares to be redeemed, the sub-fund they belong to, whether they are distribution or capitalisation shares, and, in the case of registered shares, the name of the registered owner, as well as confirmation of the details concerning the shareholder to whom the payment of the redemption price is to be made.

The request must be accompanied, in the case of bearer shares, by the certificates to be redeemed, together with all coupons not yet due and, in the case of registered shares, by the certificate if issued and by all documents which reveal a transfer, if any. Forwarding of share certificates is at the shareholders' own risk.

Redemption will be at the net asset value less any redemption fees, as specified for each sub-fund in Part II of this Prospectus.

The Sicav is not obliged to execute on the same day D redemption requests representing more than 10% of the shares of a sub-fund in circulation. The Board of Directors may agree that the payment of all or part of the redemption requests which exceed this percentage will be deferred, on a pro rata basis, for a period to be decided upon. Deferred redemption requests must be treated as a priority. The net asset value applicable to these deferred redemption requests will be that of the Valuation Day applicable to the redemption request.

The Sicav may, subject to the express agreement of the shareholder in question, agree to deliver assets in response to a request for a redemption in kind, while observing the stipulations of Luxembourg law and in particular the obligation to provide an assessment report for the Sicav's auditors. The value of these assets shall be determined in accordance with the principles for calculating the net asset value. The value of these assets shall be determined in accordance with the principles for calculating the net asset value. The value of these assets shall be determined in accordance with the principles for calculating the net asset value.

#### **8.5.2. Payment**

The payment of the shares to be redeemed will be made in the benchmark currency of the sub-fund or share class in question. The price of shares to be redeemed is payable within the deadline set in Part II of the Prospectus.

The payment will be by transfer to a shareholder account.

Any administrative fees (transfer fees, ...) linked to the redemption of shares will be borne by the Sicav.

The redemption price may be higher or lower than the purchase price paid by the shareholder, according to the net asset value fluctuations of the shares in question.

The right to redeem will be suspended during any period in which the calculation of the net asset value per share has been suspended. Each shareholder applying for redemption will be advised of such suspension and all applications thus pending may be withdrawn upon written notice to the Sicav, received before the suspension's revocation. In the absence of such application, the shares concerned will be redeemed the first Valuation Day following the end of the suspension.

Redeemed shares are cancelled.

The redemption price of the shares will be in the benchmark currency of the sub-fund in question.

#### **8.6. Conversion of shares**

Unless otherwise specified in Part II of this Prospectus, all shareholders may request the conversion of all or part of their shares into shares of another sub-fund at a price equal to the respective net values

of the shares of the various sub-funds and under the conditions stipulated for each sub-fund in Part II of this Prospectus. Likewise the shareholder holding distribution shares will have the right to convert them into capitalisation shares and vice versa. This is possible within the same sub-fund as well as switching from one sub-fund to another, subject to the stipulations for each sub-fund in Part II of this Prospectus.

The number of allocated shares in the new sub-fund shall be calculated as follows:

$$A = \frac{B \times C \times D}{E}$$

where:

A represents the number of shares to be allocated in the new sub-fund /category/ sub-category of shares (distribution shares or capitalisation shares, as applicable);

B represents the number of shares to be converted in the initial sub-fund/ category/ sub-category of shares (distribution shares or capitalisation shares, as applicable);

C represents the net asset value, on the applicable Valuation Day, of shares in the original category / sub-category to be converted (distribution shares or capitalisation shares, as applicable);

D represents the applicable exchange rate between the currencies of the two share sub-funds / categories / sub-categories on the day of conversion;

E represents the net asset value, on the applicable Valuation Day, of shares in the sub-fund / category / sub-category to be allocated (distribution shares or capitalisation shares, as applicable).

In the case of bearer shares, no share fractions, resulting from the conversion, shall be allocated to the shareholder who requested the conversion. Consequently the proceeds of any fraction of a share, resulting from such conversion, will be reimbursed to the shareholder who requested such conversion. No conversion will be made if the calculation of the net asset value of one of the sub-funds concerned is suspended.

The Sicav is not obliged to execute on the same day conversion requests representing more than 10% of the shares of a sub-fund in circulation. The Board of Directors may agree that the payment of all or part of the redemption requests which exceed this percentage will be deferred, on a pro rata basis, for a period to be decided upon. Deferred conversion requests must be treated as a priority. The net asset value applicable to these deferred conversion requests will be that of the Valuation Day applicable to the conversion request.

## **8.7. Late Trading and Market Timing**

The practices of Market Timing and Late Trading, as described below, are formally forbidden.

The shares of the Sicav are not offered to allow for frequent transactions aiming to take advantage of short-term fluctuations in the markets. The Sicav will not be managed, nor serve, as a vehicle for this type of transaction. This type of management activity, considered 'market timing', could cause possible problems for the Sicav shareholders.

Late Trading means accepting a subscription, redemption or conversion order received after the cut-off time of the day in question and executing it at the price based on the net asset value applicable that day.



As a consequence, the Sicav may reject any subscription or conversion of shares that it considers suspicious, in good faith, of being representative of market timing or late trading involving the assets of the Sicav.

## **9. DISTRIBUTION POLICY**

The General Meeting of shareholders shall decide upon proposal of the Board of Directors and for each category/sub-category, both for distribution and capitalisation shares, on the use to be made of the balance of the net annual profit on investments. A dividend may be distributed independently of all capital gains and losses realised or non-realised. Further, dividends may include a capital distribution provided that after distribution the net assets of the Sicav total more than EUR 1,250,000.

The net annual investment yield of each sub-fund will thus be spread across, on the one hand, all the distribution shares and on the other, all the capitalisation shares, in proportion to the net assets corresponding to the category that these groups of shares represent.

The part of the net annual revenue of the sub-fund from distribution shares will be distributed to the holders of these shares in the form of a cash dividend.

The part of the net annual revenue from the sub-fund coming from capitalisation shares will be capitalised in the sub-fund corresponding to this sub-fund for the benefit of the capitalisation shares.

Any resolution of the General Meeting, pertaining to the distribution of dividends to distribution shares of a given sub-fund shall be subject to the prior approval of the shareholders of such sub-fund voting by the simple majority of shareholders present and voting.

Upon the decision of the Board of Directors, interim dividends may be paid for the distribution shares of a sub-fund.

Declared dividends may be paid in the benchmark currency of the sub-fund in question or in any other currency determined by the Board of Directors, and at such time and place as may be determined by the Board of Directors. Dividend announcements and the name of the paying agent will be published in a large-circulation Luxembourg newspaper and in any other newspaper which the Board may decide.

Any dividend declared but not claimed by its beneficiary within five years of its attribution may no longer be claimed and will revert to the sub-fund in question. No interest will be paid on any dividend declared by the Sicav and kept by it at the beneficiary's disposal.

From 18 February 2015, dividend payments shall be suspended for bearer shares which have not been deposited and registered with EFA.

## **10.NET ASSET VALUE**

### **10.1. Calculation of the net asset value**

The net asset value of each sub-fund shall be expressed in the benchmark currency selected by the board of directors as described in more detail in the corresponding appendices to the sub-funds in Part II of this prospectus.

The net asset value per Share of each Sub-fund is calculated for each Share Class at the frequency stipulated in Part B of the current Prospectus under the responsibility of the Sicav's Board of Directors and at least twice per month.

The transferable securities are valued in the benchmark currency of the sub-fund in question on the basis of their closing prices on the Valuation Day (or if this is not available on the Valuation Day) on the markets where the assets held by the Sicav are traded, as published by the stock exchanges concerned or as communicated by SIX Financial Information Luxembourg S.A. or any other similar organisation.

The net asset value is calculated by dividing the value of the net assets of each sub-fund of the Sicav by the total number of shares of the class of shares concerned in circulation as of that date, and rounding upwards the result obtained for each share to the nearest hundredth in the currency of the class of shares concerned. In each sub-fund in which distribution and capitalisation shares have been issued and are in circulation, the net asset value is calculated for each distribution share and each capitalisation share.

The net asset value of each sub-fund of the Sicav is equal to the difference between the assets and current liabilities of the sub-fund of the Sicav. For the determination of the net assets, revenues and expenses are recorded every day. The valuation of assets of the different sub-funds shall be determined as follows:

- 1) The value of cash in hand or on deposit, securities, bills and notes payable on demand and accounts receivable, prepaid expenses, dividends and interests declared or due but not as yet collected, shall be made up of the nominal value of such assets, unless it appears unlikely that such value shall be collected, in which case the value shall be determined by deducting such amount which the Sicav may deem necessary in view of reflecting the true value of such assets.
- 2) The value of any transferable securities or money-market instruments which are officially traded or listed on a stock exchange shall in principle be determined as being their last known rate unless such rate is not representative.
- 3) The value of any transferable securities or money-market instruments traded on another regulated market shall be determined on the basis of the closing price on the Valuation Day or, failing this, the last available price on the Valuation Day in question.
- 4) Inasmuch as transferable securities and money-market instruments in the portfolio on the Valuation Day are neither officially traded nor listed on an exchange or regulated market, or in the case where, for securities and money-market instruments officially listed or traded on a stock exchange or another regulated market, the price as determined pursuant to paragraphs 2 and 3 above is not representative of the true value of such transferable securities, money-market or financial instruments the valuation shall be made on the basis of their likely value of realisation, estimated with due care and good faith.
- 5) Money-market instruments with a residual maturity of less than one year are valued as follows (linear valuation): the determining price for these investments will be gradually adapted to the

redemption price, starting with the net acquisition price and constantly maintaining the resulting yield. If there are notable changes in market conditions, the basis for evaluating money market instruments will be adapted to new market yields.

- 6) UCITS and other UCI will be valued on the basis of the last available net asset value of the UCITS and other underlying UCI.
- 7) Over-the-counter derivatives, like futures, forward contracts or options not traded on the stock exchange or other known markets will be valued on the basis of their net asset value determined, pursuant to Sicav policy, according to financial models recognised on the market and in a coherent manner for each category of contract. The net asset value of a derivative must be understood as being equal to the unrealised (net) profit/loss for the position in question.
- 8)
  - a) Options and financial futures and other derivatives shall be valued at the last known rate on the Valuation Day in question on the stock exchanges or regulated markets.
  - b) Interest rate swap contracts shall be valued at the last known rates on the Valuation Day in question on the markets where such contracts were concluded
- 9) Should a valuation on the basis of the abovementioned rules become impracticable or inexact because of particular circumstances, other generally accepted and verifiable valuation criteria will be applied to obtain an equitable valuation.

Any asset that may not be expressed in the currency of the sub-fund to which it belongs will be converted into the currency of this sub-fund at the exchange rate applicable on that business day or at the exchange rate fixed in the forward contracts.

The net asset value per share of each class and their issue, redemption and conversion prices are available each business day at the Sicav's registered office.

## **10.2. Temporary suspension of the net asset value**

The Sicav may suspend the fixing of the net asset value of the shares of one or more sub-funds, the issue and the redemption of shares of that sub-fund, as well as the conversion from and into these shares.

- 1) during any period when one of the main stock exchanges, where a substantial part of the Sicav's investments in a sub-fund is listed, is closed other than for a holiday, or during which the transactions on it are restricted or suspended;
- 2) during an emergency when the Sicav cannot normally dispose of its assets of a given sub-fund or cannot value these correctly;
- 3) whenever the communications network needed for determining the price or value of the investments of a given sub-fund or the current market price of the shares on a stock exchange, is out of order, or when the value of the sub-fund's assets cannot be determined for any other reason whatsoever;
- 4) during any period when the Sicav is unable to repatriate funds for the purpose of making payments on the redemption of shares, or during which the transfer of funds involved in the realisation or the acquisition of investments or of payments due for the redemption of shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange.

- 5) when the net asset value of a UCITS or another UCI in which one or more sub-funds invest a significant part of their assets is suspended, so that that value of this investment cannot be reasonably determined;
- 6) as soon as a general meeting of shareholders has been convened with a view to proposing the dissolution of the company or a sub-fund or if the board of directors is so empowered, as soon as it has decided to liquidate a sub-fund;
- 7) on publication of the convocation to a General Meeting of Shareholders at which the merger of the Sicav or of a Sub-fund will be proposed or the decision of the board of directors to merge one or more sub-funds, insofar as such suspension is justified to protect the interests of the shareholders.

When one of the Sicav's sub-funds is a feeder sub-fund for a master UCITS which temporarily suspends the repurchase, redemption or subscription of its units, whether on its own initiative or at the request of the competent authorities, the Sicav's feeder sub-fund has the right to suspend the repurchase, the redemption or subscription of its units for a period identical to that of the master UCITS and under the conditions stipulated by the Law of 2010.

Shareholders requesting the repurchase or conversion of their shares shall be advised in an appropriate manner of the suspension of the calculation of the net asset value.

Such suspension concerning one sub-fund shall have no effect on the calculation of the net value, the issue, the redemption and the conversion of the shares of other sub-funds.

## **11. TAXATION**

### **11.1. Taxation of the Sicav**

According to the legislation in force, the Sicav is not subject to any Luxembourg income tax. Similarly, dividends paid by the Sicav are exempt of any Luxembourg withholding tax. The Sicav, on the other hand, is liable to an annual tax of 0.05% of its net asset value. This subscription tax may be reduced to 0.01% of the net asset value of the Sicav attributable to a sub-fund or share class (i) if the shares in the sub-fund or share class are only sold to and held by institutional investors or (ii) if a sub-fund invests exclusively in money-market deposits and instruments in accordance with Luxembourg law. This tax is payable quarterly on the basis of the net assets of the Sicav as calculated at the end of the quarter. The subscription tax does not apply to the portion of the net assets invested in other Luxembourg UCITS which are themselves subject to the subscription tax.

No duty or tax is due in Luxembourg on the issue of shares of the Sicav, except a single tax of EUR 1 239.47, paid upon incorporation.

Under current law and practice no tax is payable on the capital gains realised on the assets of the Sicav. It can be estimated that no capital gains tax will be imposed upon the Sicav's investments in other countries.

The Sicav's income from dividends and interests arising from sources outside Luxembourg may be subject to withholding taxes, at variable rates, which cannot always be recovered.

### **11.2. Taxation of the shareholders**

#### **11.2.1. Taxation of resident shareholders**

In certain cases and under certain conditions, the capital gains made by a shareholder, an individual resident in Luxembourg holding or having held, directly or indirectly, more than 10 % of the capital of the Sicav or holding the shares for six months or less before the transfer of a share, the dividends received by a shareholder and the proceeds made or received by a corporate body resident may be subject to taxation in Luxembourg unless a tax allowance or exemption applies.

A resident shareholder is also subject to a wealth tax in Luxembourg and to taxation on donations made in Luxembourg and, under certain conditions, inheritance.

#### **11.2.2. Taxation of non-resident shareholders**

In certain cases and under certain conditions a non-resident shareholder holding or having held, directly or indirectly, more than 10 % of the capital of the Sicav or a shareholder having a permanent business establishment in Luxembourg to which the share is linked may be subject to taxation in Luxembourg if a tax allowance or exemption does not apply.

A non-resident shareholder is not subject to a wealth tax in Luxembourg or to taxation on donations not made in Luxembourg and inheritance.

Income received by an individual resident in a country of the European Union or certain dependent or associated territories, may, depending on the investment strategy of the sub-fund of the Sicav in which this shareholder holds shares fall within the scope of Directive 2003/48/EC of the Council of

Ministers of 3 June 2003 on taxation of income in the form of interest payments subject to 35% withholding tax. The Sicav reserves the right to reject any request for shares if the conditions or information required by the Savings Directive and the Luxembourg Law of 21 June 2005 transposing the Savings Directive into law are not met or communicated.

The shareholder may also be subject to taxation in his country of residence under the laws and regulations applicable to him and with which he must comply. Potential investors are advised to check the tax obligations in force in their country of residence.

### **11.2.3. Foreign Account Tax Compliance Act, FATCA**

In terms of this section, the expression "shareholder entered in the register" should be understood as referring to persons and bodies appearing as registered shareholders in the Sicav's register of shareholders, as kept by the Transfer Agent. The Sicav respects the stipulations of FATCA as well as the associated Luxembourg legislation and regulation in force and applies them. FATCA has been drawn up to minimise tax evasion on the part of US nationals.

Consequently the Sicav or its delegates may be obliged to do the following:

- Carry out due diligence for each shareholder in the register to determine their FATCA status and, if appropriate, request data (such as name, address, place of birth, date of incorporation, tax identification number, etc.) or additional documents (such as the forms W8-BEN, W-8IMY, W-9, etc.) for the said shareholders in the register. The Sicav shall be entitled to request the redemption of shares held by the shareholders in the register who do not provide the documents required within the deadlines stipulated or who do not comply with FATCA. The Sicav may choose, at its own discretion, to exclude from this certain shareholders in the register who do not hold more than USD 50,000 (in the case of natural persons) or USD 250,000 (in the case of legal persons).
- The Sicav may choose, at its own discretion, to exclude from this certain shareholders in the register who do not hold more than USD 50,000 (in the case of natural persons) or USD 250,000 (in the case of legal persons).
- Apply a withholding tax to certain payments made to certain persons by (or on behalf of) the Sicav. The withholding tax applied on the date of this Prospectus is 30%.

Investors should be reminded that there may be unfavourable fiscal consequences due to non-respect of FATCA by intermediaries such as (sub-)custodians, distributors, nominees, paying agents etc. over which the Sicav has no control. Investors not domiciled in Luxembourg for tax purposes or investors investing via non-Luxembourg intermediaries must also be aware that they may be subject to local FATCA stipulations which may be different to those given above. Investors are therefore encouraged to check with third parties if they intend to comply with FATCA.

## **12. GENERAL MEETINGS OF SHAREHOLDERS**

The General Meeting of the shareholders takes place each year at the registered office of the Sicav in Luxembourg, on the second Friday of May at 2.30 p.m. (Luxembourg time) (if this day is not a legal or bank business day in Luxembourg, the next business day).

Notice of all General Meetings will be sent to all registered shareholders at least eight days before the General Meeting. These notices will show the time and place of the General Meeting, the conditions of admission, the agenda and the requirements of the Luxembourg law as to quorum and necessary majority. Moreover, if bearer shares exist, notice will be published in the Mémorial, Recueil Spécial des Sociétés et Associations and in a Luxembourg newspaper. Requirements for convocations, attendance, quorum and voting at any General Meeting are those fixed by Articles 67, 67-1 and 70 of the Luxembourg Law of 10 August 1915 on commercial companies, as amended.

The convocation to any General Meeting may specify that the quorum and majority applicable to this General Meeting shall be determined on the basis of the shares issued and in circulation at a given date and time prior to the General Meeting (Date of Registration). The right of a Shareholder to attend a General Meeting and exercise the voting rights attached to the Shares shall be determined on the basis of the Shares held by this Shareholder on the Registration Date.

Resolutions taken by a General Meeting shall be binding on all the shareholders of the Sicav independently of the sub-fund in which they hold shares. In the event however that the decisions to be taken only bear on the specific rights of a sub-fund, such decisions shall be taken at a Meeting representing only the shareholders of the sub-fund in question. The requirements regarding such meetings are the same as those mentioned in the preceding paragraph.



## **13.FINANCIAL REPORTS**

Reports for shareholders for the previous year, audited by the Approved Auditors, are available at the Sicav's head office. In addition, unaudited half-yearly reports are also available at the Sicav's registered office. The Sicav's financial year begins on 1 January and ends on 31 December of each year.

The Sicav's accounts will be expressed in EUR (the Sicav's consolidation currency). The accounts of the sub-funds stated in other currencies will be converted into EUR and added together for accounting for the Sicav.

## **14.FEES AND EXPENSES**

Start-up costs, including fees for preparing and printing the prospectus and the KIID, notary fees, registration fees with administrative and stock exchange authorities, the cost of printing certificates and any other cost linked to the setting-up, promoting and launch of the Sicav will be paid by the Sicav and written off over five years.

The costs of setting up a new sub-fund will be written off over a period not exceeding five years on the assets of the sub-fund, in annual amounts to be determined by the Board of Directors on an equitable basis.

### **Management Company fee**

As remuneration for the services described in Chapter 2, point 2.3 above, the Management Company receives an annual fee of EUR 10,000.00 per sub-fund.

### **Management fee**

As remuneration for the services described in Chapter 2, Point 2.4 above, the Manager receives at the end of each quarter from the Sicav a management fee at the maximum annual rates described in the corresponding appendix for each sub-fund and applied at the average value of the net assets of each sub-fund.

### **Custodian bank fees**

As remuneration for the services described in Chapter 2, point 2.2 above, the Custodian Bank receives from the Sicav an annual fee at the maximum rate of 0.05% per sub-fund subject to a minimum fee per sub-fund of EUR 6,200 applied on the basis of the value of the net assets of each sub-fund plus a fee set per operation. These fees are payable on a monthly basis and do not include transaction fees or sub-custodian or similar agents' fees, brokerage and related taxes. These fees are payable on a monthly basis and do not include transaction fees or sub-custodian or similar agents' fees, brokerage and related taxes.

### **Administrative, Registrar and Transfer Agent fee**

An annual administrative fee will be paid to the Administrative Agent and the Registrar and the Transfer Agent on a monthly basis as remuneration for the services provided to the Sicav as described in more detail in the appendices to the sub-funds in Part II of the Prospectus.

### **Other fees**

The Sicav pays all its operating, promotional, control and publication fees.

The Sicav may also take over marketing and advertising costs with the agreement of the Board of Directors.

The fees and expenses chargeable to a specific Class and/or Sub-fund will be directly allocated to it.

The other fees and expenses which are not directly attributable to a specific Class and/or Sub-fund will be charged in an equitable manner to the various Classes within the various Sub-funds and/or the

various Sub-funds or, if the amount so requires, they will be charged to the Classes and/or Sub-funds pro rata to their respective net assets.

## **15. LIQUIDATION - DISSOLUTION OF THE SICAV OR SUB-FUNDS AND/OR CLASSES**

### **15.1. Liquidation of the Sicav**

The Sicav will be liquidated under the conditions laid down by the Law of 2010 and the Luxembourg Law of 10 August 1915 on commercial companies, as amended.

In the event of the capital of the Sicav falling below two-thirds of the minimum capital, the board members must submit the question of the dissolution of the Sicav to the General Meeting, which will deliberate without any requirement for minimum presence, and make its decision by a simple majority of shares represented at the General Meeting.

In the event of the capital of the Sicav falling below a quarter of the minimum capital, the board members must submit the question of the dissolution of the Sicav to the General Meeting, which will deliberate without any requirement for minimum presence; the liquidation may be decided by shareholders holding a quarter of the shares represented at the General Meeting.

The General Meeting must be convened in such a way that it is held within 40 days of the date on which it was observed that the net assets fell to less than two-thirds or one quarter respectively of the minimum capital. In addition, the Sicav may be dissolved by a decision of the General Meeting ruling according to the statutory provisions governing this matter.

The decisions of the General Meeting announcing the liquidation of the Sicav shall be published in the Mémorial. If there is a legal liquidation, the decisions of the court pronouncing the dissolution and liquidation of the Sicav shall be published in the Luxembourg official gazette (Mémorial) and in two sufficiently widely distributed newspapers, at least one of which should be a Luxembourg newspaper and are made at the liquidators' request.

In the event of liquidation, each share entitles its holder to a pro rata share of the liquidation proceeds of the applicable sub-fund of assets.

Once the liquidation process has been closed, any remaining liquidation proceeds which have not been distributed prior to such closure will be deposited with the Caisse des Consignations in Luxembourg to be held in Luxembourg for those entitled to them until the statutory term of limitation expires.

### **15.2. Unconditional liquidation of a sub-fund in the Sicav**

The Board of Directors may decide on the winding up of one or more sub-funds in the following cases:

- 1) if the net assets of the Sub-fund(s) in question are less than a volume which allows sound management;
- 2) if the economic and/or political situation change(s); or
- 3) if economic rationalisation measures prove necessary.

Unless otherwise decided by the Board of Directors the Sicav may, until such time as the decision to liquidate is executed, continue to redeem or convert the shares of the sub-fund which it has been

decided to liquidate, taking account of liquidation costs but, but without any redemption fee as stipulated by the prospectus.

The Board of Directors may propose to the shareholders of this sub-fund that their shares be either redeemed or converted into shares of another sub-fund. It will also decide on the procedure relating to this closure.

The Board of Directors may, at any time, propose the closure of a sub-fund to the General Meeting. If a sub-fund is liquidated, any share in that sub-fund gives the right, pro rata, to a share of the liquidation proceeds of the department. The General Meeting of shareholders of the sub-fund in question will decide on the liquidation of the said sub-fund where no quorum is required and the decision to liquidate must be approved by a simple majority of shareholders present or represented at this General Meeting.

The decision will be published (as laid down in the law) like the financial notices.

The net proceeds of the liquidation will be allocated to the shareholders pro rata to their holdings in the sub-fund concerned. Amounts not claimed by shareholders when the Company is liquidated will be held by the Caisse de Consignation in Luxembourg. If no claim is made before the period of limitation expires, the amounts can no longer be claimed.

The feeder sub-funds of the Sicav will be liquidated if their master UCITS is liquidated and will be divided in two or more UCITS or merged with another UCITS unless the CSSF approves:

- a) the investment at a minimum of 85% of the feeder Sub-fund's assets in units of another master UCITS ; or
- b) its conversion into a Sub-fund which is not a feeder Sub-fund.

Without prejudice to the specific stipulations relating to the forced liquidation, the liquidation of a master Sub-fund in the Sicav must take place at the earliest three months after the master Sub-fund has informed all holders of shares and the CSSF of its decision to liquidate.

Generally the liquidation will be closed within a period of nine months from the date of the liquidation. This period may however may be extended with the approval of the CSSF.

### **15.3. Merger**

The term "**merger**" refers to an operation by which :

- a) one or more UCITS or sub-funds (hereinafter "**merging UCITS/Sub-fund**"), being wound up but not yet liquidated, transfer their assets and liabilities to another UCITS or sub-fund (hereinafter "**receiving UCITS**") in exchange for the issuing, for shareholders, of shares in the receiving UCITS and, if appropriate, a cash payment not exceeding 10% of the net asset value of these shares;
- b) one or more UCITS or sub-funds (hereinafter "**merging UCITS/Sub-fund**"), being wound up but not yet liquidated, transfer their assets and liabilities to a UCITS or sub-fund that they create (hereinafter "**receiving UCITS/Sub-fund**") in exchange for the issuing, for shareholders, of shares in the receiving UCITS and, if appropriate, a cash payment not exceeding 10% of the net asset value of these shares;

- c) one or more UCITS or sub-funds (hereinafter **"merging UCITS/sub-fund"**) which continues to exist until its liabilities are paid off, transfer their net assets to another sub-fund within the same UCITS in a UCITS they create or to another existing UCITS or sub-fund (hereinafter **"receiving UCITS/sub-fund"**).

The mergers may be made pursuant to requirements in terms of form, modalities and information stipulated by the Law of 2010, the legal consequences of the mergers being governed and described in the Law of 2010.

For practical reasons, any reference below to Sub-fund will apply mutatis mutandis to Share Classes.

Under the same circumstances as those listed in the previous paragraph "liquidation of a Sub-fund and Share Classes", the Board of Directors may decide to reorganise a sub-fund by merging with another existing Sub-fund in the Sicav or with another UCIT established in Luxembourg or in another Member State or with another Sub-fund in this other UCITS (hereinafter **"New Fund/Sub-fund"**) and to convert the Shares in the Sub-fund in question into shares of another sub-fund (following a split or a merger, if necessary and payment of the amounts corresponding to a fractional shareholder right. Such decision will be published in the same way as that described in the previous Chapter and the publication will contain information relating to this new fund or sub-fund. The shareholders may request the fee-free redemption or conversion of their Shares within 30 days counting from the publication of this decision.

Under the same circumstances as those listed in the previous Chapter, the Board of Directors may decide to reorganise a Sub-fund by dividing it into two or more sub-funds. Such decision will be published in the same way as that described in the previous Chapter and the publication will contain information relating to this new sub-fund or these two new sub-funds. The shareholders may request the fee-free redemption or conversion of their Shares within 30 days counting from the publication of this decision.

If one of the sub-funds of the Sicav is a master sub-fund, the merger or division of this sub-fund shall only take effect if the latter provides all its shareholders and the CSSF with the legally required information, at the latest 60 days before the proposed date for taking effect. If, as the case may be, the CSSF or the competent authorities in the Member State where the feeder UCITS is established have not authorised the feeder UCITS to keep its feeder UCITS status of a master sub-fund following the merger the merger or division of this master sub-fund, the latter will have to allow the feeder UCITS to present all Shares in the master sub-fund for redemption or repayment before the merger or division becomes effective.

Both the shareholder of the merging sub-fund and those of the receiving sub-fund have the right to request, free of any fees save those necessary to cover the disinvestment costs, the redemption or repayment of their shares or, if appropriate, their conversion into shares of another sub-fund in the Sicav with a similar investment policy. The shareholders may also convert their shares into another UCITS managed by the Management Company or by any other company with which the Management Company is linked within the framework of a community of management or control or by a major direct or indirect holding. This right takes effect once the shareholders of the merging and receiving sub-funds have been informed of the planned merger and ends five working days before the date on which the exchange ratio will be calculated.

The Board of Directors may temporarily suspend the subscription, redemption or repayment of Shares insofar as such suspension is justified to protect the shareholders.

If the receiving sub-fund is a sub-fund of the Sicav, the effective date of the merger will have to be

made public by the Sicav by all appropriate means and will have to be communicated to the CSSF and, if necessary, to the competent authorities in the member State of the other UCITS involved in the merger.

Under the same circumstances as those described in the preceding Chapter, the general meeting of shareholders of the Sicav may decide, without a quorum and by simple majority, to merge the whole of the Sicav with another UCITS established in Luxembourg or in another Member State or any other sub-fund.

A merger which respects the stipulations of the UCI Law cannot be declared void.

## **16.AVAILABLE DOCUMENTS**

Copies of the following documents can be examined during business hours on each business day in Luxembourg at the Sicav's registered office, 11, rue Aldringen, Luxembourg:

- the Articles of Association of the Sicav;
- the Management Agreement;
- the agreements relating to the Custodian Bank, Domiciliary Agent, Paying Agent, Registrar and Transfer Agent;
- the agreement in which the Sicav appoints Kredietrust Luxembourg S.A. as Management Company;
- the annual and half-yearly reports.
- distribution contracts;

Likewise, the procedure for handling investors' complaints as well as the strategy implemented to exercise voting rights relating to instruments held in the portfolios managed and the updated register of situations likely to lead to a conflict of interest may be seen by any shareholder and shall be available at the management company's registered office on all bank business days, during normal opening hours.



## **PART II – THE SUB-FUNDS OF THE SICAV**

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### **1 RICHELIEU BOND – SELECTED INVESTMENT GRADE CORPORATE EURO**

#### **1.1 History**

The sub-fund was launched on 16 November 2009 at a subscription price per share of EUR 500. From 10 to 13 November 2009 - up to 5 p.m. subscriptions will be accepted at the price of USD 500 per share. The initial price will be paid by 13 November 2009 at the latest.

#### **1.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

#### **1.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

#### **1.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets without geographical limitation in a diversified bond portfolio issued by private companies within the limits allowed by the investment restrictions.

At the moment of purchase the securities have a Moody's rating of between Baa3 and Baa1 or an equivalent with Standard & Poor's or an equivalent quality according to our Management Company.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

The sub-fund may also invest up to one third of its net assets in money-market instruments issued by top-quality issuers when the investment decision is taken.

All investments will be denominated in EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

#### **1.5 Profile of the typical investor**

This sub-fund is aimed at investors wishing to invest a part of their assets in bonds and other debt securities denominated in EUR and generally issued by companies. The latter, when they are selected,

have a Moody's rating of between Baa3 and Baa1 or an equivalent with Standard & Poor's. The suggested investment horizon is between four and five years minimum.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 1.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

All the Shares issued by this Sub-fund are capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU0466397824	All types of investor	N/A	N/A	N/A	EUR	Capitalisation

## 1.7 Valuation Day

The Net Asset Value of the sub-fund is calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 1.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 1.9 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D] : day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)  
 [D+1] : day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;  
 [D+4] : deadline for the payment of the amount of the subscription or redemption.

## 1.9 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 5% of the NAV per share for the professional intermediary
Redemption fee	Max. 2% of the NAV per share for the professional intermediary
Conversion fee	Max. 1% of the NAV per share for the professional intermediary

## 1.10 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	Maximum 0.15 % of the net assets per year per sub-fund an annual minimum of EUR 45,000.
Registrar and Transfer Agent fee	EUR 3,000 per year
Management fee	Max. 0.75 % p.a. on the average of the Sub-fund's net assets payable quarterly

## 1.11 Past performance

The past performance of the sub-fund can be found in the KIID.

## 1.12 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## **2 RICHELIEU BOND – GOVERNMENT BONDS USD**

### **2.1 History**

The sub-fund was launched on 1 February 2010 at a subscription price per share of USD 504.68.

### **2.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is USD.

### **2.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

### **2.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets in a diversified bond portfolio issued by national or local governments or guaranteed by them or by supranational bodies within the limits allowed by the investment restrictions.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

All investments will be denominated in USD.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

### **2.5 Profile of the typical investor**

This sub-fund is aimed at investors wanting part of their assets invested in a diversified bond portfolio and other debt securities denominated in US dollars and issued mainly by national or local governments or guaranteed by them or by supranational bodies within the limits allowed by the investment restrictions. The advised investment period is a minimum of three years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 2.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

All the Shares issued by this Sub-fund are capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU0477232648	All types of investor	N/A	N/A	N/A	EUR	Capitalisation

## 2.7 Valuation Day

The Net Asset Value of the sub-fund is calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 2.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 2.9 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)
[D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;
[D+4]: deadline for the payment of the amount of the subscription or redemption.

## 2.9 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 5 % of the NAV per share for the professional intermediary
Redemption fee	Max. 2 % of the NAV per share for the professional intermediary
Conversion fee	Max. 1% of the NAV per share for the professional

	intermediary
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Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	Maximum 0.15 % of the net assets per year per sub-fund an annual minimum of EUR 45,000.
Registrar and Transfer Agent fee	EUR 3,000 per year
Management fee	Max. 0.5 % p.a. on the average of the Sub-fund's net assets payable quarterly

## 2.10 Past performance

The past performance of the sub-fund can be found in the KIID.

## 2.11 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

### **3 RICHELIEU BOND – GOVERNMENT EURO**

#### **3.1 History**

The sub-fund was launched on 1 February 2010 at a subscription price per share of EUR 512.32.

#### **3.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

#### **3.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

#### **3.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets in a diversified bond portfolio issued by national or local governments or guaranteed by them or by supranational bodies within the limits allowed by the investment restrictions.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

All investments will be denominated in EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

#### **3.5 Profile of the typical investor**

This sub-fund is aimed at investors wanting part of their assets invested in a diversified bond portfolio and other debt securities denominated in US dollars and issued mainly by national or local governments or guaranteed by them or by supranational bodies within the limits allowed by the investment restrictions. The advised investment period is a minimum of three years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

### 3.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

All the Shares issued by this Sub-fund are capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU0477234263	All types of investor	N/A	N/A	N/A	EUR	Capitalisation

### 3.7 Valuation Day

The Net Asset Value of the sub-fund is calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

### 3.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 3.9 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)
[D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;
[D+4]]: deadline for the payment of the amount of the subscription or redemption.

### 3.9 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 5 % of the NAV per share for the professional intermediary
Redemption fee	Max. 2 % of the NAV per share for the professional intermediary



Conversion fee	Max. 1% of the NAV per share for the professional intermediary
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### 3.10 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	Maximum 0.15 % of the net assets per year per sub-fund an annual minimum of EUR 45,000.
Registrar and Transfer Agent fee	EUR 3,000 per year
Management fee	Max. 0.5 % p.a. on the average of the Sub-fund's net assets payable quarterly

### 3.11 Past performance

The past performance of the sub-fund can be found in the KIID.

### 3.12 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## **4 RICHELIEU BOND – UPPER INVESTMENT GRADE CORPORATE EURO**

### **4.1 History**

The sub-fund was launched on 1 February 2010 at a subscription price per share of EUR 535.81.

### **4.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

### **4.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

### **4.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets without geographical limitation in a diversified bond portfolio issued by private companies within the limits allowed by the investment restrictions.

On purchase, the securities will have a rating of at least Baa3 from Moody's, BBB from Standard & Poor's or equivalent quality according to the manager's analysis.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

The sub-fund may also invest up to one third of its net assets in money-market instruments issued by top-quality issuers when the investment decision is taken.

All investments will be denominated in EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

### **4.5 Profile of the typical investor**

This sub-fund is aimed at investors wishing to invest a part of their assets in bonds and other debt securities denominated in EUR and generally issued by companies. They latter may or may not have, when they are selected, a BBB investment grade rating with Standard & Poor's or an equivalent rating from Moody's or Fitch. The recommended investment period is a minimum of 3 to 4 years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 4.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

All the Shares issued by this Sub-fund are capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU0477234420	All types of investor	N/A	N/A	N/A	EUR	Capitalisation

## 4.7 Valuation Day

The Net Asset Value of the sub-fund is calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 4.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 4.9 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)  
[D+1]: day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;  
[D+4]: deadline for the payment of the amount of the subscription or redemption.

## 4.9 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 5 % of the NAV per share for the professional
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	intermediary
Redemption fee	Max. 2 % of the NAV per share for the professional intermediary
Conversion fee	Max. 1% of the NAV per share for the professional intermediary

#### 4.10 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	Maximum 0.15 % of the net assets per year per sub-fund an annual minimum of EUR 45,000.
Registrar and Transfer Agent fee	EUR 3,000 per year
Management fee	Max. 0.75 % p.a. on the average of the Sub-fund's net assets payable quarterly

#### 4.11 Past performance

The past performance of the sub-fund can be found in the KIID.

#### 4.12 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## **5 RICHELIEU BOND – HIGH YIELD EURO**

### **5.1 History**

The sub-fund was launched on 15 October 2013 at a subscription price per share of EUR 500. From 11 to 15 October 2013 - up to 5 p.m. subscriptions will be accepted at the price of EUR 500 per share. The initial price will be paid by 15 October 2013 at the latest.

### **5.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

### **5.3 Investment objective**

The object is to increase the value of the capital invested by using the principle of risk diversification and aiming at long-term capital growth within a framework of higher risk, in particular by investing in high-yield bonds.

### **5.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets without geographical limitation in a diversified bond portfolio issued by private companies within the limits allowed by the investment restrictions.

The sub-fund shall mainly invest in securities which at the time of purchase have a rating lower than Baa3 from Moody's or lower than BBB- from Standard & Poor's, or no rating, or of equivalent quality according to the management company's analysis.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10 % of its net assets in UCI or UCITS shares or units.

The sub-fund may also invest up to one third of its net assets in money-market instruments issued by top-quality issuers when the investment decision is taken.

Investments shall be mainly denominated in EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

### **5.5 Risk profile of the typical investor**

This sub-fund is aimed at investors wishing to invest a part of their assets in bonds and other debt securities generally issued by companies and denominated in EUR. The advised investment period is a minimum of five (5) years or more.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

An investment in this sub-fund involves specific risks linked to high-yield bonds and credit default swaps (CDS) as described in Part I Clause 7. The risk are higher than an investment in a sub-fund investing in more traditional bonds. The NAV of this sub-fund is quite likely to fluctuate more than those of more traditional sub-funds.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 5.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

All the Shares issued by this Sub-fund are capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU0982532979	All types of investor	N/A	N/A	N/A	EUR	Capitalisation

## 5.7 Valuation Day

The Net Asset Value of the sub-fund shall be calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 5.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 5.9 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)  
 [D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;  
 [D+4] deadline for the payment of the amount of the subscription or redemption.

## 5.9 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 5 % of the NAV per share for the professional intermediary
Redemption fee	Max. 2 % of the NAV per share for the professional intermediary
Conversion fee	Max. 1% of the NAV per share for the professional intermediary

## 5.10 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	Maximum 0.15 % of the net assets per year per sub-fund an annual minimum of EUR 45.000.
Registrar and Transfer Agent fee	EUR 3.000 per year
Management fee	Max. 0.90 % p.a. on the average of the Sub-fund's net assets payable quarterly

## 5.11 Past performance

The past performance of the sub-fund can be found in the KIID.

## 5.12 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## **6 RICHELIEU BOND – RICHELIEU 2020**

### **6.1 History**

The sub-fund was launched on 08 January 2015 at a subscription price per share of EUR 500. From 5 to 7 January 2015 - up to 5 p.m. subscriptions will be accepted at the price of USD 500 per share. The initial price will be paid by 08 January 2015 at the latest.

### **6.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

### **6.3 Investment objective**

The object is to increase the value of the capital invested by using the principle of risk diversification and aiming at capital growth up to 30 December 2020. This objective is based on the market forecasts made by the management company being realised. This in no way constitutes a promise on returns or the performance of the sub-fund.

### **6.4 Investment Strategy**

This sub-fund invests without geographical limitation mainly in a diversified portfolio of bonds issued private companies within the limits laid down by the investment restrictions mentioned in Part I of this prospectus and with a maturity at most 6 months after 31 December 2020.

The sub-fund may invest up to 100% of its assets in securities which at the time of purchase have a rating lower than Baa3 from Moody's or lower than BBB- from Standard & Poor's, or no rating, or of equivalent quality according to the management company's analysis. The sub-fund shall not invest in securities which, at the time of purchase, have a rating equal to c (Moody's) or equal to D (Standard & Poor's). The sub-fund shall no longer invest in asset-backed securities (ABS) or mortgage-backed securities (MBS).

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10 % of its net assets in UCI or UCITS shares or units.

The sub-fund may also invest up to 100% of its net assets in money-market instruments issued by top-quality issuers when the investment decision is taken.

Investments shall be mainly denominated in EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.



## 6.5 Profile of the typical investor

This sub-fund is aimed at investors wishing to invest a part of their assets in bonds and other debt securities generally issued by private companies and denominated in EUR. The advised investment period is up to 30 December 2020.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

An investment in this sub-fund involves specific risks linked to high-yield bonds as described in Part I Clause 6.6. The risk are higher than an investment in a sub-fund investing in more traditional bonds. The NAV of this sub-fund is quite likely to fluctuate more than those of more traditional sub-funds.

An investment in this sub-fund may involve specific risks linked to emerging countries as described in Part I Clause 6.10.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 6.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU1151057954	Investors who are clients of the KBL epb group and authorised investors	N/A	N/A	N/A	EUR	Capitalisation
A	LU1151059737	Investors who are clients of the KBL epb group and authorised investors	N/A	N/A	N/A	EUR	Distribution

## 6.7 Valuation Day

The Net Asset Value of the sub-fund shall be calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following business day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and

conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 6.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 6.9 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)
[D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;
[D+4] deadline for the payment of the amount of the subscription or redemption.

## 6.9 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 5 % of the NAV per share for the professional intermediary
Redemption fee	Max. 3 % of the NAV per share for the sub-fund.
Conversion fee	Max. 2 % of the NAV per share for the professional intermediary

## 6.10 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	An annual fixed fee of EUR 24,300.00 to which is added a max. of 0.021% p.a. calculated on the sub-fund's average net assets and payable monthly to which are added transaction fees.
Registrar and Transfer Agent fee	Fees are charged for automatic transactions and manual transactions, to which is added an annual maintenance fee of EUR 13 per retail investor and EUR 40 per institutional investor.
Management fee	Max. 0.50% p.a. on the average of the Sub-fund's net assets payable quarterly

## 6.11 Past performance

The past performance of the sub-fund can be found in the KIID.

## 6.12 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

### **6.13 Closure of the sub-fund**

Unless the Board of Directors deems that there are exceptional circumstances, the sub-fund shall be closed in accordance with the stipulations of the prospectus and the Sicav's articles of association on 30 December 2020.

## **7 RICHELIEU BOND – INTERNATIONAL**

### **7.1 History**

The sub-fund will be launched later. When it is launched, the prospectus shall be updated.

### **7.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

### **7.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

### **7.4 Investment Strategy**

This sub-fund invests across the world in accordance with the Bloomberg Global Developed Sovereign Bond Index. Emerging countries are not targeted.

This sub-fund invests at least two-thirds of its assets in a diversified bond portfolio mainly issued by national or local governments or guaranteed by them or issued by supranational bodies within the limits allowed by the investment restrictions. The securities in the portfolio will have a rating of at least Baa3 from Moody's, BBB from Standard & Poor's or equivalent quality according to the manager's analysis.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

Investments may be denominated in other currencies than EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging the sub-fund may use derivative techniques and instruments. The underlyings for derivative instruments shall only be national or local government bonds or bonds guaranteed by the same.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

### **7.5 Risk profile of the typical investor**

This sub-fund is aimed at investors wanting part of their assets invested in a diversified bond portfolio and other debt securities denominated in different currencies and issued mainly by national or local governments or guaranteed by them or by supranational bodies within the limits allowed by the investment restrictions. The recommended investment period is a minimum of five years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 7.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

Shares issued by this sub-fund are distribution and capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU1295557695	All types of investor	N/A	N/A	N/A	EUR	Capitalisation
A	LU1295557778	All types of investor	N/A	N/A	N/A	EUR	Distribution

## 7.7 Valuation Day

The Net Asset Value of the sub-fund shall be calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 7.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 7.10 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

<p>[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)</p> <p>[D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;</p> <p>[D+4]: deadline for the payment of the amount of the subscription or redemption.</p>
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## 7.9 Manager

By a management agreement dated 16 September 2015, Puilaetco Dewaay Private Bankers S.A. was appointed manager of this sub-fund by the Management Company. This agreement may be terminated by one of the two parties giving 90 days' written notice or immediately by the management company if this is in the shareholders' interest.

Member of a group whose origins date back to 1923 and present in Belgium and Luxembourg Puilaetco Dewaay Private Bankers S.A. is in particular active in wealth management for individual and institutional clients. Private banking activities are characterised by a range of value-added services aimed at clients under management. Most undertakings for collective investment managed by the group and whose assets amount to several million euro are developed and managed within this framework.

## 7.10 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 1% of the NAV per share for the professional intermediary
Redemption fee	0%
Conversion fee	0%

## 7.11 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	An annual fixed fee of EUR 24,300.00 to which is added a maximum of 0.021% p.a. calculated on the sub-fund's average net assets and payable monthly to which are added transaction fees.
Registrar and Transfer Agent fee	Fees are charged for automatic transactions and manual transactions, to which is added an annual maintenance fee of EUR 13 per retail investor and EUR 40 per institutional investor.
Management fee in favour of the Manager	Max. 0.80% p.a. on the average of the Sub-fund's net assets payable quarterly

## 7.12 Past performance

The past performance of the sub-fund can be found in the KIID.

## 7.13 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## **8 RICHELIEU BOND – DOLLAR**

### **8.1 History**

The sub-fund will be launched later. When it is launched, the prospectus shall be updated.

### **8.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is USD.

### **8.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

### **8.4 Investment Strategy**

This sub-fund invests mainly in countries whose official currency is the dollar (USA, Canada, Australia and New Zealand). Emerging countries are not targeted. At least two-thirds of the investments shall be denominated in USD, CAD, AUD and/or NZD.

This sub-fund invests at least two-thirds of its assets in a diversified bond portfolio mainly issued by national or local governments or guaranteed by them or issued by supranational bodies within the limits allowed by the investment restrictions. The sub-fund invests solely in bonds which, on purchase, have a rating of at least Baa3 from Moody's, BBB from Standard & Poor's or equivalent quality according to the manager's analysis.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging the sub-fund may use derivative techniques and instruments. The underlyings for derivative instruments shall only be national or local government bonds or bonds guaranteed by the same.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

### **8.5 Risk profile of the typical investor**

This sub-fund is aimed at investors wanting part of their assets invested in a diversified bond portfolio and other debt securities denominated in dollars and issued mainly by national or local governments or guaranteed by them or by supranational bodies within the limits allowed by the investment restrictions. The recommended investment period is a minimum of five years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 8.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

Shares issued by this sub-fund are distribution and capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU1295557851	All types of investor	N/A	N/A	N/A	USD	Capitalisation
A	LU1295558156	All types of investor	N/A	N/A	N/A	USD	Distribution

## 8.7 Valuation Day

The Net Asset Value of the sub-fund shall be calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 8.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 8.10 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)  
 [D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;  
 [D+4]: deadline for the payment of the amount of the subscription or redemption.

## 8.9 Manager



By a management agreement dated 16 September 2015, Puilaetco Dewaay Private Bankers S.A. was appointed manager of this sub-fund by the Management Company. This agreement may be terminated by one of the two parties giving 90 days' written notice or immediately by the management company if this is in the shareholders' interest.

Member of a group whose origins date back to 1923 and present in Belgium and Luxembourg Puilaetco Dewaay Private Bankers S.A. is in particular active in wealth management for individual and institutional clients. Private banking activities are characterised by a range of value-added services aimed at clients under management. Most undertakings for collective investment managed by the group and whose assets amount to several million euro are developed and managed within this framework.

## 8.10 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 2% of the NAV per share for the professional intermediary
Redemption fee	0%
Conversion fee	0%

## 8.11 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	An annual fixed fee of EUR 24,300.00 to which is added a maximum of 0.021% p.a. calculated on the sub-fund's average net assets and payable monthly to which are added transaction fees.
Registrar and Transfer Agent fee	Fees are charged for automatic transactions and manual transactions, to which is added an annual maintenance fee of EUR 13 per retail investor and EUR 40 per institutional investor.
Management fee in favour of the Manager	Max. 0.80% p.a. on the average of the Sub-fund's net assets payable quarterly

## 8.12 Past performance

The past performance of the sub-fund can be found in the KIID.

## 8.13 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## 8.14 Specific risks

The value of a share may go up or down, in which case the investor may get back less than he paid in.

Description of the risks deemed significant and pertinent, as evaluated by the sub-fund:

- **Market risk:** the market risk is medium since there are risks of loss due to fluctuations in bond prices.
- **Concentration risk:** the concentration is medium since the sub-fund's assets are mainly invested in dollar bloc currencies.

### Richelieu Bond

- **Performance risk:** the performance risk is medium since the tracking error risk (volatility compared to the benchmark index) should be below 3%.
- **Inflation risk:** inflation risk is medium since all things being equal elsewhere, a rise in inflation results in a rise in the nominal yield of a bond and thus a drop in its price. Since the sub-fund consists mainly of non-inflation linked bonds, the investor must be aware of this average risk.

## **9 RICHELIEU BOND – EURO**

### **9.1 History**

The sub-fund will be launched later. When it is launched, the prospectus shall be updated.

### **9.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

### **9.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

### **9.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets without geographic restrictions in a diversified portfolio of bonds and may hold shares of issuers from emerging countries. The sub-fund may invest up to 10% in high-yield bonds, including contingent convertible bonds (cocos) and up to 10% in non-rated bonds. Each coco shall be selected by the manager on the basis of its characteristics, in particular risk-return and the capital structure of the issuing bank.

Generally speaking, the sub-fund shall aim to invest in all rated segments of the bond market, except for distressed securities and defaulted securities. The sub-fund does not target any type of issuer in particular and shall aim to be highly diversified and invest in securities of all maturities issued by governments, financial institutions and companies.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

The net assets shall be at least 90% invested in assets denominated in EUR, the remaining 10% may be invested outside the eurozone.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes and/or increasing its exposure. Derivatives may be used to hedge the exchange risk.

### **9.5 Risk profile of the typical investor**

This sub-fund is aimed at investors wishing to invest a part of their assets in a diversified portfolio of bonds and other debt securities mainly denominated in EUR within the limits laid down by the investment restrictions. The advised investment period is a minimum of three years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

The shareholder may lose all the invested capital.

## 9.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

Shares issued by this sub-fund are distribution and capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU1295557935	All types of investor	N/A	N/A	N/A	EUR	Capitalisation
A	LU1295558230	All types of investor	N/A	N/A	N/A	EUR	Distribution

## 9.7 Valuation Day

The Net Asset Value of the sub-fund shall be calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 9.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 9.10 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)

[D+1] : day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;  
 [D+4]: deadline for the payment of the amount of the subscription or redemption.

## 9.9 Manager

By a management agreement dated 16 September 2015, Puilaetco Dewaay Private Bankers S.A. was appointed manager of this sub-fund by the Management Company. This agreement may be terminated by one of the two parties giving 90 days' written notice or immediately by the management company if this is in the shareholders' interest.

Member of a group whose origins date back to 1923 and present in Belgium and Luxembourg Puilaetco Dewaay Private Bankers S.A. is in particular active in wealth management for individual and institutional clients. Private banking activities are characterised by a range of value-added services aimed at clients under management. Most undertakings for collective investment managed by the group and whose assets amount to several million euro are developed and managed within this framework.

## 9.10 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 2.5% of the NAV per share for the professional intermediary
Redemption fee	0%
Conversion fee	0%

## 9.11 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	An annual fixed fee of EUR 24,300.00 to which is added a maximum of 0.021% p.a. calculated on the sub-fund's average net assets and payable monthly to which are added transaction fees.
Registrar and Transfer Agent fee	Fees are charged for automatic transactions and manual transactions, to which is added an annual maintenance fee of EUR 13 per retail investor and EUR 40 per institutional investor.
Management fee in favour of the Manager	Max. 0.65% p.a. on the average of the Sub-fund's net assets payable quarterly

## 9.12 Past performance

The past performance of the sub-fund can be found in the KIID.

## 9.13 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## **10 RICHELIEU BOND – EURO PRIME**

### **10.1 History**

The sub-fund will be launched later. When it is launched, the prospectus shall be updated.

### **10.2 Currency of the sub-fund**

The benchmark currency of the Sub-fund is EUR.

### **10.3 Investment objective**

The objective is the maximum increase in value of the assets invested.

### **10.4 Investment Strategy**

This sub-fund invests at least two-thirds of its assets without geographic restrictions in a diversified portfolio of bonds issued which may have maturities all along the rate curve..

The securities in the portfolio will have a rating of at least Baa3 from Moody's, BBB from Standard & Poor's or equivalent quality according to the manager's analysis. The average rating of securities in the portfolio shall be close to A but may fluctuate between AA and A-. No weighting by rating is planned. National or local government bonds or bonds guaranteed by the same shall have an investment grade rating, that is between Aaa and Baa3 for Moody's or between AAA and BBB for S&P. Other bonds should have a rating between Aaa and A3 for Moody's and between AAA and A- for S&P.

By derogation from Part I of the Prospectus, the sub-fund may invest up to 10% of its net assets in UCI or UCITS shares or units.

All investments will be denominated in EUR.

Within the limits of the investment restrictions as described in this Prospectus and with the purpose of hedging and efficient portfolio management, the sub-fund may use derivative techniques and instruments.

The sub-fund may invest in derivatives (in particular futures, options, swaps and forward exchanges) for hedging purposes. Derivatives may be used to hedge the exchange risk. The underlyings for derivative instruments shall only be national or local government bonds or bonds guaranteed by the same.

### **10.5 Risk profile of the typical investor**

This sub-fund is aimed at investors wanting part of their assets invested in a diversified bond portfolio and other debt securities denominated euros and which may have maturities all along the rate curve within the limits allowed by the investment restrictions. The recommended investment period is a minimum of five years.

The chance to invest in this Sub-fund depends on the personal situation of each investor, in particular personal wealth, needs and the duration of the abovementioned recommended investment. It is advisable to diversify all investments enough so as not to be exposed to the risks of a single UCITS.

Each investor should analyse the risk inherent in such an investment and form his own opinion, if necessary taking the advice of specialists to be sure that this investment is suitable for their financial situation.

## 10.6 Shares

Shares are registered and may also be held and transferred through clearing centres (Clearstream, Euroclear, ...).

Shares issued by this sub-fund are distribution and capitalisation Shares.

The share classes available for this sub-fund are the following:

Class/Cat egory	ISIN code	Investors	Min. initial subscripti on	Min holding	Min subsequent subscription	Curren cy	Dividend policy
A	LU1295558073	All types of investor	N/A	N/A	N/A	EUR	Capitalisation
A	LU1295558313	All types of investor	N/A	N/A	N/A	EUR	Distribution

## 10.7 Valuation Day

The Net Asset Value of the sub-fund shall be calculated on a daily basis, except for bank holidays in Luxembourg even if the benchmark exchanges are open; in this case it will be calculated the following day.

It should be noted that the Board of Directors is authorised to suspend temporarily the calculation of the Net Asset Value of one or more sub-funds and/or asset classes, as well as issues, redemptions and conversions of shares in particular if, during any period in which one of the main markets or main stock exchanges on which a substantial part of the sub-fund's investments is listed, is closed.

## 10.8 Subscription, redemption and conversion

Subscription redemption and conversion requests received by the Transfer Agent and appointed Registrar on D before 2 p.m. (Luxembourg time) will in principle be treated at the NAV of D, calculated at D+1, plus any fees, taxes and stamp duties and any commissions stipulated under section 10.10 below.

Subscriptions must be paid up at the latest four working days following the Net Asset Value date. Redemptions must be paid up at the latest four working days following the Net Asset Value date.

<p>[D]: day the subscription, redemption or conversion request is received by the Transfer Agent and appointed Registrar before 2 p.m. (Luxembourg time)</p> <p>[D+1] :day the NAV is calculated on the basis of the stock market prices on D, NAV dated D;</p>
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[D+4]: deadline for the payment of the amount of the subscription or redemption.

## 10.9 Manager

By a management agreement dated 16 September 2015, Puilaetco Dewaay Private Bankers S.A. was appointed manager of this sub-fund by the Management Company. This agreement may be terminated by one of the two parties giving 90 days' written notice or immediately by the management company if this is in the shareholders' interest.

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## 10.10 Fees for subscriptions, redemptions and conversions

Subscription fee	Max. 2% of the NAV per share for the professional intermediary
Redemption fee	0%
Conversion fee	0%

## 10.11 Fees paid by the Sub-fund

Type of fee	Maximum fee amount / percentage.
Administrative Agent fee	An annual fixed fee of EUR 24,300.00 to which is added a maximum of 0.021% p.a. calculated on the sub-fund's average net assets and payable monthly to which are added transaction fees.
Registrar and Transfer Agent fee	Fees are charged for automatic transactions and manual transactions, to which is added an annual maintenance fee of EUR 13 per retail investor and EUR 40 per institutional investor.
Management fee in favour of the Manager	Max. 0.80% p.a. on the average of the sub-fund's net assets payable quarterly

## 10.12 Past performance

The past performance of the sub-fund can be found in the KIID.

## 10.13 Global exposure limits

The Sub-fund has recourse to an approach by liabilities in order at all times to control and measure the risks associated with its investments and the contribution of the latter within the global risk profile of the portfolio of the Sub-fund.

## 10.14 Specific risk

The value of a share may go up or down, in which case the investor may get back less than he paid in.



## Richelieu Bond

Description of the risks deemed significant and pertinent, as evaluated by the sub-fund:

- **Inflation risk:** inflation risk is average since all things being equal elsewhere, a rise in inflation results in a rise in the nominal yield of a bond and thus a drop in its price. Since the sub-fund consists mainly of non-inflation linked bonds, the investor must be aware of this average risk.