CANDRIAM ALTERNATIVE RETURN

Société d'Investissement à Capital Variable (open-ended investment company) - Specialised investment fund

Luxembourg

PROSPECTUS

Subscriptions may only be accepted if made on the basis of this prospectus
which is only valid if accompanied by the last available annual report.
This document forms an integral part of this prospectus.

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27 December 2016

INTRODUCTION

CANDRIAM ALTERNATIVE RETURN (hereinafter the "SICAV") is a société anonyme [public limited company] created in the form of an open-ended investment company - specialised investment fund in umbrella form in accordance with the laws of the Grand Duchy of Luxembourg.
The SICAV is registered on the official list of undertakings for collective investment in accordance with the law of 13 February 2007 on specialised investment funds, as amended (hereinafter the "Law of 2007") the exclusive object of which is the collective investment of their funds in securities in order to spread investment risks and pass on to investors the proceeds of managing their assets, and which reserve their securities for one or more well-informed institutional investors.
The SICAV qualifies as an alternative investment fund within the meaning of the Law of 12 July 2013 on Alternative Investment Fund Managers (hereinafter the "AIFM Law").

This registration may not under any circumstances be interpreted as a positive assessment on the part of the supervisory authority of the quality of the securities offered for sale.

This prospectus may not be used for the purpose of offering or soliciting sales in any country or in any situation in which such offering or solicitation is not authorised.

Shares in this SICAV are not and will not be registered in the United States in accordance with the *U.S. Securities Act of 1933*, as amended (hereinafter the "*1933 Securities Act"*) and are not and will not be eligible under any law of the United States. These shares must not be offered, sold or transferred to the United States (including its territories and possessions) or directly or indirectly benefit any *U.S. Person* (as defined in Regulation S of the 1933 Securities Act and similar). **However, notwithstanding the foregoing, the SICAV reserves the right to make a private placement of its shares to a limited number of U.S. Persons to the extent permitted under applicable U.S. law.**

In addition, financial institutions which do not comply with the FATCA programme (FATCA stands for the U.S. Foreign Account Tax Compliance Act), as included in the Hiring Incentives to Restore Employment Act (hereinafter the "HIRE Act"), and its application measures, including the identical provisions adopted by partner countries which have signed an "Intergovernmental Agreement" with the United States, must expect to be forced to have their shares redeemed when the programme is put in place.

Pursuant to an exemption from the Commodity Futures Trading Commission (the "CFTC") in connection with funds whose investors are limited to qualified eligible persons in accordance with the applicable U.S. rules, a prospectus of this SICAV is not required to be, and has not been, submitted to the CFTC. The CFTC does not pass upon the merits of the holdings in a fund nor upon the adequacy or accuracy of a prospectus. Consequently, the CFTC has not reviewed nor approved this prospectus or any prospectus for this SICAV.

The shares in the SICAV may not be offered, sold or transferred to a U.S. employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") or any other U.S. employee benefit plan or U.S. individual retirement account or arrangement ("IRA") and may not be offered, sold or transferred to a fiduciary or any other person or entity acting on behalf of the assets of a U.S. employee benefit plan or IRA (collectively, a "U.S. benefit plan investor"). Subscribers for shares in the SICAV may be required to certify in writing that they are not a U.S. benefit plan investor. Shareholders are required to notify the SICAV immediately in the event that they are or become a U.S. benefit plan investor and will be required to dispose of their shares to non-U.S. benefit plan investors. The SICAV reserves the right to repurchase any shares which are or become owned, directly or indirectly, by a U.S. benefit plan investor. However, notwithstanding the foregoing, the SICAV reserves the right to make a private placement of its shares to a limited number of U.S. benefit plan investors, to the extent permitted under applicable U.S. law.

The SICAV will not raise funds on public markets and will not issue shares to investors not deemed to be informed investors as defined in the Law of 2007.

No one may refer to any information other than that contained in this prospectus or in the documents referred to herein that may be consulted by the general public.

The Board of Directors of the SICAV is liable for the accuracy of the information contained in this prospectus on its date of publication.

This prospectus may be updated to reflect significant changes needing to be made. Accordingly, it is recommended that subscribers contact the SICAV to enquire whether there is a more recent prospectus.

It is recommended that subscribers seek advice on the laws and regulations such as those on taxation and foreign exchange control applicable to the subscription, purchase, ownership and sale of shares in their place of origin, residence and domicile.

This prospectus is valid only if accompanied by the last available annual report.

Any reference made in this prospectus to the term CHF concerns the currency of Switzerland, to the term EUR concerns the currency of the countries that are part of the European Economic and Monetary Union, to the term GBP concerns the currency of the United Kingdom and to the term USD concerns the currency of the United States of America.

The SICAV reminds investors that any investors may only fully exercise their investor rights directly in relation to the SICAV, in particular the right to attend general meetings of shareholders, if the investors are registered in their own name in the register of shareholders of the SICAV. In the event that the investor invests in the SICAV through an intermediary investing in the SICAV in its name but on behalf of the investor, some shareholder rights may not necessarily be exercised by the investor directly in relation to the SICAV. Investors are recommended to obtain information on their rights.

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1. Management and administration

Board of Directors:

Chairman

Mr Jean-Yves **Maldague**
Managing Director
Candriam Luxembourg

Directors

- Mr Fabrice **Cuchet**
  Global Head of Alternative Investment
  Member of the Group Strategic Committee
  Candriam France

- M. Emmanuel **Terraz**
  Deputy Head of Alternative Strategies
  Candriam France

- **Candriam Luxembourg**
  Represented by Mr Alain Peters
  SERENITY- Bloc B
  19-21, route d'Arlon – L-8009 Strassen

Asset Manager:

Candriam Luxembourg
SERENITY - Bloc B
19-21, route d'Arlon
L-8009 Strassen

Board of Directors

Chairwoman:

- **Ms Yie-Hsin Hung**
  Chairman and Chief Executive Officer
  New York Life Investment Management LLC

Members:

- **Mr Jean-Yves Maldague**
  Managing Director
  Candriam Luxembourg

- **Mr Naïm Abou-Jaoudé**
  Chief Executive Officer
  Candriam Investors Group

- **Mr John M. Grady**
  Senior Managing Director
  New York Life Investment Management LLC

- **Mr John T. Fleurant**
  Executive Vice President and
  Chief Financial Officer
  New York Life Insurance Company

- **Mr Christopher O. Blunt**
  Executive Vice President and President of the Investments Group
  New York Life Insurance Company

Management Committee

Chairman:

- **Mr Jean-Yves Maldague,**
  Managing Director
  Candriam Luxembourg

Members:

- **Mr Naïm Abou-Jaoudé,** Director - Manager
- **Mr Michel Ory,** Manager
- **Mr Alain Peters,** Manager

Portfolio management is delegated to **Candriam France**, 40, rue Washington, F - 75408 Paris Cedex 08 ("portfolio manager").

The securities lending and borrowing operations are delegated to **Candriam France**, 40, rue Washington, F - 75408 Paris Cedex 08.

Central administration is delegated to **RBC Investor Services Bank S.A.**, 14, porte de France, L - 4360 Esch sur Alzette.

Depositary and paying agent	**RBC Investor Services Bank S.A.** 14, porte de France L- 4360 Esch-sur-Alzette
Certified auditors	
PricewaterhouseCoopers	2, rue Gerhard Mercator, BP 1443 L - 1014 Luxembourg

2. General description

The SICAV was formed on 6 June 2013 with an initial subscribed capital of EUR 31,500 for an unspecified period.

It is governed by the law of 10 August 1915 on commercial companies as amended (the "Law of 1915") and by the Law of 2007.

The articles of incorporation were filed with the Luxembourg Trade & Companies Register and published in the Mémorial C, Recueil Spécial des Sociétés et Associations du Luxembourg (the "Mémorial") on 18 June 2013. The articles of incorporation were last amended on 15 September 2014 and the corresponding amendments were published in the Mémorial. The coordinated articles of incorporation have been filed with the Luxembourg Trade and Companies Register.
These documents can be examined there and copies may be obtained on request on payment of the required administrative fees.

The SICAV is registered with the Luxembourg Trade and Companies Register under number B-177846.

The SICAV's registered office is 14, porte de France, L - 4360 Esch-sur-Alzette.

The minimum share capital of the SICAV, which must be reached in the first twelve months following approval of the SICAV as a UCI subject to the Law of 2007, amounts to EUR 1,250,000. The share capital consists of fully paid-up shares of no par value.

Changes in capital occur automatically and do not need to be announced or recorded in the Luxembourg Trade and Companies Register in the same way as required for a capital increase or decrease of a société anonyme.

The SICAV is in the form of an umbrella SICAV, which is made up of a number of sub-funds each representing a specific pool of assets and liabilities and each adhering to a specific investment policy.

The Board of Directors may at any time set up new sub-funds. In this case, the prospectus will be updated accordingly in order to include the detailed information on this new sub-fund.

The following classes may be issued:

- A **Classique** class, offered to institutional investors, professional investors and other well-informed investors within the meaning of the Law of 2007.

- An **I**, which is reserved exclusively for institutional investors whose minimum initial subscription is EUR 250,000 (this minimum may be changed at the discretion of the Board of Directors provided equal treatment of shareholders is ensured on the same valuation date, subject to the rules applicable to Well-Informed Investors).

- An **R** class, reserved for certain distributors and intermediaries approved by the Asset Manager who will not receive any form of remuneration from the Asset Manager.

- An **R2** class reserved for:

    – Distributors and/or intermediaries approved by the Asset Manager who will not receive any form of remuneration for investments in this class from an entity of the Candriam group, if the final investments in the shares are made in the context of a mandate.

    – UCIs approved by the Asset Manager.

- An **S** class, reserved for institutional investors specially approved by the Asset Manager whose minimum initial subscription is EUR 5,000,000 or the equivalent in any other foreign currency authorised by the prospectus. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.

- A **V** class, which is reserved exclusively for institutional investors whose minimum initial subscription is EUR 5,000,000 (this minimum may be changed at the discretion of the Board of Directors provided equal treatment of shareholders is ensured on the same valuation date, subject to the rules applicable to Well-Informed Investors).

- A **Z** class reserved for:

    – Institutional/professional investors approved by the Asset Manager. The portfolio management activity for this class is directly remunerated through the contract concluded with the investor, so no portfolio management fee is payable for the assets of this class.
    – UCIs approved by the Asset Manager and managed by an entity of the Candriam group.

If it appears that an investor no longer meets the conditions for accessing the class in question, the Board of Directors may take all the necessary measures and, if necessary, convert the shares into another appropriate class.

The Board of Directors of the SICAV defines the investment policy of each sub-fund and is responsible for the implementation of this policy. The investment objective and policy are described in the fact sheets to be found at the end of this prospectus (the "Fact Sheets").

The Board of Directors may launch other sub-funds whose investment policies and offer terms will be notified at the appropriate time through the issue of an update of this prospectus and advertised to investors in the press as deemed appropriate by the Board of Directors.

In accordance with article 54 of the law of 2007, the fundamental elements of the prospectus - in particular the investment strategy and policy - will be updated at the time of issuing further securities to new investors. Any change to the fundamental elements of the prospectus is subject to the approval of the CSSF.

3. Management and administration

3.1. The Board of Directors

The Board of Directors of the SICAV is responsible for managing the assets of each of the sub-funds of the SICAV.

It may perform any management or administration duties on behalf of the SICAV, notably the purchase, sale, subscription or exchange of any securities, and exercise any rights directly or indirectly attached to the assets of the SICAV.

The list of members of the Board of Directors is found in the prospectus and in the annual report.

3.2. The Asset Manager

The Asset Manager of the SICAV is Candriam Luxembourg, whose registered office is located at L-8009 Strassen, 19-21 route d'Arlon, SERENITY Bloc B, a partnership limited by shares, incorporated in Luxembourg on 10 July 1991 (hereinafter the "Asset Manager"). It commenced its management activities on 1 February 1999 and is a subsidiary of New York Life Investment Management Global Holdings Europe s.à.r.l., a New York Life Insurance Company Group entity.
It was appointed by the SICAV under the terms of an agreement entered into by the SICAV and the Asset Manager for an unlimited term. This agreement may be terminated by either party subject to 90 days' advance written notice.

Candriam Luxembourg received approval as a management company within the meaning of chapter 15 of the Law, and is authorised to provide collective portfolio management, investment portfolio management and investment advisory services.
It has also received approval to manage alternative investment funds within the meaning of chapter 2 of the AIFM Law, and is authorised to carry out collective management of alternative investment funds.

The list of entities managed by the Asset Manager is available upon request from the same.

Its articles of incorporation were amended for the last time on 05 May 2015 and the amendments were published in the Mémorial.

The Asset Manager is registered with the Luxembourg Trade and Companies Register under number B-37.647.

The Asset Manager's capital is EUR 62,115,420. It is established for an unlimited period. Its financial year ends on 31 December each year.

For the purpose of the activities which it exercises by virtue of the AIFM Law, the Asset Manager has sufficient equity capital to cover any possible risks in terms of the liability for professional negligence to which it may be exposed.

The Asset Manager is invested with the broadest possible powers to carry out UCI management and administration activities in pursuance of its objects.

It is responsible for portfolio management, risk management, administration and marketing (distribution).

In accordance with the AIFM Law and the agreement appointing the Asset Manager, the Asset Manager is authorised to delegate its duties, powers and obligations in whole or in part to any person or company it deems fit, subject to the proviso that the prospectus is updated beforehand. The Asset Manager, however, retains full responsibility for the actions of the one or more delegates.

The various duties carried out by the Asset Manager or any of its delegates give it the right to collect fees, which are payable by the SICAV to the Asset Manager and are detailed below.

These fees cover portfolio management, risk management, administration and marketing activities.

Investors are invited to read the SICAV's annual reports to obtained detailed information on the fees paid to the Asset Manager or its delegates as remuneration for their services. These annual reports are available at the SICAV's registered office.

The Asset Manager has established an internal organisational structure that guarantees fair treatment of investors by way of, among other things, structural measures (code of professional ethics and a policy to identify, prevent and manage conflicts of interest) and operational procedures.

3.2.1. Investment management

a) Portfolio management and risk management

The Board of Directors of the SICAV is responsible for the investment policy of the various sub-funds. The SICAV has appointed the Asset Manager to implement the investment policy and to manage the risks of the various sub-funds.

The Asset Manager has delegated, under its supervision and responsibility and at its own expense, the portfolio management of certain sub-funds of the SICAV to its French subsidiary Candriam France, whose registered office is at 40, rue Washington, F-75408 Paris Cedex 08, via a delegation agreement entered into for an unlimited term ("portfolio manager"). This agreement may be terminated by either party subject to advance written notice of 90 days or by the Asset Manager with immediate effect when this is in the interests of the investors.

The Asset Manager has delegated, under its supervision and responsibility, the conduct of the securities lending and borrowing operations in certain sub-funds to Candriam France via a delegation agreement entered into for an unlimited term. This agreement may be terminated by either party subject to advance written notice of 90 days or by the Asset Manager with immediate effect when this is in the interests of the investors.

In addition, some of the risk management activity may be delegated to Candriam Belgium and/or Candriam France, under the supervision and responsibility of the Asset Manager.

Candriam Belgium is an alternative investment fund manager/UCI management company formed in Belgium in 1998 for an unlimited term. It is supervised by the Asset Manager.

Candriam France is an alternative investment fund manager/portfolio management company formed in France in 1988 for a limited term.

As remuneration for its services (apart from securities lending and borrowing), the Asset Manager will receive management fees, expressed as an annual percentage of the average net asset value, at the rates specified in the fact sheets for the various sub-funds. These fees will be payable by the SICAV at the end of each month and they cover portfolio management, risk management and marketing activities.

b) Procedure for selecting intermediaries

Pursuant to its policy for selecting intermediaries to which the Asset Manager sends orders for execution, the Asset Manager selects intermediaries to which it sends orders for execution for the major classes of financial instruments (bonds, shares, derivative products). The selection is mainly based on the intermediary’s execution policy and is subject to the selection policy for financial intermediaries.
The main execution factors considered are: price, cost, speed, probability of execution and settlement, size and type of order. In application of the broker and counterparty selection and evaluation procedure and further to the request of the Asset Manager, the Asset Manager's Broker Review approves or refuses any new broker application.
Therefore pursuant to this policy, a list by type of instruments (equities, interest rates, money market, derivatives) of the authorised brokers and a list of the authorised counterparties are kept.

Furthermore, the list of approved brokers is reviewed on a regular basis so as to evaluate them on the basis of various filters and make any appropriate and necessary changes.

c) Voting rights policy

The Asset Manager may, inter alia, exercise on behalf of the SICAV, all the voting rights attached to the transferable securities in the SICAV's portfolios. It will ensure that these voting rights are exercised to the sole benefit of the SICAV and its investors. The Asset Manager will provide investors with the corresponding information for any voting rights on its website www.candriam.com.

3.2.2. Central administration functions

Under the terms of an agreement entered into for an unlimited term, the Asset Manager has delegated all its central administration functions and domiciliary agent activity for the SICAV to RBC Investor Services Bank S.A. This agreement may be terminated by either party subject to advance written notice of 90 days or by the Asset Manager with immediate effect when this is in the interests of the investors.

RBC Investor Services Bank S.A. is therefore responsible for keeping the SICAV's accounts, calculating and publishing the net asset value of the shares of each sub-fund, in accordance with the law and the SICAV's articles of incorporation, and, generally speaking, carrying out on behalf of the SICAV all the administrative functions required by the law and connected with the administration of the SICAV.

RBC Investor Services Bank S.A. is therefore also responsible for processing subscription, redemption and conversion applications for the shares of the SICAV and for keeping the register of shareholders ("transfer agent").

RBC Investor Services Bank S.A. is registered in the Luxembourg Trade and Companies Register (RCS) under number B-47192 and was formed in 1994 under the name "First European Transfer Agent". It holds a banking licence in accordance with the Luxembourg Law of 5 April 1993 on the financial sector, as amended, and specialises in the provision of depositary, administrative agent and other related services. As at 31 October 2015, its equity capital amounted to approximately EUR 983,781,177.

RBC Investor Services Bank S.A. will receive an annual fee payable at the end of each quarter as remuneration for central administration agent duties.

3.2.3. Marketing

The marketing function consists in coordinating the marketing of the SICAV's shares through distributors and/or intermediaries designated by the Asset Manager (hereinafter "Distributors"). A list of Distributors can be obtained by investors free of charge from the Asset Manager's registered office.

Distributor or investment agreements may be entered into by the Asset Manager and the various Distributors.
Under these agreements, the Distributor, in its capacity as nominee, will be entered in the register of shareholders instead of the customers who have invested in the SICAV.
These agreements stipulate that a customer who has invested in the SICAV through the Distributor may at any time request the transfer of the shares purchased via the Distributor into his or her own name in the register upon receipt of the transfer instructions from the Distributor.

Shareholders may subscribe to the SICAV directly without needing to subscribe through a Distributor.

There may be agreements between the Asset Manager and the distributors by virtue of which the distributors may receive a securities placement fee which may not exceed a maximum rate of 75% of the management fees which the Asset Manager receives from the SICAV.
When these agreements are made, the Asset Manager will do everything possible to avoid any possible conflicts of interest. However, if conflicts of interest were to emerge, the Asset Manager would act in the sole interest of the shareholders of the SICAV.
The shareholders of the SICAV can obtain further details on the payments stated above by sending a written request to the Asset Manager.

Any Distributor appointed will apply the procedures to combat money laundering as defined in the section entitled "Issue of shares and subscription and payment procedure" of the prospectus. The Distributor must be a professional of the financial sector in a country subject to duties of compliance with measures to combat money laundering and terrorist financing equivalent to those under Luxembourg law or European Directive 2005/60/EC.

3.2.4. Conflicts of interest

The Asset Manager has implemented a written procedure with which to identify, prevent, manage and monitor conflicts of interest that include conflicts that could arise out of these delegations. As a result, the Asset Manager will ensure it does not delegate these activities to entities whose interests could come into conflict with its own or those of investors in the SICAV, except if this entity has separated, at the functional and hierarchical levels, the performance of delegated tasks from its other possibly conflicting activities and that potential conflicts of interest are appropriately identified, managed, monitored and disclosed to investors in the SICAV. The Asset Manager's conflict of interest prevention policy may be consulted on its website http://www.candriam.com.

4. Depositary

The SICAV has appointed RBC Investor Services Bank S.A. ("RBC") whose registered office is at 14, porte de France, L-4360 Esch-sur-Alzette, Grand-Duchy of Luxembourg, as depositary and paying agent (the "Depositary") of the SICAV by virtue of a depositary and paying agent agreement entered into between the Asset Manager, the SICAV and the Depositary (the "Depositary and Paying Agent Agreement") for an unlimited term.

The Depositary and Paying Agent Agreement may be terminated at any time either by the SICAV or by the Depositary subject to written notice of ninety days given to the other party. Notwithstanding the above, the Depositary and Paying Agent Agreement may also be terminated in accordance with the specific stipulations of the Depositary and Paying Agent Agreement.

In accordance with the Law of 2007, the AIFM Law and the Depositary and Paying Agent Agreement, the Depositary has responsibilities concerning the safeguarding of assets, supervision and monitoring of liquidity flows and paying agent functions.

(a) Safeguarding of assets

The Depositary is responsible, in accordance with Luxembourg laws and regulations and the Depositary and Paying Agent Agreement for safeguarding the financial instruments which may be held in custody and for keeping a register and verifying the ownership of other assets.

Delegation

The Depositary is authorised to delegate its safeguarding obligations to sub-custodians in accordance with the AIFM Law and to open accounts with sub-custodians provided (1) such delegation is in agreement with and subject to compliance with the conditions described in the applicable Luxembourg law; and (2) the Depositary should act with all required skill, care and diligence when selecting, appointing, periodically assessing and constantly monitoring its sub-custodians.

Release of responsibility

The Depositary may, under certain circumstances and in accordance with the AIFM Law, release itself from its responsibility. In the event that a local law or foreign regulation requires certain financial instruments to be held in custody by a local entity and no local entity satisfies the requirements for delegation in accordance with the AIFM Law, the Depositary may release itself of its responsibility provided the specific conditions stated in the AIFM Law, the articles of incorporation of the SICAV and the Depositary and Paying Agent Agreement are met.

(b) Monitoring

The Depositary must, in accordance with the Law of 2007, the AIFM Law and the Depositary and Paying Agent Agreement:

- ensure that any sale, issue, redemption, repayment and cancellation of the shares of the SICAV is conducted in accordance with the Law of 2007, the AIFM Law and the articles of incorporation of the SICAV,
- ensure that the value of the shares of the SICAV is calculated in accordance with the Law of 2007, the AIFM Law and the articles of incorporation of the SICAV;
- execute the instructions of the Asset Manager except where these are contradictory to the Law of 2007, the AIFM Law or the articles of incorporation of the SICAV,
- ensure that in the transactions relating to the SICAV's assets, the consideration is paid to the SICAV within normal timeframes,
- ensure that the SICAV's income is allocated in accordance with the Law of 2007, the AIFM Law and the articles of incorporation of the SICAV.

(c) Monitoring of liquidity flows

The Depositary must ensure, in accordance with the AIFM Law and the Depositary Bank and Paying Agent Agreement, that certain obligations are carried out in terms of the monitoring of liquidity flows as follows:

- reconciliation of all the movements in the liquidity flows and execution of these reconciliations on a daily basis,
- identification of the liquidity flows which, in the well-founded opinion of the Depositary, are considered to be significant, and particularly those which may be inconsistent with the day-to-day operations of the SICAV. The Depositary must conduct its review on the basis of the movements recorded at the end of the previous business day,
- ensure that all the bank accounts are in the name of the SICAV or in the name of the Asset Manager on behalf of the SICAV,

- ensure that the banks in question are European Union credit institutions or another entity of the same type which is subject to regulation and effective prudential supervision which produces the same effects as European Union law and that such regulation is actually applied in accordance with the principles stated in article 16 of Directive 2006/73/EC.

- ensure that all payments made by investors or on their behalf when subscribing to shares of the SICAV have been received and recorded either in the Cash Accounts or Third Parties' Accounts, as defined in the Depositary Agreement.

(d) Paying Agent

The Depositary also acts as the Paying Agent for the SICAV in accordance with the Depositary and Paying Agent Agreement. The Paying Agent is responsible for receiving payments for subscriptions to shares and depositing these payments in the bank accounts of the SICAV with the Depositary and for the distribution of revenues and dividends to shareholders. The Paying Agent is also in charge of making payments relating to redemption and repurchasing of shares.

Remuneration

As remuneration for its services, the Depositary will receive a depositary fee expressed as an annual percentage of the average net asset value. This fee will be paid by the SICAV at the end of each quarter.

Investors are invited to read the SICAV's annual reports in order to obtain detailed information about this depositary fee.

Termination of the Depositary and Paying Agent Agreement

In the event of the termination of the Depositary and Paying Agent Agreement, the Depositary must be replaced within a period of two months with effect from the termination by a new depositary and paying agent, which must assume the responsibilities, duties and obligations of the Depositary.
In preparation for the transfer, the Depositary must forward or arrange to forward to the successor depositary and paying agent, in bearer form duly endorsed and at the expense of the SICAV, all the securities and cash of the SICAV held by the Depositary as well as all the certified true copies and other documents referring thereto which are in the possession of the Depositary and which are valid and in force on the date of termination.

5. Investment objectives and policy

5.1. Investment objectives

The SICAV's objective is to provide its investors with a choice of sub-funds investing in a broad range of securities and other assets permitted for Specialised Investment Funds with view to diversifying risks and allowing its investors to benefit from the management results of its portfolio and offering the prospect of medium and long-term capital gains. However, as investing in financial products is subject to market fluctuations and the risks inherent in any investment, no guarantee can be given that the objective will be achieved.

5.2. Investment policy

Each sub-fund will be made up of a separate portfolio whose investment policy is described in the

Fact Sheets.

As a specialised investment fund governed by the Law of 2007, the SICAV may make use of investments as permitted by said Law and the rules of conduct of application circular 07/309 issued by the CSSF on 3 August 2007 in compliance with the rules laid down by the Asset Manager and the principles of risk distribution.

1) A sub-fund of the SICAV may not invest more than 30% of its assets or its subscription commitments in securities of the same kind issued by a single issuer.

   This restriction does not apply:

   - to investments in securities issued or guaranteed by a Member State of the OECD or by its local authorities or by EU, regional or global supranational institutions and organisations,

   - to investments in target UCIs which are subject to risk distribution requirements at least comparable to those laid down for the SICAV.

   For the purpose of applying this limit, each sub-fund of a target umbrella UCI is regarded as a separate issuer, provided the principle of segregation of the liabilities of the various sub-funds vis-à-vis third parties is ensured.

2) If a sub-fund invests in the units of other UCITS and/or other UCIs which are managed, directly or by delegation, by the Asset Manager or by any other company with which the Asset Manager is associated through a relationship of common management or common control or through a significant direct or indirect shareholding, the Asset Manager or the other company may not charge subscription or redemption fees for the sub-fund's investment in the units of other UCITS and/or other UCIs.

3) Where a sub-fund invests in investment funds, they must be domiciled primarily in the Member States of the European Union and secondarily in Switzerland, the United Stated of America, Canada, Japan, Hong Kong or a dependent territory of one of these countries.

4) Short-selling may not result in a sub-fund of the SICAV holding a short position on securities of the same kind issued by a single issuer which represent more than 30% of its assets.

   This restriction does not apply:

   - to investments in securities issued or guaranteed by a Member State of the OECD or by its local authorities or by EU, regional or global supranational institutions and organisations,

   - to investments in target UCIs which are subject to risk distribution requirements at least comparable to those laid down for the SICAV.

5) The counterparty risk in an OTC transaction may be 100% of the net assets of a sub-fund of the SICAV. The counterparties to these transactions are approved by the Asset Manager's risk management department and, when the transactions are initiated, have a minimum rating of BBB-/Baa3 from at least one recognised rating agency or considered to be of equivalent quality by the Asset Manager. These counterparties are entities which are subject to prudential supervision (credit institution, investment company, etc.) and which specialise in this type of transaction. The counterparties are located in an OECD member state. Each transaction is governed by a contract the clauses of which have been validated by the legal department/risk management department.

Nevertheless, if one or other of the sub-funds waives these restrictions, this will be specified in the fact sheet for the sub-fund in question.

6) Furthermore, a sub-fund may acquire and/or hold shares to be issued or having been issued by one or more sub-funds of the SICAV (the one or more "target sub-funds"), without the SICAV being subject to the requirements stipulated by the Law of 1915 in terms of the subscription, acquisition and/or holding by a company of its own shares, subject, however, to the following:

   - the target sub-fund does not in turn invest in the sub-fund invested in this target sub-fund, and

   - any voting rights attached to the respective securities will be suspended for as long as they are held by the sub-fund in question, without prejudice to the appropriate treatment in the accounts and the interim reports, and

   - in any event, for as long as these securities are held by the SICAV, their value will not be included in the calculation of the net assets of the SICAV for the purpose of verifying the minimum net assets level imposed by the law, and

In the month preceding a closure, cancellation, liquidation, demerger or merger operation of a sub-fund, for the purposes of these operations the investment policy of the respective sub-funds may be deviated from.

Efficient portfolio management techniques

In order to increase its yield and/or reduce its risks, each sub-fund is authorised to make use of the following efficient portfolio management techniques covering transferable securities and money market instruments:

1. Securities lending and borrowing transactions

   Each sub-fund may lend the securities in its portfolio to a borrower or borrow securities from a lender directly or through a standardised lending system organised by a recognised securities settlement service or a lending system organised by a financial institution that is subject to prudential supervision rules considered by the CSSF to be equivalent to those set down in EU legislation and that specialises in this type of transaction.

   The SICAV must ensure that it maintains the amount of securities lending at an appropriate level or must be able to request the return of the loaned securities, such that the sub-fund in question is able at all times to meet its redemption obligations, and must ensure that these transactions do not compromise the management of the sub-fund’s assets in accordance with its investment policy.

   Such lending transactions may relate to 100% of the total asset value of the securities in the portfolio.

2. Repurchase transactions and reverse repurchase transactions

   a) Reverse repurchase transactions

      Each sub-fund may enter into reverse repurchase agreements for which on maturity the seller (counterparty) is required to take back the asset contained in the repurchase agreement and the sub-fund is required to return the asset contained in the reverse repurchase agreement.

The type of securities contained in the reverse repurchase agreement and the counterparties must meet the requirements of CSSF Circular 08/356.

For the term of the reverse repurchase agreement, the sub-fund may not sell or use the securities which are contained in this agreement as a pledge/guarantee unless the sub-fund has other means of coverage.

b) Repurchase transactions

Each sub-fund may enter into repurchase transactions for which on maturity the sub-fund is required to reacquire the asset contained in the repurchase agreement and the seller (counterparty) is required to return the asset contained in the reverse repurchase agreement.

The type of securities contained in the reverse repurchase agreement and the counterparties must meet the requirements set out in CSSF circular 08/356.

The relevant sub-fund must, on expiry of the term of the repurchase agreement, have the necessary assets to pay the agreed return price to the sub-fund.

The use of these transactions must not result in a change in its investment objectives or result in additional risks being taken which exceed its risk profile as defined in the prospectus.

The risks associated with efficient portfolio management techniques – namely counterparty risk, delivery risk and conflict of interest risk – defined in the section entitled “Risk factors”, are to be distinguished by the measures described below.

3. Measures to limit the risks associated with efficient portfolio management techniques

   a) Measures to limit counterparty and delivery risk

      - Selection of counterparties: The counterparties to these transactions are validated by the Asset Manager's Risk Management department based on various criteria, notably the expertise of the counterparty.

      - Management of financial guarantees for OTC derivative products and efficient portfolio management techniques:

      ➢ **General criteria**

      All guarantees to reduce exposure to counterparty risk must at all times satisfy the following criteria:

      - Liquidity: any guarantee received in a form other than cash must have a strong level of liquidity and must be traded on a regulated market or within the framework of a multilateral trading system making use of transparent price setting methods such that it can be quickly sold at a price close to the valuation prior to the sale.

- Valuation: the guarantees received must be valued at least on a daily basis and assets with highly volatile prices will only be accepted as collateral if sufficiently prudent safety margins are in place.

- Credit quality of issuers: the financial collateral received must be of excellent quality.

- Correlation: the financial guarantee received must be issued by an entity which is independent of the counterparty and does not have a strong correlation with the counterparty's performance.

- Diversification: the financial guarantee must be sufficiently diversified in terms of the countries, markets and issuers (at net asset value level). As regards issuer diversity, the maximum exposure to an issuer through the guarantees received must not exceed 20% of the net assets of the respective sub-fund. However, this limit is raised to 100% for securities issued or guaranteed by a member state of the European Economic Area (EEA), by its local authorities, or by public international bodies to which one or more member states of the EU belong. These issuers must be highly rated (in other words rated at least BBB-/Baa3 by a recognised rating agency or regarded as such by the Asset manager). If the sub-fund exercises this latter option, it must hold securities belonging to at least six different issues, with securities belonging to the same issue not exceeding 30% of the total amount of the net assets.

The management risks connected with guarantees, such as operational and legal risks, must be identified, managed and restricted by the risk management process.

The guarantee received will be held by the Depositary or by an external depositary subject to prudential supervision which is not connected to the supplier of the financial guarantees.

The guarantees received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

➢ **Types of authorised guarantees**

The permitted types of financial guarantees are as follows:

- cash denominated in the reference currency of the respective sub-fund;

- highly rated debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by public sector issuers from an OECD country (governments, supranational bodies, etc.) and of a minimum issue size of EUR 250 million;

- highly rated debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by private sector issuers from an OECD country and of a minimum issue size of EUR 250 million;

- shares listed or traded on a regulated market of a Member State of the European Union or on a stock exchange of a state which is a member of the OECD provided the shares are included in a significant index;

- shares or units in undertakings for collective investment offering adequate liquidity and investing in money market instruments, highly rated bonds or shares that meet the conditions stated above.

The Asset Manager's Risk Management department may impose stricter criteria in terms of the guarantees received and thereby exclude certain types of instruments, certain countries, certain issuers or certain securities.

➢ Level of financial guarantees

The Asset Manager has put in place a policy which requires a level of financial guarantees based on the type of respective transactions as follows:

- securities lending transactions intended to optimise yield: the sub-fund receives 102 % of the value of the assets transferred,

- cash investment transactions (reverse repo): the sub-fund receives at least 100% in securities (105% if equities are received),

- securities borrowing transactions: the sub-fund provides at least 100% in cash (105% if equities are received),

- financing transactions (cash borrowing): the sub-fund provides at least 100% in securities (105% if equities are received),

- for OTC derivatives, some over-the-counter transactions are covered by a collateralisation policy. This policy consists of making margin calls in cash or in securities in the currency of the sub-fund in order to hedge the latent result of the transaction according to trigger thresholds. In addition, equity swaps and contracts for difference are generally subject to initial collateral (cash and/or securities) in favour of the counterparty.

➢ Discounting policy

The Asset Manager has put in place a discounting policy suitable for each asset class received as a financial guarantee.

For each of the categories of assets shown below, the Asset Manager may apply the following discounts:

Asset category	Discount
Cash	0%
Debt securities issued by public sector issuer	0-3%
Debt securities issued by private sector issuer	0-5%
Shares, UCI units/shares	0-5%

The counterparties may apply the same discounts on the collateral deposited by the SICAV.

➢ **Reinvestment of cash**

Financial guarantees received in cash can only be:

- placed in deposits with entities of a bank which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months. The bank must have its registered office in a Member State or, if this is not the case, must be subject to prudential rules considered by the Luxembourg supervisory authority to be equivalent to those provided for under EU legislation,
- invested in highly rated government loans,
- used for the purpose of repurchase transactions that can be recalled at any time,
- or invested in short-term money market funds, in accordance with the applicable diversification criteria.

Although invested in assets with a low degree of risk, investments may nevertheless include a limited financial risk.
Non-cash financial guarantees may not be sold or reinvested or pledged.

b. Measures taken to reduce the risk of conflicts of interest

To mitigate the risk of a conflict of interest, the Asset Manager has established a process for selecting and monitoring counterparties through committees organised by the Risk Management department. In addition, the remuneration of these transactions is in line with market practices in order to avoid any conflict of interest.

4. Remuneration policy for securities lending and borrowing activities

Income from securities lending is returned in full to the respective sub-fund(s) after deduction of costs and direct and indirect operational expenses. The costs and fees paid to the Asset Manager amount to a maximum of 40% of this income.
During the course of this activity, the Asset Manager is responsible for concluding securities lending operations and the resulting administrative follow-up, the supervision of activity risks, legal and fiscal monitoring of the activity as well as the hedging of the operational risks stemming from this activity.

The annual report contains detailed information on the income from securities lending activities and on the operational costs and fees engendered. It also specifies the identity of the entities to which these costs and fees are paid and specifies if they are related to the Asset Manager and/or the Depositary.

5. Periodic investor information

Further information on the conditions of application of these efficient portfolio management techniques are given in the annual report.

6. Risk factors

The SICAV's sub-funds may be exposed to various risks depending on their investment policy. The principal risks to which the sub-funds may be exposed are shown below. Each fact sheet states the non-marginal risks to which the respective sub-fund may be exposed.

The risk description below makes no claim, however, to be exhaustive and potential investors should take note of the whole of this prospectus and consult professional advisers before making an investment.

Investors must be aware that investing in the SICAV may carry a different level of risk than other traditional securities investments.

The net asset value of a sub-fund may rise or fall and shareholders may not receive back the amount invested or obtain any return on their investment.

Risk of capital loss: there is no guarantee for investors relating to the capital invested, and investors may not receive back the full amount invested.

Model risk: the management process of some sub-funds relies on establishing a model which is used to identify signals based on past statistical results. There is a risk that the model is inefficient and that the strategies used will produce a poor performance. There is no guarantee that past market situations will be reproduced in the future.

Delivery risk: the sub-fund may want to liquidate assets which at that time are subject to a transaction with a counterparty. In this case, the sub-fund would recall these assets from the counterparty. Delivery risk is the risk that the counterparty, although contractually obliged, may not be able in operational terms to return the assets quickly enough to allow the sub-fund to honour the sale of these instruments on the market.

Equity risk: some sub-funds may be exposed to equity market risk through direct investment (through transferable securities and/or derivative products). These investments, which generate long or short exposure, may entail a risk of substantial losses. A variation in the equities market in the reverse direction to the positions can lead to the risk of losses and may cause the net asset value of the sub-fund to fall.

Interest rate risk: change in interest rates, resulting notably from inflation, may cause a risk of losses and reduce the net asset value of the sub-fund (particularly in the event of a rate increase if the fund has a positive rate sensitivity and in the event of a rate decline if the fund has a negative rate sensitivity). Long term bonds (and related derivatives) are more sensitive to interest rate variations. A change in inflation, in other words a general rise or fall in the cost of living, is one of the factors potentially affecting interest rates and consequently the NAV.

Credit risk: risk that an issuer or a counterparty will default. This risk includes the risk of changes in credit spreads and default risk.
Some sub-funds may be exposed to the credit market and/or specific issuers in particular whose prices will change based on the expectations of the market as regards their ability to repay their debt. These sub-funds may also be exposed to the risk that a selected issuer will default, i.e. will be unable to honour its debt repayment, in the form of coupons and/or principal. Depending on whether the sub-fund is positively or negatively positioned on the credit market and/or some issuers in particular, an upward or downward movement respectively of the credit spreads, or a default, may negatively impact the net asset value.

Counterparty risk: the funds may use OTC derivative products and/or efficient portfolio management techniques. These transactions may cause a counterparty risk, i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.

Foreign exchange risk: foreign exchange risk derives from the sub-fund's direct investments and its investments in forward financial instruments, resulting in exposure to a currency other than its valuation currency. Changes in the exchange rate of this currency in relation to that of the sub-fund may negatively affect the value of assets in the portfolio.

Commodities risk: trends for commodities may differ significantly from those of traditional transferable securities markets (equities, bonds). Climatic and geo-political factors can also affect the supply and demand levels of the respective underlying product, in other words altering the expected scarcity of the product on the market. Commodities, however, namely energy, metals and agricultural products, could have more closely correlated trends. Unfavourable trends on these markets may cause the net asset value of a sub-fund to fall.

High leverage risk: compared with other types of investment, some sub-funds may operate with a high level of leverage. Use of leverage can entail high volatility and the sub-fund may suffer higher losses depending on the leverage level.

Arbitrage risk: arbitrage is a technique which consists of benefiting from differences in recorded or anticipated prices between markets and/or sectors and/or securities and/or currencies and/or instruments. If such arbitrage transactions perform unfavourably (a rise in sell transactions and/or fall in buy transactions), the sub-fund’s net asset value may fall.

Concentration risk: risk related to a significant concentration of investments in a specific asset class or certain markets. This means that changes in these assets or these markets have a significant impact on the sub-fund's portfolio value. The greater the diversification of the sub-fund's portfolio, the lesser the concentration risk. This risk is also greater for instance on more specific markets (certain regions, sectors or themes) than on broadly diversified markets (worldwide distribution).

Liquidity risk: liquidity risk is defined as that of a position in the sub-fund’s portfolio that cannot be sold, liquidated or closed at a limited cost and within a sufficiently short time, thus jeopardizing the sub-fund’s ability to comply at any time with its obligations to redeem the shares of investors at their request. On certain markets (in particular emerging and high-yield bonds, equities with low market capitalisation, etc.), the quotation spreads may widen under less favourable market conditions, which could impact on the net asset value when assets are purchased or sold. Furthermore, in the event of a crisis on these markets, the securities could also become difficult to trade.

Emerging countries risk: market movements can be stronger and faster on these markets than on the developed markets, which could cause the net asset value to fall in the event of adverse movements in relation to the positions taken. Volatility may be caused by a global market risk or may be triggered by the vicissitudes of a single security. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten the volatility. Emerging countries can experience serious political, legal and fiscal uncertainties or other events that could impact negatively on the sub-funds investing in them.

Risk of conflicts of interest: selection of a counterparty based on reasons other than the sole interest of the SICAV and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.

Risk arising from derivative financial instruments: financial derivatives are instruments whose value depends on (or is derived from) one or more underlying financial assets (equities, interest rates, bonds, currencies, etc.). The use of derivatives therefore involves the risk associated with the underlying instruments. They may be used for purposes of exposure or hedging against the underlying assets. Depending on the strategies employed, the use of derivative financial instruments can also entail leverage risks (amplifying downward market movements). In cases of a hedging strategy, the derivative financial instruments may, under certain market conditions, not be perfectly correlated to the assets to be hedged. For options, due to an unfavourable fluctuation in price of the underlying assets, the sub-fund could lose all of the premiums paid. OTC financial derivatives also entail a counterparty risk (though this may be attenuated by the assets received as collateral) and may involve a valuation risk or a liquidity risk (difficulty to sell or close open positions).

Risk associated with external factors: uncertainty about the sustainability of some external environmental factors (such as tax regime or regulatory changes) that may have an impact on the operation of the sub-fund.

Volatility risk: a sub-fund may be exposed (taking directional positions or using arbitrage strategies for example) to market volatility risk and could therefore, based on its exposure, suffer losses in the event of changes in the volatility level of these markets.

Risk of conflicts of interest: selection of a counterparty based on reasons other than the sole interest of the SICAV and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.

7. Risk management

1. Calculating leverage

The regulations define leverage as any method by which the Asset Manager increases the exposure of a sub-fund that it manages, whether by borrowing cash or transferable securities, taking derivative positions or by any other means.

Leverage of each sub-fund is stated in the form of a ratio between the exposure of the sub-fund and its net asset value.

Sub-fund exposure is calculated according to the commitment method and according to the gross method as defined below.

The Fact Sheet for each sub-fund gives information about the sources of any leverage effects as well as the maximum leverage applicable using each of the methods.

a) Commitment method

   Exposure calculated according to the commitment method corresponds to the sum of the absolute values of all the positions (including derivative financial instruments) – after applying hedging and netting arrangements – evaluated according to the provisions of the prospectus and the AIFM Law.

b) Gross method

   Exposure of a sub-fund calculated according to the gross method corresponds to the sum of the absolute values of all the positions (including derivative financial instruments, but not including assets subject to an insignificant risk of change in value) evaluated according to the according to the provisions of the prospectus and the AIFM Law.

2. Management of liquidity risk

In order to manage the sub-fund's liquidity risk, the Risk Management department of the Asset Manager and/or its delegates:

- takes action at the launch of the sub-fund to ensure that the liquidity expected of its investment universe is consistent with customers' redemption conditions (notice period, payment terms, etc.) under normal market circumstances,

- validates any decision to suspend the calculation of the net asset value under exceptional circumstances (as defined in the section entitled *Suspension of net asset value calculation and the issue, redemption and conversion of the shares*),

- regularly monitor the assets and the share ownership of the sub-fund and perform liquidity crisis simulations in normal and exceptional circumstances. From these simulations it may be determined whether the sub-fund is capable of coping or not. These crisis simulations are regularly set against the reality of client redemptions in order to ensure they remain relevant and, if necessary, to reinforce them.

- in the case of an alert stemming from these crisis simulations, Risk Management takes the initiative to put in place the necessary measures. Notable examples of such measures are a reinforcement of internal liquidity rules, a recommendation to the SICAV's Board of Directors to amend subscription/redemption conditions for the sub-funds concerned or any other measure to make the sub-fund's liquidity profile consistent with its repayment policy.

The percentage of the sub-fund's assets requiring special treatment on account of their lack of liquidity would be disclosed in the SICAV's annual report.

Investors would be informed immediately if the SICAV had recourse to staggered repayment mechanisms or any other special treatment or if the SICAV decided to suspend redemptions.

Any new arrangements taken by the Asset Manager to manage the liquidity of the SICAV will give rise to an update of the prospectus and investors will be informed thereof in advance.

In addition, information about the risk profile of each sub-fund and the risk management systems used by the Asset Manager will be provided by the SICAV in its annual report.

8. Well-informed Investors

Subscription to the shares of the SICAV's sub-funds is restricted, in accordance with the Law of 2007, exclusively to institutional investors, professional investors and any other investor who has given written declaration of holding the status of a well-informed investor and (i) who invests a minimum of one hundred and twenty-five thousand (125,000) euros in the SICAV, or (ii) who has been assessed by a credit institution within the meaning of Directive 2006/48/EC, an investment company within the meaning of Directive 2004/39/EC or a management company within the meaning of Directive 2001/107/CE which certified its expertise, experience and knowledge to adequately assess the investment made in the SICAV (a "Well-Informed Investor").
The stated conditions do not apply to officers and other persons who are involved in the management of specialised investment funds.

The SICAV may prevent acquisition of ownership of shares by any other person who does not meet or no longer meets the conditions to qualify as a Well-Informed Investor.

To this end, the SICAV may:

- Refuse to issue shares and register share transfers, when it appears that such issue or transfer would or could result in share ownership being attributed to any person who does not meet the conditions of a Well-Informed Investor;

- Forcibly redeem all or some of the shares if it appears that a shareholder does not meet or no longer meets the conditions to qualify as a Well-Informed Investor.

9. Shares

Shares will only be offered in registered form.

The register is kept by the Transfer Agent on behalf of the SICAV and said register contains the name of each shareholder, its registered office or personal address, the number, the sub-fund, the class of shares held and any movement relating to these shares and the address to which all notifications regarding the SICAV are to be sent.
The shareholders may at any time change the address stated in the register by sending a written notification to the Transfer Agent.
For the registered shares, the transfer agent will not issue any certificate representing these shares unless expressly requested by the shareholder. Instead, the transfer agent will issue written confirmation of entry in the register.

Any change in the articles of incorporation resulting in a change in the rights of a sub-fund must be approved by a decision of the general meeting of shareholders of the sub-fund in question.

All the shares of the SICAV, subject to the following stipulations, are freely transferable and from the time of issue rank equally for the profits and liquidation proceeds of their sub-fund.

Shares do not carry any preferential or pre-emptive rights and each share, regardless of its net asset value, carries the right to one vote at any general meeting of shareholders.

Registered shares are divisible into thousandths.

If rights are allocated to fractions of shares, the shareholder concerned will not have the right to vote up to the amount of that fraction but will have the right to a proportion of distributions, where applicable, in line with the method for calculating the fractions (thousandths of shares) decided by SICAV.

Shares are issued at no par value.

There is no limit as to the number of units issued, unless there are restrictions specific to a given sub-fund.

10. Listing of shares

The shares of the various sub-funds may be listed on the Luxembourg Stock Exchange at the discretion of the Board of Directors.

11. Issue of shares and subscription and payment procedure

The Board of Directors is authorised to issue an unlimited number of shares at any time.

However, this issue will be conditional upon the ascertainment of the status of Well-Informed Investor, in addition to the normal identification procedures for the purpose of preventing money-laundering.

Subscription procedure

All subscription applications must be sent in writing, by post or fax to RBC Investor Services Bank S.A. The subscription forms are available from the Transfer Agent.

At the end of the initial subscription period as mentioned in the Fact Sheets, the shares will be issued at a price equal to the net asset value per share, plus any subscription fee as described in the Fact Sheets.

Subscription applications received by the SICAV or by RBC Investor Services Bank S.A. in Luxembourg before the date and time set in the Fact Sheets will, if accepted, be processed on the basis of the net asset value per share of the respective sub-fund as determined on this valuation date.

Subscription applications received after this deadline will be processed at the price calculated on the next valuation date. Accordingly, subscriptions are carried out based an unknown net asset value.

The subscription price of each share is payable in the currency of the respective sub-fund within the timeframes set in the Fact Sheets.

The SICAV may, however, at the discretion of its Board of Directors, allow distributors, at their request, a maximum reasonable additional period of 90 minutes after the SICAV's official cut-off in order to allow them to centralise, globalise and send orders to the transfer agent. The net asset value remains unknown.

Restrictions applicable to subscriptions

A sub-fund or share class may be closed for new subscriptions if the Asset Manager considers that such action is necessary to protect the interests of the existing shareholders.
Specifically, this may be the case when the size of the sub-fund has reached the maximum capacity of the market and/or the Asset Manager, and when allowing new capital inflows could impair the performance of the sub-fund.
A sub-fund or share class may be closed for new subscriptions without the shareholders being notified in advance. Once closed, a sub-fund or share class will not be reopened unless the Asset Manager considers that the circumstances causing the sub-fund or share class to close are still applicable.

The fight against money laundering and the financing of terrorism

The SICAV, the Asset Manager, assisted by RBC Investor Services Bank S.A., and the selling agents must at all times comply with Luxembourg legislation relating to the combating of money laundering and terrorist financing and prevention of the use of the financial system for the purpose of money laundering and terrorist financing.

RBC Investor Services Bank S.A. will comply with Luxembourg laws as well as the CSSF circulars and regulations when it receives subscription applications. Therefore when any shareholders or future shareholders submit an application, they must prove their identity by means of a copy of their identification papers (passport or identity card) certified true by the competent authorities of their country, such as an embassy, consulate, notary or the police. If the application is made by a legal entity, it must provide a copy of its articles of incorporation and the names and identities of its shareholders or directors. However, where the application is made by a bank or financial institution subject to obligations equivalent to those set down in the amended Law of 12 November 2004 or Directive 2005/60/EC, the identity of these shareholders will not be verified. If there are any doubts as to the identity of a person making a subscription or redemption application due to a lack, irregularity or insufficiency of proof regarding that person's identity, it is the responsibility of RBC Investor Services Bank SA to suspend or even reject subscription applications for the reasons set out above. In such circumstances, RBC Investor Services Bank S.A. will not be liable for any expenses or interest.

RBC Investor Services Bank S.A. will identify on behalf of the SICAV the investors in the SICAV in accordance with the Luxembourg law in force.

The SICAV reserves the right to:

a) refuse any share subscription application in whole or in part,

b) at any time, redeem the shares held by persons not authorised to purchase or own shares in the SICAV.

12. Redemption of shares

Shareholders are entitled at any time and without restriction to request that their shares be redeemed by the SICAV. The shares redeemed by the SICAV will be cancelled.

Redemption procedure

All redemption applications must be sent in writing, by post or fax to RBC Investor Services Bank S.A.
The application must be irrevocable, subject to the stipulations of the sections entitled "Net Asset Value" and "Suspension of the Calculation of the Net Asset Value and the Issue, Redemption and Conversion of Units" in this prospectus, and must state the number of shares to be redeemed, the sub-fund and class thereof, the name under which they are registered as well as the documents confirming any transfer, the fax number or address of the shareholder along with any appropriate references in order to carry out the redemption.

So that the shares presented for redemption can be redeemed at the net asset value established on an applicable valuation date, the corresponding request will need to be notified to RBC Investor Services Bank S.A. before the date and time set in the Fact Sheets.

As soon as is reasonably possible, after the redemption price has been determined, RBC Investor Services Bank S.A. will inform the applicant of the price.

The payment will be made in the currency of the respective sub-fund within the timescales set in the Fact Sheets provided the documents mentioned above have been received by RBC Investor Services Bank S.A.

The redemption price of the SICAV's shares may be greater or less than the purchase price paid by the shareholder at the time of subscription, depending on whether the net asset value has appreciated or depreciated.

Redemption applications received after these times will be processed at the price calculated on the next valuation date. Accordingly, redemptions are carried out based on an unknown net asset value.

If redemption applications exceed 15% of the net assets of the sub-fund, all or some of these redemption applications may be deferred to be processed at the net asset value of the following valuation date of the respective sub-fund.

The SICAV may, however, at the discretion of the Board of Directors, grant exceptions on request to individual distributors, allowing them an additional reasonable period of a maximum of 1 hour 30 minutes after the SICAV's official cut-off time in order that they may centralise, aggregate and send orders to the transfer agent, still based on an unknown net asset value.

Just as for subscription applications, it is also the responsibility of RBC Investor Services Bank S.A. to comply with Luxembourg law in force on money laundering and financing of terrorism and preventing the financial sector from being used for the purposes of money laundering and financing of terrorism.

13. Conversion of shares

All shareholders may apply to have all or some of their shares converted into shares of another class or another sub-fund, subject to the limits and conditions stated in the Fact Sheets, by notifying RBC Investor Services Bank S.A. in writing to the postal address or by fax.
Unless the calculation of the net asset value per share is suspended, the conversion will take place on the valuation date if the application is notified to RBC Investor Services Bank S.A in Luxembourg before the dates and times set in the Fact Sheets.
Conversions are thus carried out based on an unknown net asset value.

The SICAV may, however, at the discretion of its Board of Directors, allow distributors, at their request, a maximum reasonable additional period of 90 minutes after the SICAV's official cut-off in order to allow them to centralise, globalise and send orders to the transfer agent. The net asset value remains unknown.

The restrictions applicable to subscriptions within some sub-funds as described in the section entitled "*Issue of shares and subscription and payment procedure*" above are also applicable to new conversions.

The rate at which all or some of the shares in a sub-fund or class (the "original sub-fund or class") are converted into shares in another sub-fund or class (the "new sub-fund or the new class") is determined, as closely as possible, on the basis of the following formula:

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

A = the number of shares of the new sub-fund (or class),

B = the number of shares of the original sub-fund (or class),

C = the net asset value per share of the original sub-fund (or class) used on the date in question,

D = the net asset value per share of the new sub-fund (or class) used on the date in question and

E = the average exchange rate on the date in question between the currency of the sub-fund to be converted and the currency of the sub-fund to be allocated.

After conversion, shareholders will be informed by RBC Investor Services Bank S.A. of the number of shares that they have obtained in the new sub-fund (or new class) as a result of conversion and their respective price.

14. Market timing and late trading

The market timing and late trading practices defined below are formally forbidden for subscription and conversion orders.
The Board of Directors of the SICAV reserves the right to reject subscription and conversion orders from an investor it suspects of employing such practices and may take the necessary measures to protect the other shareholders.

14.1. Market timing

Market timing practices are not permitted.

Market timing refers to an arbitrage technique whereby an investor systematically subscribes to and redeems or converts units or shares in a single UCI over a short period of time by taking advantage of time differences and/or imperfections or deficiencies in the system used to calculate the net asset value of undertakings for collective investment.

14.2. Late trading

Late trading practices are not permitted.

Late trading means the acceptance of a subscription, conversion or redemption order after the cut-off time for the acceptance of orders on the relevant dealing day and its execution at the price based on the net asset value applicable to that day.

15. Net asset value

The net asset value per share in each sub-fund/operational class as at the date of this prospectus is determined at the intervals stated in the Fact Sheets (hereinafter the “valuation date”) in Luxembourg and at least once a year.
It is expressed in the currency of each sub-fund/class and determined, for each share in that sub-fund/class, by dividing the net assets attributable to that sub-fund/class by the total number of shares outstanding in that sub-fund/class on the valuation date. Net asset value per share is rounded up to the nearest monetary unit or thousandth of a monetary unit of the sub-fund or class.

The net assets of each sub-fund will be valued as follows:

I. The assets of the SICAV will notably comprise:

(a) all cash sums and bank balances including accrued interest not yet received and the accrued interest on these deposits until the valuation date;

(b) all notes and bills payable at sight and accounts receivable (including the proceeds from the sale of shares where the payment has not yet been received);

(c) all securities, units, shares, bonds, options or subscription rights and other investments and securities owned by the SICAV;

(d) all dividends and distributions receivable by the SICAV (it is understood that the SICAV may make adjustments in the light of fluctuations of the market value of securities resulting from ex-dividend or ex-rights trading or similar practices);

(e) all interest accrued and receivable from securities owned by the SICAV, except if the interest is included in the principal of the securities;

(f) the SICAV's start-up costs unless these have been amortised;

(g) all other assets of any kind, including prepaid expenses.

The value of these assets is determined as follows:

a) The units in undertakings for collective investment are valued at the net asset value representative of the markets on the reference date or in the absence thereof the preceding date;

b) Bonds are valued at the closing price on the basis of contributor prices on the reference date;

c) Negotiable debt securities and other money market instruments are valued on the basis of contributor prices on the reference date; Negotiable debt securities and other money market instruments with a residual maturity of less than or equal to three months may be valued according to the straight-line method. In the event of the deterioration of the quality of credit of one or more issuers which considerably affects the net asset value, the straight-line method will be abandoned and the negotiable debt security/money market instrument will then be valued to reflect this deterioration.

d) Futures and options on organised markets are valued at the closing price on the various futures markets on the reference date;

e) The spot exchange rates are valued from the market data available from specialised data providers;

f) Forward exchange is valued on the basis of the market data available such as the spot price, interest rate curve etc, from specialised data providers;

g) Credit derivatives and derivative credit indexes are calculated based on models, validated by the Asset Manager using market data such as the spread curve, interest rate curve etc., available from specialised data providers. The prices obtained are compared with those of the counterparties;

h) Asset swaps are calculated based on models validated by the Asset Manager using the market price of the underlying bond and market data (such as the interest rate curve) available from specialised data providers;

i) Structured products, swaps and other OTC derivatives are valued on the basis of counterparty prices. These prices are compared with the prices calculated from models validated by the Asset Manager using the market data (volatilities, interest rate curve etc) available from specialised data providers;

j) Repurchase agreements, reverse repurchase agreements and securities borrowing/lending are valued at cost plus interest. For contracts exceeding three months, the credit spread of the counterparty may be revalued;

k) The value of the cash on hand or on deposit, accounts receivable, prepaid expenses and dividends and interest announced or due but not yet received, will be made up of the nominal value of these assets, except if it is unlikely that the value can be obtained, in which case the value will be determined by reducing such value by an amount the SICAV considers adequate in order to reflect the real value of these assets;

l) Equities, ETF, warrants and rights are valued at the closing price on the various stock exchanges on the reference date;

m) All other assets will be valued by the directors on the basis of their probable realisable value, which must be estimated in good faith and according to generally accepted principles and procedures.

The principal specialised data providers for valuations are Bloomberg, Reuters and CMA. The Asset Manager may, nevertheless, change these at its own responsibility if it deems appropriate.

Exceptional treatment:

- Debt securities (bonds, negotiable debt securities, money market instruments etc) in which there are not significant amounts of transactions or for which the price is clearly not representative of the market, may be valued on the basis of an estimated method and under the Asset Manager's responsibility. In addition, the actuarial method, the rate applied being that for issues of equivalent securities, where applicable, allocated by a differential representative of the intrinsic characteristics of the issuer of the security, may be used;

- For structured and OTC products whose counterparty price is not representative of the market, the price calculated on the basis of the internal model may be used;

- For any other financial instrument, if the last known price is not representative, then the valuation shall be based on the probable realisable value estimated prudently and in good faith by the Board of Directors.

The Board of Directors may, at its sole discretion, permit the use of any other generally accepted valuation method where it considers that the resulting valuation better reflects the probable realisable value of an asset held by the SICAV.

On valuation dates on which the difference between the amount of subscriptions and the amount of redemptions of a sub-fund (representing the net transactions) exceeds a fixed threshold set beforehand by the Board of Directors, the latter reserves the right:

- either to value the net asset value by adding to the assets (for net subscriptions) or by deducting from the assets (for net redemptions) a fixed percentage for fees and charges corresponding to market practice when buying or selling securities;

- or value the securities portfolio of this sub-fund on the basis of buying or selling prices (in the case, respectively, of net inflow or net outflow).
  The adjusted valuation method must never exceed 1% of the NAV.

For the purposes of this article, the reference date shall be given to mean the day preceding the valuation date.

<u>The SICAV's liabilities will notably consist of the following:</u>

1. all borrowings, matured bills and accounts payable;

2. all known commitments, matured or otherwise, including all matured contractual obligations, including the payments made in cash or in kind, including the amount of dividends declared by the SICAV but not yet paid;

3. any appropriate reserve in respect of future taxes on capital and on income, accrued up to the valuation date and determined periodically by the SICAV and, if applicable, any other reserve authorised or approved by the Board of Directors;

4. any other liabilities of the SICAV regardless of their nature, with the exception of liabilities represented by the shares of the SICAV. In order to value the amount of these other liabilities, the SICAV will take into account all expenses payable by the SICAV; these expenses will include, notably but not exclusively, formation expenses, costs of future amendments of the articles of incorporation, fees payable to the Asset Manager, (including the administrative agent, transfer agent and management delegation fees), the distributors, the Depositary and to the correspondent banks of the depositary, paying agents and permanent representatives at the places of registration, any other agents employed or representatives appointed by the SICAV, fees for legal and audit services, stock exchange listing expenses, expenses relating to the registration of the SICAV and for maintaining this registration with government institutions, advertising costs, printing costs, prospectuses, explanatory memoranda and registration statements, government duties or taxes and any other operational expenses including the costs of the purchase and sale of assets, interest, bank and brokerage charges, postal, telephone charges, the expenses and costs connected with subscription to an account or a license or any other request for paid information from financial index suppliers, ratings agencies or any other data providers.
The SICAV may calculate regular or periodic administrative and other expenses by way of an estimate for the year or any other period by allocating the amount over that period on a pro rata basis.

III. Each share of the SICAV in the process of being redeemed will be considered to be issued and existing until the close of business on the valuation date applicable to the redemption of that share and its price will, from the close of business on that date until the price is paid, be considered a liability of the SICAV.

Each share to be issued by the SICAV in accordance with subscription applications received will be treated as having been issued from the close of business on the valuation date on which its issue price is calculated, and its price will be treated as an amount due to the SICAV until received by it.

IV. As far as possible, any investments or divestments made by the SICAV up to a given valuation date will be taken into account.

V. Each sub-fund’s net asset value will be expressed in the currency selected by the Board of Directors, as set out in the Fact Sheets.

Any assets not expressed in the currency of their sub-fund will be converted into the currency of that sub-fund using the exchange rate in force in Luxembourg on the valuation date in question.

The net asset value of the SICAV is equal to the sum of the net assets of the various sub-funds. The SICAV's capital will at all times be equal to the value of its net assets, and its consolidation currency is the EUR.

VI. A pool of assets will be established for each sub-fund in the following manner:

a) the proceeds from the issue of shares in a sub-fund will be allocated in the SICAV's accounts to the pool of assets set up for that sub-fund, and assets, liabilities, income and expenses relating to that sub-fund will be allocated to that sub-fund's pool of assets,

b) the assets derived from other assets will be allocated in the accounts of the SICAV to the same pool of assets as the assets from which they are derived. Whenever an asset is revalued, any increase or reduction in its value will be attributed to the pool of assets of the sub-fund to which the asset belongs,

c) all of the liabilities of the SICAV which may be allocated to a given sub-fund will be allocated to the pool of assets of that sub-fund,

d) the assets, liabilities, charges and expenses which cannot be allocated to a specific sub-fund will be allocated to the various sub-funds in equal parts, or insofar as the amounts concerned justify it, proportionate to their respective net assets,

e) following any payment of dividends to the shareholders of a sub-fund, the net value of that sub-fund will be reduced by the amount of the dividends.

16. Suspension of net asset value calculation and the issue, redemption and conversion of the shares

In accordance with the articles of incorporation, the Board of Directors of the SICAV is authorised to temporarily suspend the calculation of the net asset value of one or more sub-funds, as well as the issue, redemption and conversion of shares in the following cases:

a) for any period during which a market or a stock market which is the principal market or stock market on which a significant percentage of the investments of the SICAV is listed at a given point, is closed, except for normal closing days, or when trading is subject to major restrictions or suspensions (for example, suspension of redemption/subscription orders if the stock exchange is closed for half a day);

b) when the political, economic, military, monetary or social situation, or any event of force majeure, beyond the responsibility or control of the SICAV, makes it impossible to access its assets by reasonable and normal means, without causing serious harm to shareholders' interests;

c) during any breakdown in the means of communication normally used to determine the price of any investment of the SICAV or current prices on any market or stock market;

d) during any period during which it is not possible to hand over the funds which are or may be necessary for the realisation or payment of any investment of the SICAV, or during any period in which it is not possible to repatriate funds required for the redemption of the shares;

e) if the net asset value of the shares of underlying undertakings for collective investment representing a substantial part of the investments of the sub-fund cannot be determined;

f) in the event of the merger, cancellation/closure or demerger of one or more sub-funds, share classes or types, provided this suspension is justified with a view to protecting the shareholders of the sub-funds or share classes or types in question;

g) if a meeting of shareholders is convened to propose the winding-up of the SICAV;

h) In any situation which the Board of Directors considers that such a decision is justified in order to safeguard the shareholders' interests.

Shareholders offering shares for redemption shall be advised of the suspension of the calculation of the net asset value.
Pending subscriptions and redemption applications may be withdrawn by written instruction provided this is received by the SICAV before the end of the suspension.
Pending subscriptions and redemptions shall be processed on the first valuation date following the lifting of the suspension.

17. Allocation of income

Each year, the General Meeting votes on proposals put forward by the Board of Directors in this regard. The net assets of the SICAV may be distributed subject to the limits set down in the Law of 2007. Distributions may not cause the net assets to be reduced to an amount of less than EUR 1,250,000.

For the distribution shares, the Board of Directors may propose to distribute the net income arising from investments for the financial year, realised and unrealised capital gains and the net assets within the limits of the Law.

For the capitalisation shares, the Board of Directors will propose the capitalisation of the associated income.

Any notice of payment of a dividend will be sent to the shareholders by mail using their addresses as listed in the register of shareholders in accordance with the legislation in force and published in the press of the countries where the SICAV is marketed, if stipulated by the legislation of these countries. Shareholders will be paid by bank transfer according to their instructions.
Dividends that are not claimed within five years of their date of payment may no longer be claimed and must revert to the appropriate class.

The Board of Directors also reserves the right to distribute interim dividends during the financial year.

18. Separation of the liabilities of the sub-funds

The SICAV is one and the same legal entity. However, all assets of a specific sub-fund are accountable for the debts, liabilities and obligations relating to that sub-fund only. In relations between shareholders, each sub-fund is treated as a separate entity.

19. Applicable taxation

19.1. Taxation of the SICAV

Pursuant to applicable legislation and current practice, the SICAV is not subject to any Luxembourg income or capital gains tax. Similarly, dividends paid by the SICAV are not subject to any form of Luxembourg withholding tax.
The SICAV is, however, subject in Luxembourg to an annual tax representing 0.01% of the total net asset value. This rate may be reduced to 0% under certain circumstances. This tax is payable quarterly based on the net assets of the SICAV calculated at the end of the quarter to which the tax relates.
Certain revenues of the SICAV from dividends and interest or capital gains on assets from sources outside Luxembourg may, nevertheless, be liable to taxes generally deducted at source at variable rates. These taxes or deductions at source are not generally recoverable in whole or in part. In this context the relief on these taxes and deductions at source provided for by international treaties to prevent double taxation between the Grand Duchy of Luxembourg and the respective countries does not always apply.

19.2. Taxation of shareholders

Under current legislation, shareholders are not liable in Luxembourg to any capital gains, income and inheritance tax deducted at course, except for shareholders who are domiciled, resident or have a permanent address in Luxembourg.
In terms of income tax, shareholders who are resident in Luxembourg are liable on the basis of a direct assessment for tax on dividends received and capital gains realised on the sale of their units if their units are held for a period of less than six months, or if more than 10% of the shares of the company are held.
The aforementioned provisions are based on the Law of 13 February 2007 relating to specialised investment funds as amended and practices currently in force and are subject to change. Nevertheless it is considered that the SICAV is outside the scope of the Luxembourg law of 21 June 2005 transposing Directive 2003/48/EC of the Council of the European Union on the taxation of savings income in the form of interest payments (the "Savings Directive") into Luxembourg law. The aim of this Directive is to enable interest income paid to a beneficial owner who is an individual resident in a European Union country to be taxed in accordance with the laws of the Member State of residence of the beneficial owner.

Potential shareholders are advised to obtain information and, if necessary, seek advice about the laws and regulations (such as those on taxation and foreign exchange control) which apply to them as a result of the subscription, purchase, holding and sale of shares in their country of origin, residence or domicile.

20. Charges and fees

20.1 Formation expenses

The SICAV will pay all the costs incurred in connection with the creation and marketing (the "Formation Expenses").

The Formation Expenses are estimated at approximately EUR 10,000.
They will be borne by the SICAV's first sub-fund. These expenses will be amortised over a maximum period of five years. If new sub-funds are launched after the expiry of this five-year amortisation period, the new sub-funds will also share in the amortisation of the unamortised Formation Expenses.

The costs arising from the launch of subsequent sub-funds will be amortised based on the assets of these new sub-funds over a maximum period of five years.

20.2 Management fee

In consideration for its assignment set by agreement, the Asset Manager will receive from the SICAV a management fee and, where applicable, a performance fee, which will be calculated and paid in accordance with the provisions contained in the Fact Sheets.

20.3 Depositary fee

In consideration for its assignment set by agreement, the Depositary will receive from the SICAV a depositary fee, which will be calculated and paid in accordance with the provisions contained in the Fact Sheets.

Charges and costs not directly attributable to a specific sub-fund will be allocated equally among the various sub-funds or, where the amount of charges and costs so requires, will be allocated among the sub-funds proportionate to their respective net assets.

In certain jurisdictions in which shares in the SICAV may be marketed, investors may be charged by a local paying agent in return for services provided.

21. General meetings of shareholders

The annual general meeting of shareholders of each sub-fund of the SICAV is held each year at the registered office of the SICAV in Luxembourg at any other place in Luxembourg as specified in the invitation, on 20 April of each year at 3 PM Luxembourg time. If this date is not a business day in Luxembourg, it will take place on the next business day.

Notices of all general meetings of shareholders will be sent by mail to all registered shareholders at the address shown in the share register at least eight (8) days before the general meeting. In addition, they will be published in the media in the countries where the SICAV is marketed, where the legislation of these countries so requires.

The requirements concerning participation, quorum and majority during any general meeting will be those set down in the SICAV's articles of incorporation.

22. Closure, merger and demerger of sub-funds, share classes or share types – Liquidation of the SICAV

22.1. Closure, cancellation and liquidation of a sub-fund, class or type of share

The Board of Directors may decide to close, cancel or liquidate one or more sub-funds, share classes or share types by cancelling the shares in question either by repaying to the shareholders of the one or more sub-funds, share classes or share types the total net asset value of the shares in these one or more sub-funds, share classes or share types, after deducting the liquidation charges; or by allowing them to convert to another sub-fund of the SICAV, if the conversion is authorised as specified by the Fact Sheets, with no conversion charge, thereby allocating them new shares equal to the value of their previous holding, after deducting the liquidation charges.

This decision may notably be made in the following circumstances:

- substantial and unfavourable changes in the economic, political and social situation in the countries where either investments are made or shares in the sub-funds in question are distributed,

- if the net assets of a sub-fund were to fall below a level considered by the Board of Directors to be too low for that sub-fund to continue to be managed efficiently,

- within the context of rationalising the products offered to shareholders.

This decision of the Board of Directors will be sent as described in 23.2 below.

The net liquidation proceeds of each sub-fund will be distributed to the shareholders of each sub-fund proportionate to their holding.

The liquidation proceeds attributable to securities whose holders do not present themselves by the time the sub-fund closure procedure is complete will remain on deposit with the Caisse de Consignation in Luxembourg to the profit of the relevant beneficiary.

22.2 Merger of sub-funds, share classes or share types

22.2.1. Merger of share classes or share types

Under the circumstances indicated in article 22.1. above, the Board of Directors may decide to merge one or more share classes or share types of the SICAV.

This decision of the Board of Directors will be sent as described in 23.2 below.

This publication will be made at least one month before the date the merger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares free of charge.

22.2.2 Merger of sub-funds

Under the circumstances indicated in article 22.1 above, the Board of Directors may decide to merge one or more sub-funds of the SICAV with other sub-funds of the SICAV or with another specialised investment fund under Luxembourg law.

However, for any merger giving rise to the disappearance of the SICAV, the taking effect of such merger will be decided by the general meeting of shareholders deliberating in accordance with the methods and the quorum and majority requirements stated in the articles of incorporation.

The SICAV will send the shareholders appropriate and accurate information about the proposed merger, so as to allow them to be fully informed and decide on the impact of this merger on their investment.
This information will be sent at least one month before the date the merger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares at no charge.

22.3 Demerger of sub-funds, share classes or share types

Under the same circumstances as indicated in article 22.1. above, the Board of Directors may also, if it deems it appropriate in the interests of the shareholders of a sub-fund, class or type of share, decide to divide this sub-fund, share class or share type into one or more sub-funds, share classes or share types.

This decision of the Board of Directors will be sent as described in 23.2 below.

This publication will be made at least one month before the date the demerger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares at no charge.

22.4 Liquidation of the SICAV

If the share capital of the SICAV falls below two thirds of the minimum required capital, the Board of Directors must refer the matter of winding up the SICAV to a general meeting of shareholders deliberating without conditions of attendance and ruling on the basis of a simple majority of the shares represented at the meeting.
If the share capital of the SICAV falls below one quarter of the minimum capital, the Board of Directors must refer the matter of winding up the SICAV to a general meeting of shareholders deliberating without conditions of attendance. Winding-up may be declared by shareholders holding one quarter of the shares represented at the meeting.

The meeting invitation must be sent to shareholders in such way as to ensure that the meeting is held within forty days of finding that the net assets have fallen, respectively, below two-thirds or one-quarter of the minimum capital.

The liquidation of the SICAV, whether court-ordered or otherwise, will be carried out in accordance with the Law and the articles of incorporation.

In the event of non-court ordered liquidation, the process will be carried out by one or more liquidators who will be appointed by the general meeting of shareholders, which will determine their powers and remuneration and approved by the CSSF.

The sums and amounts for shares whose holders do not come forward on completion of the liquidation proceedings will remain on deposit with the Caisse de Consignation for the relevant beneficiary. If such amounts are not claimed during the prescription period they will be deemed to be lost.

23. Shareholder information

23.1. Publication of net asset value

The net asset value per share of each sub-fund and the issue, redemption and conversion prices will be published on each valuation date at the registered office of the SICAV.

The net asset value may also be published in one or more newspapers selected freely from time to time by the Board of Directors.

23.2. Financial notices

Financial notices and other shareholder information will be sent to shareholders using their addresses listed in the register of shareholders in accordance with the legislation in force. In addition, they will be published in the media in the countries where the SICAV is marketed, where the legislation of these countries so requires.

23.3. Financial year and reports to shareholders

The financial year starts on 1st January and ends on 31 December of each year.

Every year, the SICAV publishes a detailed report on its activities and the management of its assets, including its balance sheet and consolidated profit and loss account expressed in EUR, a detailed breakdown of the assets of each sub-fund and the auditors' report.

23.4. Auditors

PricewaterhouseCoopers, Luxembourg is responsible for the auditing of the SICAV's accounts and annual reports.
The extension of its term of office is subject to the approval of each Annual General Meeting.

The role of the auditors is to conduct an audit on the financial statements of the SICAV in accordance with the international auditing standards adopted for Luxembourg by the CSSF. These standards require that the auditors comply with the ethical rules and that they plan and conduct an audit in order to obtain reasonable assurance that the financial statements of the SICAV are free of material misstatement. It is therefore the responsibility of the auditors to express an opinion on the financial statements of the SICAV based on the audit.

Investors are invited to read to the SICAV's annual reports in order to obtain the audit report.

23.5. Principal legal consequences of the contractual undertaking made for investment purposes

Investors are legally bound by the articles of incorporation and the terms of this prospectus.
The relationship between the investors in the SICAV must be conducted and interpreted in accordance with Luxembourg legislation.
Any difference or dispute between an investor and the SICAV will be subject to the exclusive jurisdiction of the courts of and in Luxembourg.
In so far as this applies, regarding the enforcement in Luxembourg of a firm and/or definitive civil or commercial judgement made by a Member State of the European Union and to the extent that this judgement falls within the scope of application of Regulation (EC) No. 44/2001 of 22 December 2000 concerning the jurisdiction, recognition and enforcement of judgements in civil and commercial matters ("Regulation 44/2001"), such judgement must generally be recognised and enforced in Luxembourg without examination of the contents, except in cases where it is contrary to public order.

23.6 Publicly available documents

The following documents may be examined during office hours on any weekday (not including Saturdays and public holidays) at the SICAV's registered office free of charge:

- Prospectus,
- The SICAV's articles of incorporation and any notarised deeds amending them, copies of which may also be obtained free of charge,
- The most recent annual reports including past performances.

23.7 Additional information

In order to meet regulatory and/or tax requirements, the Asset Manager may, over and above the legal publications, communicate to investors requesting it the SICAV's portfolio composition and all information relating to it.

CANDRIAM ALTERNATIVE RETURN SYSTEMAT

1. Investment policy:

This sub-fund will invest in **derivative instruments**: Forward contracts traded on regulated markets through futures, options and forward foreign exchange, and notably on the following categories of forward markets:

- Short-term interest rates,
- Medium- and long-term Government bonds,
- Stock market indices,
- Currencies,
- Commodities.

At least 40% must be invested in **cash, deposits and/or equivalent securities.**

Securities **equivalent to cash**, if they mature in less than one year, are:

- negotiable debt securities (money market instruments and interest-rate instruments issued by public entities),
- bonds maturing in less than one year,
- units of funds whose assets consist essentially of these assets (bonds or money market instruments),
- French Treasury notes.

Cash will be invested in securities issued or guaranteed by the French government, in equivalent issues of securities guaranteed by the government and/or in temporary acquisitions of securities. These various financial instruments cannot be used as guarantee deposits with clearing houses.

With view to optimising the performance and managing its treasury funds, the sub-fund may even keep most or actually all the assets in deposits and/or current accounts and/or other equivalent securities.

In addition a maximum of 60% of the assets will be made up of initial deposits and margin calls of derivative instruments.

Lastly the sub-fund may invest on an ancillary basis in financial instruments not traded on regulated markets, and up to 10% of its assets in undertakings for collective investment.

The expected leverage of this sub-fund should vary between 20 and 100. This leverage will be calculated for all derivative instruments according to the nominal method and is added to the securities portfolio. The sub-fund could, however, temporarily be exposed to a higher leverage.

This high leverage is explained by the usage of forward contracts on short-term interest rates whose nominal values are not adequately indicative of the risk actually incurred.

The strategies which are used are as follows:

The sub-fund buys and sells in the principal asset classes (equities indices, short-term rates, long-term rates, currencies and commodities), in the main though derivative products traded on regulated markets and by means of systematic and quantitative strategies.

In order to achieve its management objective, the sub-fund adopts a systematic management style complying with diversification criteria.

1) Systematic management

The rules governing the positions taken and their neutralisation methods are established in advance. Inputting these rules into a computer system translates them into market action signals. The Candriam IT teams have developed software to enable them to develop and back-test strategies on the market.

Systematic strategies used
The strategies stem from permanent research conducted by Candriam. Integrating a strategy into the portfolio is determined by its correlation with the existing models and its capacity to generate a return in the long term. The portfolio of strategies therefore evolves and is subject to change.

There are currently three types of strategies:

The principal strategy, called **trend following**, consists of exploiting the directionality of the markets.

Two diversifying strategies:
- **the contrasting approach**, which profits from the return properties at the market average,
- **form recognition** which runs a statistical analysis of the markets.

The trend-following strategy remains the sub-fund's main performance driver, while the current or any future diversifying strategies aim to generate a performance little correlated with that of the main strategy, thereby improving the risk/ yield pairing and limiting drawdowns (cumulative losses). A new strategy will be implemented in the portfolio if it has little correlation with the existing strategies and has positive yield prospects.

2) Diversified management*

The extent to which portfolio positions are diversified, as well as an understanding of their mutual correlation, constitute decisive factors in managing risk. Since, within the context of systematic investment, a position is considered analogous to a trading model, such diversification is achieved by using a large number of trading horizons and approaches as well as a large number of investment vehicles and markets.

The result is a type of four-dimensional diversification concept:

1) **Technical diversification***:
Systematic management is based on several trading strategies with a low correlation.

2) **Time diversification***:
Each strategy is in turn applied to more than one trading horizon, with each horizon defining a system. The analysed horizons can therefore run from several minutes to several months.

3) **Sectoral diversification***:
It is essential for the portfolio to have a number of clear trends to sustain the overall performance of the sub-fund. Trading may therefore cover a large family of instruments: short- and long-term interest rates, currencies, stock market indices, and commodities.

4) **Geographical diversification***:
The search for diversity also extends to the choice of geographical area, which essentially covers the three main global economic areas: North America, Asia and Europe.
When permitted by the performance of the models and the underlying liquidity, the sector

constituents will be diversified geographically.
As an example, the risk allocated to our equities indices sector is spread equally between Europe, North America and Asia. Risk in the interest rates sector is spread between the eurozone, the United Kingdom, Switzerland and the United States, with the Japanese short-term rates presenting no opportunities for the models.

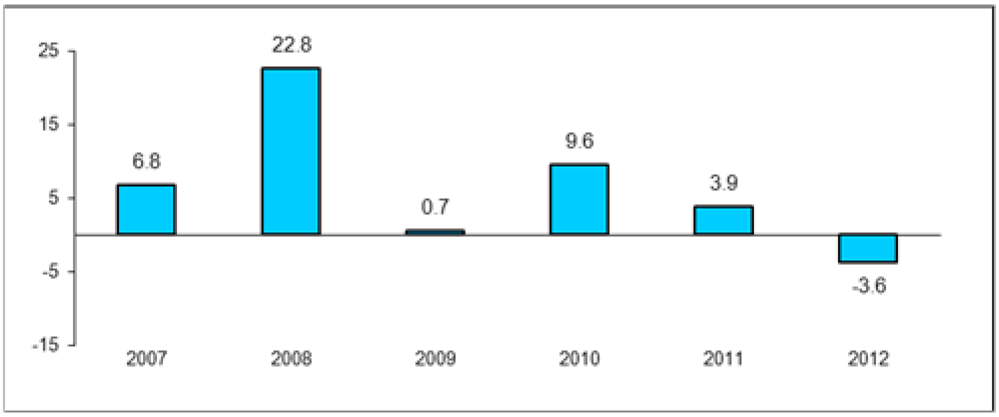
*The sub-fund structure is to achieve diversification. It is possible, however, that certain market configurations could lead to non-diversified positions in the sub-fund. The positions produced from the signals generated by our models are liable to cancel each other out or be neutral. It is therefore possible at any one time to not have significant exposure in a given sector or geographical area, thereby reducing the diversity of the positions.

Investors' attention is drawn to the fact that derivative instruments carry risks which differ from those associated with traditional instruments and in some cases carry higher risks.

Investors are reminded that this is a speculative sub-fund using potentially high leverage which can result in losses.

Financial futures markets are characterised, among other things, by the fact that the initial investment (initial margin) is far lower than the nominal contract amount, thereby generating significant leverage.

Performances:



N.B.: The performances shown here are those achieved by the fund registered under French law called Dexia Systemat which had the exact same characteristics as those of the sub-fund i.e. the same management policy and strategy, same risk profile, same fees etc.

2. Risk management

2.1 Risk factors specific to the sub-fund

- risk of loss of capital
- high leverage risk
- risk associated with derivative financial instruments
- equities risk
- interest rate risk
- commodities risk
- foreign exchange risk
- volatility risk

- model risk
- arbitrage risk
- emerging countries risk
- credit risk
- risk related to external factors

2.2 Leverage:

Sources of leverage				Maximum level	
Cash borrowing	Securities borrowing	Derivative financial instruments	Reuse of cash collateral	Commitment method	Gross method
Yes	No	Yes	No	10,000%	10,000%

The sub-fund might, however, in certain exceptional circumstances be exposed to higher leverage. These exceptional circumstances, as well as any necessary corrective measures would, in such cases, be explained in the SICAV's annual report.

2.3 Total risk

The total risk of the sub-fund is determined using the absolute VaR approach.

A VaR model is used to quantify the maximum potential loss that could be incurred by the sub-fund's portfolio under normal market conditions. This loss is estimated for a given period of time (holding period of 1 month) and a given confidence level (99%).

3. **Portfolio manager**: Candriam France

4. **Valuation currency of the sub-fund:** EUR

5. **Share classes:**
   - **Classique** class (capitalisation) denominated in EUR (LU0922614846);
   - **Classique** class (capitalisation) denominated in USD, hedged against the EUR (LU0922884555);
   - **R** class (capitalisation) denominated in EUR (LU1479551118); this share class will be launched at an initial price of EUR 150;
   - **R2** class (capitalisation) denominated in EUR (LU1479551209); this share class will be launched at an initial price of EUR 150;
   - **R2** class (capitalisation) denominated in USD, hedged against the EUR (LU1479551381); this share class will be launched at an initial price of USD 150 USD;
   - **S** class (capitalisation) denominated in EUR (LU1479551464); this share class will be launched at an initial price of EUR 1,500;
   - **V** class (capitalisation) denominated in EUR (LU1479551548); this share class will be launched at an initial price of EUR 1,500;
   - **V** class (capitalisation) denominated in GBP, hedged against the EUR (LU1479551621); this share class will be launched at an initial price of GBP 1,500;
   - **Z** class (capitalisation) denominated in EUR (LU1479551894); this share class will be launched at an initial price of EUR 1,500;
   - **Z** class (distribution) denominated in EUR (LU1479551977); this share class will be launched at an initial price of EUR 1,500.

6. **Form of the shares:** registered shares only

7. **Minimum initial subscription:** EUR 125,000 or as stated under article 2 of the Law of 2007;

EUR 5,000,000 or the equivalent in foreign currencies for the S and V classes.

8. **Frequency of net asset value calculation:** every bank business day in Luxembourg. If this valuation date is a public or bank holiday, the valuation date will, unless otherwise decided by the SICAV, be the next bank business day.

9. **Closing date and time for subscriptions**:

Subscription cut-off	**D-1, midday**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Valuation date	**D**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.
NAV date	**D-1**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Payment date	**D+2**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.

10. **Closing date and time for redemptions**:

Redemption cut-off	**D-1, midday**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Valuation date	**D**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.
NAV date	**D-1**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Payment date	**D+2**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.

11. **Closing date and time for conversions**:

Conversion cut-off	**D-1, midday**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Valuation date	**D**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.
NAV date	**D-1**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.

12. Fees relating to the activities of the Asset Manager:

	Classique class	R class	R2 class	S class	V class	Z class
Management fee	Max. 2%	Max. 1.50%	Max. 0.80%	Max. 1.60%	Max. 1.50%	0%
Administration fee	Max. 0.08%	Max. 0.08%	Max. 0.08%	Max. 0.08%	Max. 0.08%	Max. 0.08%

13. Depositary fee:

	Classique class	R class	R2 class	S class	V class	Z class
Depositary fee	Max. 0.03%	Max. 0.03%	Max. 0.03%	Max. 0.03%	Max. 0.03%	Max. 0.03%

14. Performance fee:

The asset manager will receive a performance fee subject to a high water mark, which will be applied to the net assets of all the sub-fund's classes except the S class [LU1479551464].
The performance fee will amount to 20% of the fund's outperformance as defined below.
A benchmark asset will be based on the SICAV's highest net asset value which gives rise to a performance fee. The initial value of the fund will be used in the absence of a net asset value that gives rise to a performance fee. In the event of redemption, the last benchmark asset calculated and the previous day's cumulative sum of subscriptions received are reduced beforehand in proportion to the number of shares redeemed. Similarly, a proportion of the variable management fee provision on the accounting balance at the last valuation is permanently allocated to a specific third-party account in proportion to the number of shares redeemed. This proportion of the variable management fees is paid to the Asset Manager when the redemption occurs.

On each sub-fund valuation date, a new benchmark asset is established based on a theoretical investment at the annual rate of the Eonia for the following classes:

- **Classique** class [LU0922614846]
- **R** class [LU1479551118]
- **R2** class [LU1479551209]
- **V** class [LU1479551548]
- **Z** class [LU1479551894]
- **Z** class [LU1479551977]

the SONIA for the following class:

- **V** class [LU1479551621]

and the Federal Funds for the following classes:

- **Classique** class [LU0922884555]
- **R2** class [LU1479551381]

adjusted for all the subscriptions or redemptions received over the period. If this rate is negative, the rate of 0% is used to determine the benchmark asset.

When the sub-fund is valued, if the outstanding figure, defined as the net book value of the assets after deducting the variable management fees on redemptions, but excluding the provision for variable management fees corresponding to the outstanding shares, is greater than the benchmark asset, an outperformance (or in the opposite case, an underperformance) is recorded. The provision for variable management fees on the outstanding amount is adjusted to 20% of the amount of this new outperformance by allocation or reversal of a provision before calculating the net asset value. The

provision for variable management fees on the accounting balance is only payable to the Asset Manager in respect of the amount at the end of the financial period.
The reference period is a financial year.

Investors may at any time obtain details from the Asset Manager regarding the methods for calculating the variable management fees. The total amount of the variable management fees will appear in the SICAV's annual report.

15. Subscription fee: max. of 0.10% payable to the sub-fund.

16. Redemption fees: nil.

17. Conversion fees: none.

This Fact Sheet forms an integral part of the prospectus dated 27 December 2016.

CANDRIAM ALTERNATIVE RETURN EQUITY MARKET NEUTRAL

1. Investment policy:

This sub-fund primarily uses the following assets and techniques:

1. Within the scope of the implementation of the investment strategy:

- Equities and/or securities equivalent to equities of companies from developed and/or emerging countries, of any capitalisation,
- Forward contracts (futures, options and swaps) on regulated or OTC markets. These products are used for the purposes of exposure, arbitrage or hedging. The underlyings of these derivative financial instruments can be:
  - Equities and/or securities equivalent to equities
  - Equities indices
  - Units in undertakings for collective investment
  - Currencies, for hedging purposes
- Reverse repo and repo transactions,
- Securities lending and borrowing transactions,
- Exchange traded notes on equities indices,
- Units in undertakings for collective investment.

2. Within the context of cash management:

- Money market instruments with a short-term rating of at least A-2 when acquired (or equivalent) from one of the ratings agencies, issued by all types of issuers,
- Reverse repo transactions,
- Bonds and other debt securities with a short-term rating of at least A-2 when acquired (or equivalent) from one of the ratings agencies, issued by all types of issuers,
- Transferable securities or equivalent money market instruments other than those described above, deposits or cash.

Investments in undertakings for collective investment are limited to 10% of the assets.

The sub-fund may invest on an ancillary basis in securities and/or money market instruments traded on regulated markets.

The sub-fund may borrow cash up to a maximum of 50%. In particular, these borrowings may be made through direct cash borrowings or through the reuse of the cash collateral received in the context of the implementation of the investment strategy.

The sub-fund is managed with a maximum target net exposure to equity markets of 25%. The gross exposure to equity markets is limited to 400%.

In the context of the implementation of the investment strategy, the sub-fund may not invest more than 10% of its assets in financial securities issued by the same entity.

The foreign exchange risk is generally hedged with forward exchange.

In order to achieve its management objective, the sub-fund adopts a management style known as "equity market neutral". In other words the Asset Manager will simultaneously take buying positions in equities which it believes, all other factors being equal, have the potential to appreciate, and selling positions in other equities. This management style makes it possible to maintain a limited exposure to equity markets.

1) Identification of investment opportunities

Any statistical arbitrage strategy on equities, presenting a risk/yield ratio in line with the sub-fund's objective, is eligible within the sub-fund's investment universe, such as, for example:

- event-driven arbitrage such as index readjustments:

The Asset Manager identifies the equities whose prices will be impacted by a status change in the equities indices, for example when a security is added to or removed from an equities index. The sub-fund then takes buying or selling positions in the securities thus identified in order to profit from the inefficiencies generated by this event. The Asset Manager selects the most appropriate hedging, such as via indices, a basket of securities or a comparable security.

- bottom-up selection of equities:

The Asset Manager will select equities whose prices do not reflect certain of their characteristics. Examples include companies with attractive quality fundamentals and valuation levels or companies with worsening fundamentals and unattractive valuation levels. The sub-fund may take buying or selling positions in the securities identified in this way. The Asset Manager selects the most appropriate hedging, such as via indices, a basket of securities or a comparable security.

- relative value arbitrage such as arbitrage on equity pairs:

The Asset Manager analyses the ratio between the prices of two comparable assets (equities or baskets of equities), for example two companies in the same sector operating in similar markets. When the ratio diverges from its mean value, the sub-fund takes a buying position in the least expensive asset and a selling position in the most expensive asset.

2) Quantitative analysis and qualitative analysis

The Asset Manager employs strategies using quantitative analyses refined by qualitative analyses.

- Quantitative analyses

The Asset Manager quantitatively measures the relevance of the statistical arbitrage opportunities identified. It has ascertained in advance that the sources of inefficiency have an economic basis and that the environment is reasonably favourable to them.

- Qualitative analyses

The Asset Manager performs qualitative analyses in order to verify the relevance of the results from the quantitative analyses. Specifically the Asset Manager may consider the microeconomic environment of the equities in which it is likely to take a position, the valuation multiples, publication dates for the accounts, the performance of comparable equities, their geographical exposure, their shareholder structure, etc.

Investors' attention is drawn to the fact that derivative financial instruments carry risks which

differ from those associated with traditional instruments and in some cases carry higher risks.

Derivative financial instruments are characterised, among other things, by the fact that the initial investment (initial margin) is far lower than the nominal contract amount, thereby generating significant leverage.

2. Risk management

2.1 Risk factors specific to the sub-fund

- risk of loss of capital
- risk associated with derivative financial instruments
- equity risk
- arbitrage risk
- high leverage risk
- counterparty risk
- interest rate risk
- credit risk
- foreign exchange risk
- volatility risk
- liquidity risk
- emerging countries risk
- risk related to external factors

2.2 Leverage

Sources of leverage				Maximum level	
Cash borrowing	Securities borrowing	Derivative financial instruments	Reuse of cash collateral	Commitment method	Gross method
Yes	Yes	Yes	Yes	400%	400%

The sub-fund might, however, in certain exceptional circumstances be exposed to higher leverage. These exceptional circumstances, as well as any necessary corrective measures would, in such cases, be explained in the SICAV's annual report.

2.3 Total risk

The total risk of the sub-fund is determined using the absolute VaR approach.

A VaR model is used to quantify the maximum potential loss that could be incurred by the sub-fund's portfolio under normal market conditions. This loss is estimated for a given period of time (holding period of 1 month) and a given confidence level (99%).

3. **Portfolio manager**: Candriam France

4. **Valuation currency of the sub-fund:** EUR

5. Share classes:

- **Classique** class (capitalisation) denominated in EUR (LU1246236779);
- **Classique** class (capitalisation) denominated in GBP, hedged against the EUR (LU1246236852);
- **Classique** class (capitalisation) denominated in CHF, hedged against the EUR (LU1246236936);
- **R2** class (capitalisation) denominated in EUR (LU1479552199); this share class will be launched

at an initial price of EUR 150;

- **S** class (capitalisation) denominated in EUR (LU1479552272); this share class will be launched at an initial price of EUR 1,500;
- **V** class (capitalisation) denominated in EUR (LU1479552355); this share class will be launched at an initial price of EUR 1,500;
- **V** class (capitalisation) denominated in CHF, hedged against the EUR (LU1479552439); this share class will be launched at an initial price of CHF 1,500;
- **V** class (capitalisation) denominated in GBP, hedged against the EUR (LU1479552512); this share class will be launched at an initial price of GBP 1,500;
- **Z** class (capitalisation) denominated in EUR (LU1479552603); this share class will be launched at an initial price of EUR 1,500;
- **Z** class (distribution) denominated in EUR (LU1479552785); this share class will be launched at an initial price of EUR 1,500.

6. **Form of the shares:** registered shares only.

7. **Minimum initial subscription:** EUR 125,000 or the equivalent in foreign currencies for classes denominated in foreign currencies, as stated under article 2 of the Law of 2007; EUR 5,000,000 or the equivalent in foreign currencies for the V and S classes.

8. **Frequency of net asset value calculation:** Weekly on Mondays. If this valuation date is a public or bank holiday in Luxembourg, the valuation date will, unless otherwise decided by the SICAV, be the next bank business day.

9. **Closing date and time for subscriptions**

Subscription cut-off	**D-6, midday**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
NAV date	**D-1**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Valuation date	**D**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.
Payment date	**D+1**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.

10. **Closing date and time for redemptions**

Redemption cut-off	**D-6, midday**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
NAV date	**D-1**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Valuation date	**D**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.
Payment date	**D+4**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.

11. Closing date and time for conversions within the sub-fund

Conversion cut-off	**D-6, midday**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
NAV date	**D-1**, provided this is a bank business day in Luxembourg, otherwise the preceding bank business day.
Valuation date	**D**, provided this is a bank business day in Luxembourg, otherwise the next bank business day.

12. Fees relating to the activities of the Asset Manager

	Classique class	R2 class	S class	V class	Z class
Management fee	Max. 1.50%	Max. 0.60%	Max. 0.25%	Max. 1.20%	0%
Administration fee	Max. 0.08%	Max. 0.08%	Max. 0.08%	Max. 0.08%	Max. 0.08%

13.Depositary fee

	Classique class	R2 class	S class	V class	Z class
Depositary fee	Max. 0.03%	Max. 0.03%	Max. 0.03%	Max. 0.03%	Max. 0.03%

14. Performance fee

The asset manager will receive a performance fee subject to a high water mark, which will be applied to the net assets of the sub-fund except the S class [LU1479552272].
The performance fee will amount to 20% of the fund's outperformance as defined below.
A benchmark asset will be based on the SICAV's highest net asset value which gives rise to a performance fee. The initial value of the fund will be used in the absence of a net asset value that gives rise to a performance fee. In the event of redemption, the last benchmark asset calculated and the previous day's cumulative sum of subscriptions received are reduced beforehand in proportion to the number of shares redeemed. Similarly, a proportion of the variable management fee provision on the accounting balance at the last valuation is permanently allocated to a specific third-party account in proportion to the number of shares redeemed. This proportion of the variable management fees is paid to the Asset Manager when the redemption occurs.

On each sub-fund valuation date, a new benchmark asset is established based on a theoretical investment at the annual rate of the EONIA for the following classes in EUR:

- **Classique** class [LU1246236779];
- **R2** class [LU1479552199];
- **V** class [LU1479552355];
- **Z** class [LU1479552603];
- **Z** class [LU1479552785];

the TOIS for the following classes in CHF and hedged against the EUR:

- **Classique** class [LU1246236936];
- **V** class [LU1479552439];

and the TOIS for the following classes denominated in GBP and hedged against the EUR:

- **Classique** class [LU1246236852];

- **V** class [LU1479552512];

adjusted for all the subscriptions or redemptions received over the period. If this rate is negative, the rate of 0% is used to determine the benchmark asset.

When the sub-fund is valued, if the outstanding figure, defined as the net book value of the assets after deducting the variable management fees on redemptions, but excluding the provision for variable management fees corresponding to the outstanding shares, is greater than the benchmark asset, an outperformance (or in the opposite case, an underperformance) is recorded. The provision for variable management fees on the outstanding amount is adjusted to 20% of the amount of this new outperformance by allocation or reversal of a provision before calculating the net asset value. The provision for variable management fees on the accounting balance is only payable to the Asset Manager in respect of the amount at the end of the financial period.
The reference period is a financial year.

Investors may at any time obtain details from the Asset Manager regarding the methods for calculating the variable management fees. The total amount of variable management fees in included in the SICAV's annual report.

15. Subscription fee: max. of 5% payable to the sub-fund

16. Redemption fees: nil.

17. Conversion fees: none.