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**SHARES IN THE COMPANY MAY NOT BE SOLD OR OTHERWISE TRANSFERRED TO, OR BE HELD BY, US PERSONS (AS DEFINED HEREIN).**

**If you are in any doubt about the contents of this prospectus (the "Prospectus"), you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

The Directors of the Company, whose names appear under the section "Directory" of this Prospectus are the persons responsible for the information contained in this Prospectus and accept responsibility accordingly. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is at the date hereof in accordance with the facts and does not omit anything likely to affect the importance of the information.

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## **MILLEIS INVESTISSEMENTS FUNDS**

*(A société d'investissement à capital variable incorporated in Luxembourg)*

### **PROSPECTUS**

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The date of this Prospectus is August 2018

# MILLEIS INVESTISSEMENTS FUNDS

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## IMPORTANT INFORMATION

The main part of the Prospectus describes the nature of Milleis Investissements Funds (the "Company"), presents its general terms and conditions and sets out the management and investment parameters which apply to the Company as well as to the different Funds that comprise the Company.

For further information, please refer to the Table of Contents of this Prospectus.

**The Key Investor Information Documents of the Funds, the latest annual report of the Company and any subsequent semi-annual reports are available at the registered office of the Company and will be sent free of charge to investors upon request. Such reports shall be deemed to form part of the Prospectus.**

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Luxembourg and are subject to changes therein.

If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

It should be remembered that the price of Shares and the income from them can go down as well as up and that investors may not receive, on redemption of their Shares, the amount that they invested.

The Board of Directors has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects at the date hereof and that there are no other material facts, the omission of which would make misleading any statement herein whether of fact or opinion. All the members of the Board of Directors accept responsibility accordingly.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Articles, copies of which are available upon request.

### **Data Protection**

In accordance with EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC accompanied with any implementing legislation applicable to them (together, the "Data Protection Law"), personal data of investors (including prospective investors) and of other individuals (including, but not limited to, directors, managers, agents and other representatives or employees of the investors) ("Data Subjects") whose personal information is collected and provided to the Company and the Management Company in the context of the investor's investments in the Company may be stored on computer systems by electronic or other means and processed by the Company as data controller, and may be processed in certain circumstances by the Management Company and third party service providers acting as delegates of the Company and/or the Management Company such as the central administration, as a data processor of the Company.

In certain circumstances, the Management Company and the delegates of the Company acting as data processor may however also act as data controller if and when processing personal data for the purposes of complying with their own legal and regulatory obligations (in particular in the context of their own AML and KYC related processes).

The Company is committed to protecting the personal data of the Data Subjects, and has taken all necessary steps, to ensure compliance with the Data Protection Law in respect of personal data processed by it in connection with investments made into the Company.

This includes (without limitation) actions required in relation to: information about processing of the investors' personal data and, as the case may be, consent mechanisms; procedures for responding to requests to exercise individual rights; contractual arrangements with suppliers and other third parties; security measures; arrangements for overseas data transfers and record keeping and reporting policies and procedures.

Personal data shall have the meaning given in the Data Protection Law and includes (without limitation) any information relating to an identified or identifiable individual, such as the investor's name, address, invested amount, for investors which are legal persons, the names of the individuals who are representatives of such entities as well as the name of their ultimate beneficial owner, where applicable, and such investor's bank account details.

Personal data will be processed for the purpose of performing the Company's, the Management Company's or the delegates' contractual obligations such as administration and management of the shares, processing of subscriptions, redemptions and conversions, and will also be processed in compliance with legal obligations under Luxembourg law (such as the 2010 Law and the law of 10 August 1915 on commercial companies, as amended, and the legislation on prevention of terrorism financing and money laundering, the prevention and detection of crime and tax law) and all other laws and regulations as may be issued by European competent authorities and where necessary for the purposes of the Company's, the Management Company's or their delegates' legitimate interests.

Personal data provided directly by Data Subjects in the course of their relationship with the Company, in particular their correspondence and conversation with the Company, the Management Company and their delegates may be recorded, and processed in compliance with the Data Protection Law.

The Company, the Management Company and their delegates may share personal data with their affiliates and with other entities which may be located outside the EEA. In such case they will ensure that the personal data is protected by appropriate safeguards.

Personal data may also be shared, in exceptional circumstances, with any courts and/or legal, regulatory, tax and government authorities in various jurisdictions as required by applicable laws or regulations.

In compliance with the Data Protection Law, the Data Subjects have certain rights including the right to access their personal data, the right to have incomplete or inaccurate personal data corrected, the right to object to and to restrict the use of personal data, the right to ask for the deletion of their personal data, the right to receive their personal data in a structured, commonly used and machine-readable format and to transmit those data to another controller.

The Data Subjects have the right to submit queries or lodge a complaint about the processing of their personal data with the relevant data protection authority.

Personal data are not kept for longer than is necessary for the purposes for which they are processed.

When subscribing to the Shares, each investor will be informed of the processing of his/her personal data (or, when the investor is a legal person, of the processing of the personal data of such investor's representatives who are individuals and/or the ultimate beneficial owners' personal data) via a data protection notice which will be made available (i) in the application form issued by the Company to the investors and (ii) at the registered office of the Company upon request. This data protection notice will inform the investors about the processing activities undertaken by the Company, the Management Company and their delegates in more details.

**Shares may be available in different Classes, and may be available as Accumulation Shares and/or Distribution Shares. Details of the Funds and Share Classes on offer are set out in Appendix 2. Certain Funds and/or Share Classes may be offered in certain jurisdictions only. Investors should consult the Administrator, their relevant Intermediary or professional adviser as to availability of any Share in their jurisdictions.**

**The Directors do not anticipate that an active secondary market will develop in relation to the Shares.**

The Directors have full discretion in deciding whether any Share Class will be listed.

No person has been authorised to give any information or to make any representation in connection with the offering or placing of Shares other than those contained in this Prospectus and the reports referred to above; and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus (whether or not accompanied by the reports) or any issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date of this Prospectus.

The distribution of this Prospectus and the offering and placing of Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe such restrictions.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Potential investors should inform themselves as to:

- (a) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for the acquisition of Shares;
- (b) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Shares; and
- (c) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Shares.

### **United States**

The Shares have not been, and will not be, registered under the 1933 Act (see "Definitions") or the securities laws of any of the states of the United States. The Company is not and will not be registered as an investment company under the 1940 Act (see "Definitions"). Investment in Shares by or on behalf of US Persons (see "Definitions") is not permitted. Shares may not at any time be offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, a US Person. Any issue, sale or transfer in violation of this restriction will not be binding upon the Company and may constitute a violation of US law.

Shares may not be issued or transferred other than to a person who, in writing to the Company, shall, among other things, (A) represent that such person is not a US Person and is not purchasing such Shares for the account or benefit of a US Person, (B) shall agree to notify the Company promptly if, at any time while they remain a holder of any Share, such person should become a US Person or shall hold any Shares for the account or benefit of a US Person, and (C) shall agree to indemnify the Company from and against any losses, damages, costs or expenses arising in connection with a breach of the representations and agreement set forth above.

If, at any time, a Shareholder shall become a US Person or shall hold any Shares on behalf of a US Person, that Shareholder shall notify the Company immediately.

Shares may not be acquired or owned by, or acquired with the assets of:

- (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act 1974, as amended ("ERISA"); or
- (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended;
- (iii) any entity, including a fund of funds or other collective investment vehicle, a master trust established for one or more pension plans, or an insurance company pooled separate account whose underlying assets constitute plan assets by reason of the level of investment in the entity by plans described in clause (i) or (ii) above, and
- (iv) the general account of an insurance company to the extent that such account would be deemed a "benefit plan investor" within the meaning of ERISA;

which are hereinafter collectively referred to as "ERISA plans".

A prospective investor will be required at the time of acquiring Shares to represent that such an investor is not acquiring the Shares with the assets of an ERISA plan (as defined above).

Where the Company becomes aware that any Shares are directly or beneficially owned by any person in breach of the above restrictions, the Company may compulsorily redeem such Shares as set out in the Articles.

#### **Canada**

The Shares have not been, nor will they be, qualified for distribution to the public in Canada as no Prospectus for the Company has been filed with any securities commission or regulatory authority in Canada or any province or territory thereof. This document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of Shares in Canada. No Canadian resident (a person resident in Canada for the purposes of Canadian income tax legislation) may purchase or accept a transfer of Shares unless he is eligible to do so under applicable Canadian or provincial laws.

#### **France**

The Company is authorised for sale of certain of the Funds and/or Share Classes in France under the provisions of the Directive.

#### **Ireland**

The Company is approved by the Central Bank of Ireland to market certain of the Funds and/or Shares Classes to the public in Ireland under the provisions of the Directive.

CACEIS Bank, Ireland Branch, will perform the services of facility agent in Ireland and will maintain facilities at One Custom House Plaza, IFSC, Dublin 1, Ireland during normal business hours where:

- (a) a Shareholder may redeem its, his or her Shares and from which payment of the redemption proceeds may be obtained;

- (b) information can be obtained about each Fund's most recently published price per Share; and
- (c) copies of the latest Prospectus, the latest Key Investor Information Documents and the annual and semi-annual reports of the Company will be made available to investors.

CACEIS Bank, Ireland Branch will also forward any dividend payment requests or any complaints relating to the Company to the Administrator.

### **Spain**

The Company is authorised for sale of certain of the Funds and/or Share Classes in Spain under the provisions of the Directive.

It is intended that application may be made in other jurisdictions to enable the Shares of the Company to be marketed freely in these jurisdictions.

**Persons who receive this Prospectus must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of securities under applicable securities legislation. Investors are urged to consult with independent legal and tax advisers prior to soliciting an offer to buy the securities described hereunder.**

### **Generally**

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

Investors should read and consider the risk discussion under "Risk Factors" before investing in the Company.

**Potential investors should note that all or part of a Fund's fees and expenses may be charged to the capital of the Fund. Where such a policy is applied, it will have the effect of lowering the capital value of a Shareholder's investment (see "Fees and Expenses").**

**The Net Asset Value per Share is expected to fluctuate over time with the performance of the relevant Fund's investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption if the redemption price at the time of such redemption is less than the subscription price paid by such Shareholder.**

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

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## DEFINITIONS

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"Accumulation Shares" "Acc Shares" and "Accum Shares"	Shares of the Company which do not distribute dividends to Shareholders.
"Administrator"	CACEIS Bank, Luxembourg Branch, and/or such other person as may be appointed, in accordance with the requirements of the CSSF, to provide administration services to the Company.
"Auditors"	PricewaterhouseCoopers, <i>Société coopérative, réviseur d'entreprises agréé</i> , Luxembourg.
"Articles"	the articles of incorporation of the Company, as amended from time to time.
"Base Currency"	in relation to a Fund, means the currency in which the Fund is valued, as the same may be amended from time to time by the Directors.
"Board of Directors"	the board of directors of the Company.
"Business Day"	a full Luxembourg bank business day when the Company is open for business between 9.00 and 17.00 (Central European Time), and such other day or days as the Directors may from time to time determine.
"Class" or "Share Class"	a class of Shares in the Company.
"Class A Shares"	Class A Distribution Shares and/or Class A Accumulation Shares.
"Class B Shares"	Class B Distribution Shares and/or Class B Accumulation Shares.
"Class C Shares"	Class C Distribution Shares and/or Class C Accumulation Shares.
"Class M Shares"	Class M Distribution Shares and/or Class M Accumulation Shares.
"Class R Shares"	Class R Distribution Shares and/or Class R Accumulation Shares.
"CSSF"	<i>Commission de Surveillance du Secteur Financier.</i>
"Company"	Milleis Investissements Funds.
"Currency Hedging Manager"	the Investment Manager and/or such other person as may be appointed, in accordance with the requirements of the CSSF, to provide currency hedging services to the Company or any of the Funds.
"Dealing Cut-off Time"	specific time on a day for a Fund as detailed in Appendix 3.
"Dealing Day"	any Business Day unless otherwise specified in Appendix 3 for a particular Fund.

<i>"Depositary"</i>	CACEIS Bank, Luxembourg Branch, or such other person as may be appointed, with the prior approval of the CSSF, to act as depositary to the Company.
<i>"Directive"</i>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended from time to time, including by means of Directive 2014/91/EU.
<i>"Directors"</i>	the directors of the Company.
<i>"Distributor(s)"</i>	Milleis Investissements S.A. and/or such other person or entity as may be appointed by the Management Company, with the consent of the Company, to distribute or arrange for the distribution of Shares.
<i>"Distribution Shares" and "Dist Shares"</i>	Shares of the Company which distribute dividends to Shareholders.
<i>"Duties and Charges"</i>	in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, interest, depositary or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties, costs and charges whether in connection with the original acquisition, increase or decrease of the assets of the relevant Fund or the creation, issue, sale, conversion or repurchase of Shares or the sale or purchase of Investments but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or other costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund.
<i>"Eligible State"</i>	includes any EU Member State, any member state of the OECD, any member state of the European Economic Area ("EEA"), and any other state which the Directors deem appropriate with regard to the investment objective of each Fund.
<i>"ETC"</i>	investment funds issuing transferable securities backed by physical stocks of a commodity
<i>"EU"</i>	European Union.
<i>"EU Member State"</i>	means a member state of the EU. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the EU, within the limits set forth by this agreement and related acts, are considered as equivalent to the member states of the European Union.
<i>"Euro", "EUR" and "€"</i>	the single European currency unit referred to in Council Regulation (EC) No. 974/98 on 3 May 1998 on the introduction of the Euro.
<i>"FCA"</i>	the Financial Conduct Authority or its successor authority in the United Kingdom.
<i>"Fund"</i>	a portfolio of assets established (with the prior approval of the CSSF) for one or more Classes which is invested in accordance with the investment objectives applicable to such portfolio.
<i>"Hedged Share"</i>	such Class or Share Classes of a Fund denominated in any currency other than

<i>Classes</i>	the Base Currency of that Fund.
<i>"Institutional Investors"</i>	institutional investors within the meaning of Article 174 of the 2010 Law as interpreted from time to time by the CSSF.
<i>"Intermediary"</i>	a Distributor and/or any sales agent and/or intermediary appointed by it.
<i>"Investment"</i>	any investment which is permitted by the Regulations and the Articles.
<i>"Investment Manager"</i>	Milleis Investissements S.A. and/or such other person as may be appointed by the Management Company, with the consent of the Company and in accordance with the requirements of the CSSF to provide investment management services to the Company or any of the Funds.
<i>"Investment Restrictions"</i>	the general investment restrictions applicable to all Funds as set out in Appendix 1.
<i>"Key Investor Information Documents"</i>	the key investor information document(s) in respect of any Share Class.
<i>"Management Company"</i>	Luxcellence Management Company S.A.
<i>"Minimum Holding"</i>	a holding of Shares of any Class having an aggregate value of such minimum amount as set out herein.
<i>"Minimum Redemption"</i>	a minimum redemption (whether initial or subsequent) for Shares of any Class as set out herein.
<i>"Minimum Subscription"</i>	a minimum subscription (whether initial or subsequent) for Shares of any Class as set out herein.
<i>"Money Market Fund"</i>	UCITS or other UCI which qualifies as a money market fund in the meaning of the CESR Guidelines CESR/10-049 dated 19 May 2010 on a common definition of European money market funds, respectively Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, once applicable to the Company.
<i>"Net Asset Value"</i>	the net asset value of the Company, a Fund or a Class (as the context may require) determined in accordance with the Articles.
<i>"Net Asset Value Per Share"</i>	the Net Asset Value divided by the number of Shares of the relevant Fund. Where there is more than one Class per Fund, the Net Asset Value per Share per Class will be the Net Asset Value attributable to each Class divided by the number of Shares in issue in that Class.
<i>"Net Redemption Position"</i>	the position on any Dealing Day when total redemptions exceed total subscriptions.
<i>"Net Subscription Position"</i>	the position on any Dealing Day when total subscriptions exceed total redemptions.

"OECD"	the Organisation for Economic Co-operation and Development.
"Price"	as defined in the section headed "Single Swinging Pricing" in this Prospectus.
"Qualified Holder"	(A) any person, corporation or entity other than (i) a US Person; (ii) an ERISA plan; (iii) any person, corporation or entity which cannot acquire or hold Shares without breaching the law or requirement of any country or governmental authority; (iv) any person who has failed to provide information or declaration required by the Board of Directors for the identification of any Shareholder; (v) any person, corporation or entity who is precluded from holding Shares or whom the Directors reasonably believe to be precluded from holding Shares (for example because such person, corporation or entity does not confirm or up-date its recorded address in spite of specific request(s) to this effect) or whose acquisition or holding of Shares, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company might not otherwise have incurred or suffered (including, <i>inter alia</i> , any liability that might derive from the Foreign Account Tax Compliance Act or the Common Reporting Standard or any other similar provisions); (vi) any person whose shareholding's concentration could, in the opinion of the Board of Directors, jeopardise the liquidity of the Company or of any of its Funds qualifying as a Money Market Fund or (vii) a depository, nominee, or trustee for any person, corporation or entity described in (i), (ii), (iii) and (iv) above; and (B) in the case of Class B Shares for all Funds, Institutional Investors.
"Reference Currency"	in relation to a Share Class, means the currency in which the Share Class is denominated, as the same may be amended from time to time by the Directors.
"Regulated Market"	a market within the meaning of point 14) of Directive 2014/65/EC or any other market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.
"Regulations"	the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions.
"Share"	a share of no par value in the Company issued in respect of any Fund.
"Shareholder"	the registered holder of a Share.
"Short-term Money Market Fund"	a UCITS or other UCI which qualifies as a short-term money market fund in the meaning of the CESR Guidelines CESR/10-049 dated 19 May 2010 on a common definition of European money market funds.
"Sterling", "£" and "GBP"	the lawful currency of the United Kingdom.
"UCI"	another "undertaking for collective investment" within the meaning of Article 1, paragraph (2), points a) and b) of the Directive.
"UCITS"	an Undertaking for Collective Investment in Transferable Securities established pursuant to the Directive.

<i>"UCITS Rules"</i>	the set of rules formed by the Directive and any derived or connected EU or national act, statute, regulation, circular or binding guidelines.
<i>"United Kingdom" and "UK"</i>	The United Kingdom of Great Britain and Northern Ireland.
<i>"United States" and "US"</i>	The United States of America, including its states, commonwealths, territories, possessions and the District of Columbia.
<i>"US Dollars", "US\$" and "USD"</i>	the lawful currency of the United States.
<i>"US Person"</i>	shall have the following definition:  (a) a citizen or resident (including a "green card" holder) of the United States; (b) a partnership, corporation, limited liability company or similar entity, organised or incorporated under the laws of the United States or having its principal place of business in the United States, or an entity taxed as such or subject to filing a tax return as such under the United States federal income tax laws; (c) any estate or trust the executor, administrator or trustee of which is a US Person unless, (1) in the case of trusts of which any professional fiduciary acting as trustee is a US Person, a trustee who is not a US Person has sole or shared investment discretion with respect of trust assets and no beneficiary of the trust (and no settler if the trust is revocable) is a US Person; (2) in the case of estates of which any professional fiduciary acting as executor or administrator is a US Person, an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and the estate is governed by foreign law; (d) any estate the income of which arises from sources outside of the United States, is not effectively connected to a US trade or business and is includible in gross income for purposes of computing United States income tax payable by it; (e) any agency or branch of a foreign entity located in the United States; (f) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more US Persons have the authority to control all substantial decisions of the trust; (g) any discretionary account or non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary located within or outside the United States for the benefit or account of a US Person; (h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States, except that any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated (or if an individual) resident in the United States shall not be deemed a US Person; (i) any firm, corporation or other entity, regardless of citizenship, domicile, situs or residence if, under the income tax laws of the United States from time to time in effect, any proportion of the income thereof would be taxable to a US Person even if not distributed, other than a passive foreign investment company; (j) any partnership, corporation or other entity if (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) owned or formed by a US Person or Persons principally for the purpose of investing in securities not registered under the US Securities Act of 1933 (including but not limited to Shares of the Fund), unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under

the 1933 Act) who are not natural persons, estates or trusts; (k) any employee benefit plan unless such employee benefit plan is established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (l) a pension plan unless such pension plan is for the employees, officers or principals of an entity organised and with its principal place of business outside the United States and (m) any entity organised principally for passive investment such as a commodity pool, investment company or other similar entity (other than a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States) (1) in which United States persons who are not qualified eligible persons (as defined in Regulation 4.7 under the US Commodity Exchange Act) hold units of participation representing in the aggregate 10% or more of the beneficial interest in the entity; or (2) which has as a principal purpose the facilitating of investment by a United States person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the US Commodity Futures Trading Commission's regulations by virtue of its participants being non-United States persons; and (n) any other person or entity whose ownership of shares or solicitation for ownership of shares the Company, acting through their officers or directors, shall determine may violate any securities law of the United States or any state or other jurisdiction thereof.

"US Person" shall not include any person or entity, notwithstanding the fact that such person or entity may come within any of the categories referred to above, as to whom the Company, acting through its officers or directors, shall determine that ownership of shares or solicitation for ownership of shares shall not violate any securities law of the United States or any state or other jurisdiction thereof.

<i>"Valuation Point"</i>	specific time on each Dealing Day when the Net Asset Value for a Fund is calculated as detailed in Appendix 3.
<i>"1933 Act"</i>	the United States Securities Act of 1933, as amended.
<i>"1940 Act"</i>	the United States Investment Company Act of 1940, as amended.
<i>"2010 Law"</i>	the amended Luxembourg law of 17 December 2010 relating to undertakings for collective investment.

**All references to the singular shall include the plural and vice versa.**

## DIRECTORY

Directors	Registered Office	Distributors	
<p>The Directors of the Company, whose business address is at: 5, Allée Scheffer, L-2520 Luxembourg are as follows:</p> <p>Patrick Zurstrassen, director of companies, 19, rue de Bitbourg, L-1273 Luxembourg</p> <p>Philippe Hoss, partner, Elvinger Hoss Prussen, <i>société anonyme</i>, 2, Place Winston Churchill, L-1340 Luxembourg</p> <p>Matthieu Desgrées Du Loû, director, Milleis Investissements S.A., 32, avenue George V, 75008 Paris, France</p> <p>Nicolas Hubert, Managing Director, Milleis Investissements S.A., 32 avenue George V, 75008 Paris, France</p>	5, Allée Scheffer, L-2520 Luxembourg	<p>Milleis Banque S.A. 32, avenue George V, 75008 Paris, France</p> <p>Milleis Investissements S.A. 32, avenue George V, 75008 Paris, France</p>	
	<b>Management Company</b>	<p>Luxcellence Management Company S.A. 5, allée Scheffer L-2520 Luxembourg</p>	<b>Auditors</b>
	<b>Investment Manager</b>		<p>PricewaterhouseCoopers, <i>société coopérative</i> 2, rue Gerhard Mercator L-2182 Luxembourg</p>
		Milleis Investissements S.A., 32, avenue George V, 75008 Paris, France	
Depository, Domiciliary and Listing Agent	Administrator	Legal Adviser to the Company	
CACEIS Bank, Luxembourg Branch 5, Allée Scheffer, L-2520 Luxembourg	CACEIS Bank, Luxembourg Branch 5, Allée Scheffer, L-2520 Luxembourg	Elvinger Hoss Prussen, <i>société anonyme</i> 2, Place Winston Churchill L-1340 Luxembourg	

# MILLEIS INVESTISSEMENTS FUNDS

## INTRODUCTION

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Milleis Investissements Funds is an open-ended investment company with multiple compartments or Funds ("société d'investissement à capital variable" (SICAV) à *compartiments multiples*) (referred to as "Funds") governed by Luxembourg law, and, in particular, the provisions of Part I of the 2010 Law. The Company has appointed Luxcellence Management Company S.A. as its management company.

The Company was incorporated for an indefinite period on 16 October 1998. The Articles were published in the official gazette "*Mémorial C, Recueil des Sociétés et Associations du Grand-Duché de Luxembourg*" (the "Mémorial") on 16 November 1998. The Company is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under Number B 66 581. The Articles were amended for the last time on 20 August 2018. The name of the Company was changed for the last time on 20 August 2018 to Milleis Investissements Funds.

The Company's capital shall at all times be equal to the value of its total net assets. The minimum capital required by law is €1,250,000 or its equivalent. The Company has been authorised by the CSSF as a UCITS. The base currency of the Company is EUR.

The Company is structured as an umbrella fund in that different Funds thereof may be established with the prior approval of the CSSF. Funds established as at the date of this Prospectus are listed in Appendix 2.

In addition, each Fund may have more than one Share Class allocated to it. The Shares of each Class allocated to a Fund will rank *pari passu* with each other in all respects except as to all or any of the following:

- currency of denomination of the Class (and hedging policy applicable to that currency);
- dividend policy;
- the level of fees and expenses to be charged;
- the Minimum Subscription, Minimum Holding and Minimum Redemption applicable; and
- any other element(s) and/or characteristic(s) to be decided by the Directors from time to time in accordance with the Regulations.

The assets of each Fund will be separate from one another and will be invested in accordance with the investment objectives and policies applicable to each such Fund.

Details of all Classes on offer for each Fund are set out in Appendix 2.

Any investor wishing to make a complaint regarding any aspect of the Company or its operation may file complaints free of charge with the Management Company in an official language of its home country.

Investors can access the complaints handling procedure on the Management Company's website at: <http://www.luxcellence.com/files/complaints.pdf>.

## INVESTMENT OBJECTIVES, INVESTMENT POLICIES AND INVESTOR PROFILES

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### General

Details of the specific investment objective, investment policy and investor profile of each Fund are set out in Appendix 3.

### Past Performance

Information on the past performance of each Class or Fund (if any), as updated on an annual basis, is contained in the Key Investor Information Documents.

### Use of Derivatives for Investment Purposes

In order to achieve each Fund's investment objective as stated above, the Company is permitted to use a wide range of derivatives for investment purposes, including, but not limited to the following:

- Futures
- FX Forward contracts
- Options
- Swaps
- Credit default swaps
- Contracts for difference
- Swaptions

The Company may also invest in structured notes which contain embedded derivatives and in the latter case, a prudent approach will be undertaken whereby the whole exposure to the structured note is deemed to be derivative exposure.

Financial derivative instruments used by a Fund will be subject to the conditions of, and within the limits laid down by, the Regulations and will only be used in conjunction with a risk management process as notified to the CSSF. Only financial derivative instruments provided for in such risk management process will be utilised. The Company intends to use derivative instruments for each of the Funds as non-complex strategies.

### Efficient Portfolio Management

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down in the Regulations, employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for efficient portfolio management purposes. Such techniques and instruments are set out in Appendix 1 and include securities lending, repurchase transactions and reverse repurchase transactions. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject as aforesaid) may employ such techniques and instruments in accordance with the Regulations.

## **Currency Hedging**

The Funds may issue Share Classes denominated in different currencies. With respect to the Hedged Share Classes, the Currency Hedging Manager will employ techniques and instruments, including financial derivative instruments intended to provide protection against exposure to currency fluctuation risk, in particular against movements of the currency in which the Hedged Share Classes are denominated against movements in the Base Currency of the relevant Fund. While the Currency Hedging Manager will attempt to hedge against this currency exposure, there can be no guarantee that the value of the Hedged Share Classes will not be affected by the value of their relevant Reference Currency relative to the Base Currency of the relevant Fund. The hedging strategy will aim to protect the holders of these Reference Currency Classes in circumstances where the value of these Reference Currencies increases relative to the Base Currency of the relevant Fund but will limit the extent to which holders of these Reference Currency Classes may benefit as a result of a decline in the value of these Reference Currencies relative to the Base Currency of the relevant Fund.

All gains/losses which may be made by the Hedged Share Classes as a result of such hedging transactions together with the costs of such transactions will accrue to the relevant Class or Classes. The Reference Currency of the Class will be hedged to the Base Currency of the Fund to the extent that the notional value of the hedges in each Hedged Share Class shall not exceed 105% of the Net Asset Value of the relevant Hedged Share Class. All such transactions will be clearly attributable to the relevant Hedged Share Class and the currency exposures of the different Hedged Share Classes will not be combined or offset. The Currency Hedging Manager does not intend to have under-hedged or over-hedged positions, however due to market movements and factors outside the control of the Currency Hedging Manager, under-hedged and over-hedged positions may arise from time to time. The Currency Hedging Manager will limit hedging to the extent of the relevant Hedged Share Class Reference Currency exposure and shall monitor such hedging on an ongoing basis to ensure that such hedging shall not be below 95% of the Net Asset Value of the relevant Hedged Share Class or exceed 105% of the Net Asset Value of the relevant Hedged Share Class and to review hedged positions when they come near to any of these limits so as to increase/reduce such hedging appropriately.

## **Investment Restrictions**

Investment of the assets of each Fund must comply with the general investment restrictions applicable to all Funds as set out in Appendix 1.

The Directors may also, from time to time, impose such further investment restrictions as may be compatible with or be in the interests of the Shareholders in order to comply with the laws and regulations of the countries where Shareholders of the Company are located or the Shares are marketed.

The Company will not take legal or management control of any of the entities in which its underlying investments are made.

## **Dividend Policy**

Shares in the Company may be available as Distribution Shares or Accumulation Shares. However, both types of Share are not offered in every jurisdiction. Prospective investors/Shareholders should consult their relevant Intermediary for more information and investors should consider their own tax position as to whether Distribution or Accumulation Shares are most suitable for them. The Share Classes which are currently available for each Fund are listed in Appendix 2.

## **Distribution Shares**

The Directors are empowered to declare and pay dividends on the Distribution Shares in the Company within the limits established by the 2010 Law.

It is intended that the Funds will declare and pay dividends to Shareholders holding Distribution Shares on the basis and frequency set out in Appendix 3, usually within two months following the end of the relevant period.

The Directors may change the frequency with which the Funds declare or pay dividends.

The Directors may elect to make distributions out of net income and net realised capital gains if circumstances so warrant. Dividends payable to Shareholders will be paid to the Shareholder's nominated bank account by way of electronic transfer or such other means as the Directors may determine. Dividends may be immediately reinvested upon request to purchase additional Shares of the relevant Class at the applicable Price without imposition of any initial sales charge. Any dividend paid on a Share that is not being claimed will not earn interest and, if not claimed within five years of the payment date, shall be forfeited to the benefit of the relevant Fund.

## **Accumulation Shares**

**Investment income and profits, if any, earned with respect to Accumulation Shares will be retained and will be reinvested on behalf of Shareholders and reflected in each Accumulation Share.**

## RISK FACTORS

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Potential investors should consider the following risk factors before investing in the Company. These risk factors do not purport to be an exhaustive list of the risks involved in investing in the Company.

### General

1. A prospective investor should be aware that Investments are subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of Investments will occur or that the investment objectives of any Fund will actually be achieved. **The value of Investments and the income derived therefrom and the price of Shares may fall as well as rise and therefore investors may not recoup the original amount invested in a Fund. Any investment should be viewed as medium to long term. An investment should only be made by those persons who are able to sustain a loss on their investment.**
2. Prospective investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see under the heading "Temporary Suspensions" in this Prospectus).
3. A Fund will be exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default. In the event of a bankruptcy or other default, the relevant Fund could experience both delays in liquidating the underlying securities and losses including a possible decline in value of the underlying securities during the period when the relevant Fund seeks to enforce its rights thereto. This will have the effect of reducing levels of capital and income in the Fund and may give rise to a lack of access to income during this period together with the expense of enforcing the Fund's rights.
4. Listing on a Stock Exchange will not necessarily increase liquidity to investors.
5. The assets of each Fund are segregated. As a matter of Luxembourg law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on behalf of or be subject to claims in other jurisdictions (such as the United Kingdom) which may not necessarily recognise such segregation and, in such circumstances, the assets of one Fund may be exposed to the liabilities of another.
6. The levels and bases of, and reliefs from, taxation are those that currently apply and may change in the future. The value of current tax reliefs depends on individual circumstances. Each investor or prospective investor should seek independent professional tax advice.
7. The attention of potential investors is drawn to the taxation risks associated with investing in the Company. Please also see the heading "Taxation" in this Prospectus.
8. Each of the Company and any collective investment undertakings in which it invests (each, for the purposes of this paragraph 8, a "relevant entity") may be subject to withholding, capital gains or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the relevant entity is incorporated, established or resident for tax purposes. Where a relevant entity invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The relevant entity will not be able to recover such tax and so any change would have an adverse effect on the Net Asset Value of the Shares. Where a relevant entity sells securities short that are subject to withholding tax at the time of sale, the price

obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the relevant entity.

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

9. Potential investors should note that in respect of a Fund, all or part of that Fund's fees and expenses may be charged to the capital of the Fund. Where such a policy is applied, it will have the effect of lowering the capital value of a Shareholder's investment.
10. Shares may not at any time be offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, a US Person. Any issue, sale or transfer in violation of this restriction will not be binding upon the Company and may constitute a violation of US law.

Shares may not be issued or transferred other than to a person who, in writing to the Company, shall, among other things, (A) represent that such person is not a US Person and is not purchasing such Share for the account or benefit of a US Person, (B) shall agree to notify the Company promptly if, at any time while it remains a holder of any Share, such person should become a US Person or shall hold any Share for the account or benefit of a US Person, and (C) shall agree to indemnify the Company from and against any losses, damages, costs or expenses arising in connection with a breach of the representations and agreement set forth above.

If, at any time, a Shareholder shall become a US Person or shall hold any Share on behalf of a US Person, that Shareholder shall notify the Company immediately and the Company shall have the right to direct the Shareholder to either (i) apply for the transfer of the Shares to a non US Person in accordance with the procedures described under "Transfer of Shares" or (ii) redeem the Shares as provided under "Redemptions", failing which such Shareholder, on the date specified in the notice referred to above, shall be compulsorily redeemed.

11. The Company may from time to time purchase investments that will subject the Company to withholding taxes or exchange controls in various jurisdictions. In the event that withholding taxes or exchange controls are imposed with respect to any of the Company's investments, the effect generally reduces the income received by the Company on its investments.
12. Each Fund may use financial derivative instruments subject to the limits and conditions set out in the Investment Restrictions and its investment objective and investment policy. Forward and futures contracts tend to have a greater volatility than the securities to which they relate and they bear a correspondingly greater degree of risk. Investors should familiarise themselves with the specific risks linked to the use of derivative instruments provided in Appendix 1.
13. Each Fund may enter into securities lending and repurchase transactions subject to the limits and conditions set out in the Investment Restrictions and its investment objective and investment policy. Investors should familiarise themselves with the specific risks linked to the use of such transactions provided in Appendix 1.
14. The value of the assets of the Company will be affected by fluctuations in the value of the currencies in which the Company's investments are quoted or denominated relative to the Base Currency of the relevant Fund and/or the currency of denomination of the relevant Class. Currency exchange rates in emerging markets may fluctuate significantly over short periods of time, in addition causing, together

with other factors, the fluctuation of the Net Asset Value. Currency exchange rates may be affected by market perception of the relative merits of investment in emerging markets, actual and anticipated changes in interest rates, intervention by governments and certain banks or political developments. The Company may incur costs in connection with conversion between various currencies. The Fund may enter into forward foreign exchange transactions in order to manage the foreign exchange risks arising from holding such instruments and in order to protect the value of its Investments against short-term market volatility. These techniques may not always be possible or effective in limiting losses. Depending on an investor's currency of reference, currency fluctuations between an investor's currency of reference and the Base Currency and/or the currency in which the relevant Share Class is denominated may adversely affect the value of an investment in the Fund.

15. For Funds investing in bonds, investors shall note that certain other factors may have an influence on the performance of bonds. For example, changes, real or anticipated, in the rate of inflation or in interest rates, may cause returns on bonds to be more or less attractive, so affecting the price of Shares. The number of bonds in issue may also affect the price of bonds due to changes in the balance between supply and demand. Such Funds will therefore be subject to credit, liquidity and interest rate risks.
16. Investing in convertible bonds has a sensitivity to the fluctuations in the prices of the underlying equities ("equity component" of the convertible bond) while offering some form of protection of some of the capital ("bond floor" of the convertible bond). The higher the equity component is, the weaker the capital protection. As a consequence a convertible bond that has experienced a significant rise in its market value as a result of the rise of the underlying equity price will have a risk profile which is closer to that of a share. On the other hand, a convertible bond that has experienced a fall in its market value up to its bond floor as a result of the fall of the price of the underlying shares price will have from this level a risk profile close to that of a traditional bond.

Convertible bonds, like other types of bonds, are subject to the risk that the issuer may not be able to meet its obligations in terms of the payment of interest and/or redemption of the capital on maturity (credit risk). The perception by the market of the increase in the probability of occurrence of this risk for a given issuer results in a sometimes considerable fall in the market value of the bond and therefore the protection offered by the bond content of the convertible bond. The bonds are also exposed to the risk of a fall in the market value following a rise in the reference interest rates (interest rate risk).
17. In the case of Funds investing in money market instruments, yields will fluctuate with changes in interest rates, and capital values may also be adversely affected if any of the institutions with which cash is deposited suffers insolvency or any other financial difficulties.
18. For Funds investing in warrants there may be a higher degree of risk so that a relatively small movement in the price of the underlying security may result in a disproportionately large movement in the price of the warrant. Although the Funds' exposure to warrants may be strictly controlled, the value of Shares in the Funds investing in warrants may be subject to significant fluctuations.
19. For Funds investing in certain stock markets (for example those in emerging markets) the risk to capital and income may be greater. These Shares can be more volatile and less marketable than in more developed stock markets. See specific risks relating to these types of investments under "Emerging Markets", below.
20. Funds which invest in smaller companies may fluctuate in value more than other Funds. Securities of smaller companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. Consequently investment in smaller companies may involve more risk than investment in larger companies.

21. Shareholders are not liable for the debts of the Company, and do not have to make any further payment to the Company after they have paid the full purchase price of the Shares.

### **Currency Hedging**

22. The Currency Hedging Manager will employ techniques and instruments, including financial derivative instruments, intended to provide protection so far as possible against movements of the Reference Currency in which the Hedged Share Classes are denominated against movements in the Base Currency of the relevant Fund. All costs and gains/losses of such hedging transactions are borne separately by the respective Share Classes. It should be noted that the hedging strategy employed by a Fund will not completely eliminate the exposure of the Hedged Share Classes to currency movements. This may be for a number of reasons including, without limitation, (i) hedging transactions may be effected some time after subscription proceeds are credited to the relevant Fund, (ii) hedging transactions may be effected by reference to a benchmark selected by the relevant Fund and not by reference to the actual currency composition of the Fund, and (iii) constructing a hedging strategy that ensures ongoing compliance with limits in this Prospectus and/or under applicable law and regulation relating to the use of hedging instruments can result in a strategy that is unlikely to result in a perfect hedge of currency exposures at all times. While the Currency Hedging Manager will attempt to hedge this risk in relation to Hedged Share Classes, there can be no guarantee that it will be successful in doing so. The use of hedging strategies may substantially limit Shareholders in the relevant Hedged Share Classes from benefiting if the currency of denomination of the Hedged Share Classes falls against the base currency of the relevant Fund and/or the currency in which some or all of the assets of a Fund are denominated. Given that there is no segregation of liabilities between Share Classes, there may be a remote risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund. An up-to-date list of the share classes which employ currency hedging is available upon request at the registered office of the Management Company.

### **Emerging Markets**

23. Emerging markets tend to have a greater level of risk and volatility associated with them and to be less liquid than more established markets. Investors should consider whether or not investment in any Fund which may invest in or have an exposure to emerging markets is either suitable or should constitute a substantial part of the investors' portfolio.
24. The Net Asset Value, the marketability and the returns derived from a particular Fund's investments may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, taxation and interest rates, currency conversion and repatriation, and other political and economic developments in law or regulations in emerging markets and, in particular, the risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership. All of these facts may adversely affect the overall investment climate and, in particular investment opportunities for a Fund.
25. Companies in emerging markets may not be subject to:
- (i) Accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets; and
  - (ii) The same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

26. The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.
27. Lack of liquidity and efficiency in some of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Investment Manager may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.
28. There may be no obligation on the part of registration and tax authorities to make official copies of records available to third parties. In addition, there may be no reliable commercial firms who at present could undertake a comprehensive credit analysis or who could search the records of notary publics to determine whether the assets of an enterprise have been pledged or are otherwise subject to a pledge or other security interest. Accordingly, the extent of due diligence of prospective companies in which a Fund may invest must in some cases be significantly limited as compared with the standards for due diligence in more developed markets.
29. The emerging markets in which a Fund may invest are considerably less regulated than many of the world's leading stock markets. In addition, market practices in relation to settlement of securities transactions and custody of assets in such markets can provide a material risk to a Fund. Furthermore, due to the local postal and banking systems, no guarantee can be given that all entitlements attaching to securities acquired by a Fund (including in relation to dividends), can be realised. None of the Company, the Depository, the Investment Manager, the Administrator, or any of their agents makes any representation or warranty about, or any guarantee of the operation, performance or settlement, clearing and registration of transactions dealing in emerging markets.
30. Prospective investors should be aware that safe custody of securities in emerging markets involves risk and considerations which do not normally apply when settling transactions and providing safe custody services in more developed countries. In circumstances such as the insolvency of a sub-depository or registrar, or retro-active application of legislation, the Company may not be able to establish title to investments made and may suffer losses as a result. The Company may find it impossible to enforce its rights against third parties.
31. Custody services are very often undeveloped and, although the Company will endeavour to put into place control mechanisms, including the selection of agents to register emerging markets securities on behalf of a Fund, there is a significant transaction and custody risk of dealing in securities of emerging markets.
32. The value of the assets of the Company will be affected by fluctuations in the value of the currencies in which the Company's investments are quoted or denominated relative to the Base Currency of the relevant Fund. Currency exchange rates in emerging markets may fluctuate significantly over short periods of time, in addition causing, together with other factors, the fluctuation of the Net Asset Value. Currency exchange rates may be affected by market perception of the relative merits of investment in emerging markets, actual and anticipated changes in interest rates, intervention by governments and certain banks or political developments. The Company may incur costs in connection with conversion between various currencies.
33. For Funds investing in China A-Shares: The Shanghai and Shenzhen Stock Exchanges divide listed shares into two classes: A-Shares and B-Shares. A-Shares are traded on the Shanghai and Shenzhen Stock Exchanges in Chinese currency with all repatriations of gains and income requiring the approval of State Administration for Foreign Exchange of the Republic of China. B-Shares are traded on the Shenzhen and Shanghai Stock Exchanges in Hong Kong Dollars and US Dollars,

respectively. Qualified foreign institutional investors ('QFIIs') historically were unable to participate in the A-Share market. However, pursuant to an administrative notice issued by the China Securities Regulatory Commission ('CSRC') on 24 August 2006 implementing the investment regulations, a QFII may invest in stocks listed and traded on a stock exchange, bonds listed and traded on a stock exchange, securities investment funds, warrants listed and traded on a stock exchange and other financial instruments approved by the CSRC. Restrictions continue to exist and capital therefore cannot flow freely into the A-Share market. As a result it is possible that in the event of a market disruption, the liquidity of the A-Share market and trading prices of A-Shares could be more severely affected than the liquidity and trading prices of markets where securities are freely tradable and capital therefore flows more freely. The Company cannot predict the nature or duration of such a market disruption or the impact that it may have on the A-Share market and the short term and long term prospects of its investments in the A-Share market. The Chinese government has in the past taken actions that benefited holders of A-Shares. As A-Shares become more available to foreign investors, such as the Fund, the Chinese government may be less likely to take action that would benefit holders of A-Shares.

### **Commodity Associated Risks**

34. The investment in Funds having an exposure to the international commodity and precious metal markets by investing in commodity-index linked derivatives and precious metal-index linked derivatives or by an investment in other transferable securities which performance, yield and/or capital repayment amount is linked to the performance of a commodity or precious metal index. Investments with exposure to commodities and precious metals can involve risks caused by changes in the overall market movements, changes in interest rates, or factors affecting a particular industry, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments.

### **Duplication of fees**

35. Potential investors should be aware that UCITS and other UCIs in which the Fund has invested will be subject to management fees and other expenses. As a result, Shareholders may suffer management fees and expenses incurred both at the level of the Company and the underlying UCITS and other UCIs in which the Company invests. There may also be a duplication of subscription and/or redemption fees and/or performance fees.

### **Risk associated with investment strategies**

36. Absolute return investment strategies employ techniques that take advantage of observed or anticipated differences in prices between markets, sectors, securities, currencies and instruments. If these unfold unfavourably for such positions (for example, with markets rising for short transactions and/or markets falling for long transactions) or forecasts prove wrong, investment decisions made at the underlying UCI managers' discretion could lead to negative performances. There is therefore a risk that the Fund may not achieve its intended aim.

### **Risk associated with investment in UCITS and UCIs**

37. The Investment Manager seeks to monitor investments and trading activities of the UCITS and UCIs in which the Funds may invest. However, investment decisions are normally made independently at the level of the UCITS and UCIs and are solely subject to the restrictions applicable to those UCITS and UCIs. None of the Company, the Investment Manager or the Depositary is liable for compliance with such restrictions.

38. It is possible that some investment managers of the UCITS and UCIs will take positions in the same security or in issues of the same industry or country or in the same currency or commodity at the same time. Consequently, it is possible that one UCITS or UCI may purchase an instrument at the same time as another UCITS or UCI decides to sell it. There is no guarantee that the selection of the UCITS or UCI will actually result in diversification of investment styles and that the positions taken by the UCITS or UCI will always be consistent.

**The foregoing risk factors do not purport to be a complete list of the risks involved in investing in the Company. Prospective investors should read the entire Prospectus and fully evaluate all other information that they deem to be necessary to determine whether or not to invest in the Company. Prospective investors should ensure that they fully understand the content of this Prospectus and should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser for advice.**

## MANAGEMENT AND ADMINISTRATION

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### **The Directors**

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

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

The Company shall be managed by the Management Company subject to the overall supervision and control of the Board of Directors whose details and countries of residence are set out below. The Directors are all non-executive directors of the Company.

#### Patrick Zurstrassen

Patrick Zurstrassen has more than 30 years' experience of banking and fund management with Crédit Agricole Indosuez Group and is a director of several investment funds and other companies. Mr Zurstrassen is a founder of "The Directors' Office" an organisation providing the services of directors to companies primarily in the asset management sector. Mr Zurstrassen lectures on finance at the Catholic University of Louvain, Belgium. His country of residence is Luxembourg.

#### Philippe Hoss

Philippe Hoss is a partner of Elvinger Hoss Prussen, *société anonyme*, and has been advising on investment funds for over 20 years. He sits on the board of a number of investment funds as chairman or director and lectures on financial law matters at Luxembourg University. His country of residence is Luxembourg.

#### Matthieu Desgrées Du Loû

Matthieu Desgrées Du Loû is a director at Milleis Investissements S.A. He has over 20 years' experience in financial services with several companies. His country of residence is France.

#### Nicolas Hubert

Nicolas Hubert is the Managing Director of Milleis Investissements S.A. and the Deputy CEO of Milleis Banque SA. He has a longstanding experience within financial services having worked in particular at Lazard Frères and Blackstone. His country of residence is France.

### **The Management Company**

The Company has designated Luxcellence Management Company S.A. as its management company in accordance with a management company agreement dated 4 August 2017 (and effective as of 31 August 2017) between the Management Company and the Company (the "Management Company Agreement"). Under this agreement, the Management Company provides collective portfolio management services in accordance with the 2010 Law and as specified in the Management Company Agreement, subject to the overall supervision and control of the Board of Directors.

As provided in Appendix II of the 2010 Law, functions included in the activity of collective portfolio management encompass the following tasks:

- Investment management,
- Administration,
- Marketing.

The Management Company was incorporated as a public company (*société anonyme*) under the laws of Luxembourg on 31 January 1994 by notarial deed published in the *Mémorial* on 7 March 1994. The notarial deed was deposited with the *Registre de Commerce et des Sociétés* of Luxembourg under the number B 46.546.

Since November 2014 its share capital amounts to EUR 1,000,000-. The articles of incorporation of the Management Company were last amended on 5 December 2014.

The Management Company is wholly owned by CACEIS S.A., the holding company of CACEIS Group, and is part of the same group as CACEIS Bank, Luxembourg Branch.

The Management Company is authorised and supervised by the CSSF pursuant to Chapter 15 of the 2010 Law.

As of the date of this Prospectus, the board of directors of the Management Company consists of the following members:

Mr Guillaume FROMONT, Chairman  
Mr Lucien EULER, Independent Director  
Mr Jean-Luc JACQUEMIN, Managing Director  
Mr Philippe DE CIBEINS, Director

The following persons have been appointed as conducting officers (*dirigeants*) of the Management Company, as referred to in Article 102 of the 2010 Law and CSSF Circular 12/546:

Mr Jean-Luc JACQUEMIN, Managing Director  
Mr Jean-Marc SERVAIS, Conducting Officer  
Mr Gregory CABANETOS, Conducting Officer

The Management Company may delegate certain of its duties to third parties. Third parties to whom such functions have been delegated by the Management Company will be remunerated directly by the Company, except as otherwise provided hereinafter.

The Management Company shall at all times act in the best interests of the Shareholders and according to the provisions set forth by the 2010 Law, the Prospectus and the Articles.

In fulfilling its responsibilities set forth by the 2010 Law and the Management Company Agreement, the Management Company is permitted to delegate all or a part of its functions and duties to third parties, provided that it retains ultimate responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Company and the CSSF. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

The Management Company is also acting as a management company for other Luxembourg domiciled UCIs, a list of which is available upon request at the registered office of the Management Company.

In accordance with the Directive and the UCITS Rules, the Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that does not encourage risk taking which is inconsistent with the risk profile and the Articles.

The Management Company's remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Company and its investors and includes measures to avoid conflicts of interest.

Fixed and variable components of total remuneration are appropriately balanced and the fixed remuneration component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

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

The details of the Management Company's remuneration policy are available on the following website <http://www.luxcellence.com/files/remuneration-policy.pdf>. A paper copy of the remuneration policy will be made available free of charge to the investors of the Company upon request to the Management Company.

### **The Investment Manager**

The Management Company, with the consent of the Company, has appointed Milleis Investissements S.A. as the Company's investment manager pursuant to an investment management agreement, as amended from time to time, between the Management Company and the Investment Manager (the "Investment Management Agreement"). The Investment Manager will be responsible for the management of the investment of the assets of the Company, subject always to the supervision and direction of the Management Company and the Directors.

Milleis Investissements S.A. is incorporated under French Law as a *société anonyme*. It is registered with the Register of Companies of Paris under number B 394 724 314 and was authorised as portfolio management company ("*société de gestion de portefeuille*") on 11 July 1994 by the *Autorité des Marchés Financiers* under number GP 94-03. The terms of the appointment of Milleis Investissements S.A. are specified in the investment management agreement, as amended from time to time.

The Investment Manager may, with the consent of the Management Company and in accordance with the requirements of the Regulations, appoint sub-investment managers to whom it may delegate all or part of the day to day conduct of its investment management responsibilities in respect of any Fund. If more than one sub-investment manager is appointed to a Fund; the Investment Manager shall allocate the assets of the Fund between the sub-investment managers in such proportions as it shall, at its discretion, determine. In all cases, such delegation will be subject to the prior approval of the CSSF.

Details of any change in delegation of the investment management functions will be provided in the Company's report and accounts and this Prospectus will be amended accordingly at its next update.

### **The Distributors**

The Management Company, with the consent of the Company, has appointed Distributors pursuant to distribution agreements, which may be amended from time to time, between the Company, the Management Company and such Distributors. The Distributors have power under the distribution agreements to appoint sub-distributors, sales agents and/or intermediaries. Such additional distributors may appoint sub-distributors or intermediaries.

## **The Administrator**

The Management Company, with the consent of the Company, has appointed CACEIS Bank, Luxembourg Branch as administrator, registrar and transfer agent pursuant to a central administration services agreement, which may be amended from time to time, between the Company, the Management Company and the Administrator (the "Administration Agreement"). The Administrator will have the responsibility for the administration of the Company's affairs including the calculation of the Net Asset Value and preparation of the accounts of the Company, subject to the overall supervision of the Management Company.

CACEIS Bank, acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch), is a public limited liability company (*société anonyme*) incorporated under the laws of France with a share capital of 440,000,000 Euros, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, identified under number 692 024 722 RCS Paris. It is an authorised credit institution supervised by the European Central Bank ("ECB") and the French *Autorité de contrôle prudentiel et de résolution* ("ACPR"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

## **The Paying, Listing and Domiciliary Agent**

The Company has appointed CACEIS Bank, Luxembourg Branch as paying, listing and domiciliary agent pursuant to paying, listing and domiciliary agency agreements as amended from time to time, between the Company and CACEIS Bank, Luxembourg Branch.

## **The Depositary**

CACEIS Bank, Luxembourg Branch, established at 5, Allée Scheffer, L-2520 Luxembourg and registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B 209.310 is acting as depositary of the Company (the "Depositary") in accordance with a depositary agreement dated 4 August 2017 (and effective as of 31 August 2017) as amended from time to time (the "Depositary Agreement") and the relevant provisions of the 2010 Law and UCITS Rules.

CACEIS Bank, Luxembourg Branch is acting as a branch of CACEIS Bank, a public limited liability company (*société anonyme*) incorporated under the laws of France, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Paris.

CACEIS Bank is an authorised credit institution supervised by the European Central Bank ("ECB") and the *Autorité de contrôle prudentiel et de résolution* ("ACPR"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

Investors may consult upon request at the registered office of the Company, the Depositary Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depositary.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the Funds' assets, and it shall fulfil the obligations and duties provided for by Part I of the 2010 Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Company' cash flows.

In due compliance with the UCITS Rules the Depositary shall:

- (i) ensure that the sale, issue, re-purchase, redemption and cancellation of the Shares are carried out in accordance with the applicable national law and the UCITS Rules or the Articles;

- (ii) ensure that the value of the Shares is calculated in accordance with the UCITS Rules, the Articles and the procedures laid down in the Directive;
- (iii) carry out the instructions of the Company, unless they conflict with the UCITS Rules, or the Articles;
- (iv) ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and
- (v) ensure that an Company's income is applied in accordance with the UCITS Rules and the Articles.

The Depositary may not delegate any of the obligations and duties set out in (i) to (v) of this clause.

In compliance with the provisions of the Directive, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to correspondents/ third party custodians as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the 2010 Law.

A list of these correspondents/third party custodians is available on the website of the Depositary ([www.caceis.com](http://www.caceis.com), section "*veille réglementaire*"). Such list may be updated from time to time. A complete list of all correspondents/third party custodians may be obtained, free of charge and upon request, from the Depositary. Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request. There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the Company, such as administrative agency and registrar agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary. In order to protect the Company's and its Shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at:

- (i) identifying and analysing potential situations of conflicts of interest;
- (ii) recording, managing and monitoring the conflict of interest situations either in:
- (iii) relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or
- (iv) implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Company, notably, administrative agency and registrar agency services.

The Company and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. The Company may, however, dismiss the Depositary only if a new depositary bank is appointed within two months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Compartments have been transferred to the new depositary bank.

The Depositary has no decision-making discretion nor any advice duty relating to the Company's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Company.

### **Conflicts of Interest**

Due to the widespread operations undertaken by the Directors, the Management Company, the Investment Manager, the Administrator and the Depositary and (where applicable) their respective holding companies, subsidiaries and affiliates (each an "Interested Party") conflicts of interest may arise. Subject to the provisions below the Interested Parties may effect transactions where those conflicts arise and shall not (subject as below) be liable to account for any profit, commission or other remuneration arising therefrom. Transactions must be in the best interests of Shareholders.

In the event that a conflict of interest does arise the Directors will endeavour, so far as they are reasonably able, to ensure that it is resolved fairly and that investment opportunities are allocated on a fair and equitable basis.

Without prejudice to the generality of the foregoing the following conflicts of interest may arise:

- (i) An Interested Party may acquire or dispose of any Investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Company.
- (ii) An Interested Party may acquire, hold or dispose of Investments notwithstanding that such Investments had been acquired or disposed of by or on behalf of the Company by virtue of a transaction effected by the Company in which the Interested Party was concerned, provided that the acquisition by an Interested Party of such Investments is effected on normal commercial terms negotiated on an arm's length basis and such Investments held by the Company are acquired on the best terms reasonably obtainable having regard to the interests of the Company.
- (iii) The persons or entities involved in managing the Funds may manage assets of other clients that make investments similar to those made on behalf of the Funds. Such clients could thus compete for the same trades or investments and whilst available investments or opportunities for each client are generally allocated in a manner believed to be equitable to each, some of those allocation procedures may adversely affect the price paid or received for investments or the size of positions obtained.
- (iv) An Interested Party may deal with the Company as principal or as agent, provided that any such dealings are in the best interests of Shareholders and are carried out as if effected on normal commercial terms negotiated on an arm's length basis that is as if:
  - A. a certified valuation of the transaction is obtained by a person approved by the Depositary (or the Directors in the case of a transaction with the Depositary) as independent and competent; or
  - B. the transaction is executed on the best terms reasonably obtainable on an organised investment exchange in accordance with the rules of such exchange; or
  - C. where A and B are not practical, execution is on terms which the Depositary (or the Directors in the case of a transaction with the Depositary) is satisfied conforms with the principle that the transaction is in the best interest of the Shareholders and is carried out as if effected on normal commercial terms negotiated at arm's length.

- (v) Certain of the Directors of the Company are or may in the future be connected with the Investment Manager, the Distributor(s) and their affiliates. However, in their capacity as Directors of the Company they will function as persons with independent fiduciary duties and will not be subject to the control of the Investment Manager or other members of the same group of companies. For the avoidance of doubt, the Directors shall not be liable to account to the Company in respect of such conflict, for example, as a result of receiving remuneration as directors or employees of the Company or the Investment Manager or the Distributor(s).
- (vi) The Company may invest in other collective investment undertakings (which may be operated and/or managed by an Interested Party). Where commission is received by the Company by virtue of an investment in the units/shares of any collective investment undertaking, such commission will be paid into the property of the relevant Fund.
- (vii) The Company may purchase or hold an Investment the issuer of which is an Interested Party or where an Interested Party is its adviser or banker.
- (viii) The investment manager of any collective investment undertakings in which the Company invests may have an equity stake in their own collective investment undertakings. Conflicts of interest may therefore arise at the level of such collective investment undertakings.

## **Meetings**

The annual general meeting of Shareholders shall be held each year at the Company's registered office or at any other location in Luxembourg which will be specified in the notice convening the meeting.

Unless otherwise specified in the convening notice, the annual general meeting shall be held on the last Thursday of the month of February in each year at 10.30 (Luxembourg time) or, if this happens not to be a Luxembourg business day, on the next Luxembourg business day.

Convening notices for all general meetings shall be given in accordance with Luxembourg law. These notices shall include details of the time and place of the meeting, the agenda, conditions for admission and requirements concerning the quorum and majority voting rules as laid down by Luxembourg law.

The annual accounts of the Company, the Auditors' report and the annual report of the Directors will be made available upon request to Shareholders ahead of the annual general meeting of Shareholders.

In accordance with the Articles and Luxembourg law, all decisions taken by the Shareholders pertaining to the Company shall be taken at general meetings of all Shareholders. Any decisions affecting Shareholders in one or several Funds may be taken by just those Shareholders in the relevant Funds to the extent that this is allowed by Luxembourg law. In this particular instance, the requirements on quorum and majority voting rules as laid down in the Articles shall apply.

Each Share gives the right to one vote at any general meeting, or relevant Fund or Class meeting, of Shareholders. Each amendment to the Articles entailing a variation of rights of a Class must be approved by a resolution of the Shareholders' meeting of the Company and that of the Shareholders of the Class concerned.

## **Accounts and Information**

The Company's accounting period starts on 1 November of each year and end on 31 October of the following year.

The Company will prepare an annual report and audited annual accounts which will be published within four months of the end of the accounting period to which they relate i.e. by the end of February in each year.

Copies of the unaudited semi-annual reports for the six months to 30 April will be published within two months of the end of the half-year period to which they relate i.e. by 30 June in each year.

Copies of this Prospectus, of the Key Investor Information Documents and of the annual and semi-annual reports of the Company may be obtained free of charge from the registered office of the Company. Such documents are also available on the Management Company's website on <http://www.luxcellence.com/>.

## VALUATION, SUBSCRIPTIONS AND REDEMPTIONS

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### Calculation of Net Asset Value

The Net Asset Value of each Fund is expressed in its Base Currency. The calculation of the Net Asset Value of each Fund and the Net Asset Value attributable to each Class thereof will be carried out by the Administrator in accordance with the requirements of the Articles, and details are set out under the heading "General Information" in this Prospectus. Except when the determination of the Net Asset Value of any Fund has been suspended or postponed in the circumstances set out under the heading "Temporary Suspensions" in this Prospectus, the calculation of the Net Asset Value of each Fund, the Net Asset Value per Share (and, where there is more than one Share Class in a Fund, the Net Asset Value attributable to each Class and the Net Asset Value per Share per Class) will be prepared as at each Valuation Point and will be available to Shareholders on request. The Net Asset Value per Share per Class may differ between each Class within a Fund. The Price (see the definition in the paragraph headed "Single Swinging Pricing") may be obtained from the registered office of the Company during normal business hours and from the Distributors.

The Net Asset Value attributable to any Share Class within a Fund will be determined by deducting the share of liabilities of that Class from its share of the assets of the Fund. The Net Asset Value of each Share of each Class will be determined by dividing the Net Asset Value attributable to the Class by the number of Shares of that Class and will be calculated and published in the relevant Reference Currency.

The costs and liabilities/benefits arising from instruments entered into for the purposes of hedging the currency exposure for the benefit of any particular Class of a Fund (where the currency of a particular Class is different to the Base Currency of the Fund) shall be attributable exclusively to that Class.

### Single Swinging Pricing

Shares will be issued and redeemed at a single price (the "Price") (excluding subscription or redemption charges, if any) which will be the Net Asset Value per Share, which may be adjusted in the manner set out below. As outlined above, the Net Asset Value per Share will be arrived at by dividing the Net Asset Value attributable to a Class by the number of Shares of that Class. The Net Asset Value per Share may be adjusted on any Dealing Day in the manner set out below depending on whether or not a Fund is in a Net Subscription Position or in a Net Redemption Position on such Dealing Day to arrive at the Price. Where there is no dealing on a Fund or Share Class of a Fund on any Dealing Day, the Price will be the unadjusted Net Asset Value per Share rounded to such number of decimal places as the Directors deem appropriate.

The basis on which the assets of each Fund are valued for the purposes of calculating the Net Asset Value per Share is set out under the heading "General Information". This provides that listed Investments will be valued based on the closing mid-market price of such Investments or the last traded price when no closing mid-market price is available and at net asset value in the case of units/shares in collective investment undertakings. However, the actual cost of purchasing or selling assets and Investments for a Fund may deviate from the mid-market price or last traded price or net asset value used, as appropriate, in calculating the Net Asset Value per Share due to Duties and Charges and spreads from buying and selling prices of the underlying Investments ("Spreads"). These costs have an adverse effect on the value of a Fund and are known as "dilution".

## **Dilution Adjustment**

To mitigate the effects of dilution, the Directors may, at their discretion, make a dilution adjustment to the Net Asset Value per Share.

The Directors will retain the discretion in relation to the circumstances under which to make such a dilution adjustment.

The requirement to make a dilution adjustment will depend upon the volume of subscriptions or redemptions of Shares in the relevant Fund. The Directors may at their discretion make a dilution adjustment if, in their opinion, the existing Shareholders (in case of subscriptions) or remaining Shareholders (in case of redemptions) might otherwise be adversely affected. In particular, the dilution adjustment may be applied where:

- (a) a Fund is in continual decline (i.e. is experiencing a net outflow of redemptions);
- (b) a Fund is experiencing large levels of net subscriptions relevant to its size;
- (c) a Fund is experiencing a Net Subscription Position or a Net Redemption Position on any Dealing Day; or
- (d) in any other case where the Directors are of the opinion that the interests of Shareholders require the imposition of a dilution adjustment.

The dilution adjustment will involve adding to, when the Fund is in a Net Subscription Position, and deducting from, when the Fund is in a Net Redemption Position, the Net Asset Value per Share such figure as the Directors consider represents an appropriate figure to meet Duties and Charges and Spreads. The resultant amount will be the Price rounded to such number of decimal places as the Directors deem appropriate. Such dilution adjustment would be unlikely to exceed 2% of Net Asset Value per Share. For the avoidance of doubt, Shareholders placed in the same situation will be treated in an identical manner.

Where a dilution adjustment is made, it will increase the Price where the Fund is in a Net Subscription Position and decrease the Price where the Fund is in a Net Redemption Position. The Price of each Class in the Fund will be calculated separately but any dilution adjustment will in percentage terms affect the Price of each Class in an identical manner.

On the occasions when the dilution adjustment is not made there may be an adverse impact on the total assets of a Fund.

## **Description of Shares**

The Directors have the power to classify the Shares and to differentiate between such Classes as they deem appropriate. Following Classes may currently be available, as described below. In addition, Shares may be issued as Accumulation Shares and/or Distribution Shares. Details of the Funds and Share Classes on offer are set out in Appendix 2.

The Shares of each Class are freely negotiable and have equal rights to the property and income earned in respect of the relevant Class. The Shares do not carry preferential or pre-emption rights and each Share will have one vote at any general meeting of Shareholders. Registered Shares are in non-certificated form.

Class A Shares are intended for investment primarily by individuals who are able to invest at least EUR 5,000, USD 5,000 or GBP 5,000 in a Fund. This minimum investment amount may be lowered or waived with the

prior agreement of the Directors. Class A Shares may be subject to Initial Sales Charge and Redemption Charge, as disclosed in Appendix 3.

Class B Shares for all Funds are reserved for investment by Institutional Investors, within the meaning of Article 174 (2) of the 2010 Law which includes:

- Institutional Investors, such as banks or other professionals of the financial sector, insurance and reinsurance companies, social security institutions and pension funds, industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such Institutional Investors put into place for the management of their own assets.
- Credit institutions and other professionals of the financial sector investing in their own name but on behalf of Institutional Investors as defined above.
- Credit institutions or other professionals of the financial sector established in Luxembourg or abroad which invest in their own name but on behalf of their clients on the basis of a discretionary management mandate.
- Collective investment undertakings established in Luxembourg or abroad.
- Holding companies or similar entities, whether Luxembourg-based or not, whose shareholders are Institutional Investors as described in the foregoing paragraphs.
- Holding companies or similar entities, whether Luxembourg-based or not, whose shareholder(s) is (are) (an) individual person(s) who is an (are) currently deemed to be well-informed investor(s).
- A holding company or similar entity, whether Luxembourg-based or not, which as a result of its structure, activity and substance constitutes an Institutional Investor in its own right.

Class B Shares of all Funds will be subject to minimum investment of EUR 1,000,000, USD 1,000,000 or GBP 1,000,000. This minimum investment amount may be lowered or waived with the prior agreement of the Directors. Class B Shares may be subject to Initial Sales Charge and Redemption Charge, as disclosed in Appendix 3.

Class C Shares are intended for investment primarily by individuals who are able to invest at least EUR 500, USD 500 or GBP 500 in a Fund. This minimum investment amount may be lowered or waived with the prior agreement of the Directors. Class C Shares may be subject to an Initial Sales Charge and Redemption Charge, as disclosed in Appendix 3.

Class M Shares are available for investment only at the discretion of the Directors and are intended for investment by Institutional Investors including, but not limited to, feeder funds who are able to invest at least EUR 50,000,000, USD 50,000,000 or GBP 50,000,000 in a Fund. This minimum investment amount may be lowered or waived with the prior agreement of the Directors. Class M Shares may be subject to an Initial Sales Charge and Redemption Charge, as disclosed in Appendix 3.

Class R Shares are intended for investment primarily by individuals who are able to invest at least EUR 5,000, USD 5,000 or GBP 5,000 in a Fund. This minimum investment amount may be lowered or waived with the prior agreement of the Directors. Class R Shares are able to meet the UK's Retail Distribution Review ("RDR") requirements and are intended for purchase only at the discretion of the Directors. Class R Shares may be subject to an Initial Sales Charge and Redemption Charge, as disclosed in Appendix 3.

Not all Classes will be available in all jurisdictions nor will they be available from all Intermediaries. In addition, the choice of Class or Classes for a given Fund may be limited.

The Net Asset Value per Share for each Class of a particular Fund will thus differ as a result of (among other things) different fees and expenses. The differing distribution policies of Accumulation Shares and Distribution Shares may also result in a different Net Asset Value per Share. Over time, these differences may result in Shares of different Classes of the same Fund, which were bought at the same time, producing different investment returns.

## **Subscriptions**

### **Procedure**

#### Application Forms

All applicants must fully complete (or arrange to have fully completed under conditions approved by the Directors) the application form in relation to the Company (the "Application Form") and provide all the required supporting documentation in relation to know-your-customer materials and money laundering prevention checks. The Application Form sets out the methods by which and to whom the subscription monies should be sent. Application Forms shall (save as determined by the Company) be irrevocable. If Application Forms and the supporting documentation are sent to the Administrator by facsimile, the applicant bears the risk of non-receipt or any other consequence, and applicants must also send originals of the initial Application Forms together with the supporting documentation so that such originals arrive with the Administrator within three Business Days after the date of such application being faxed to the Administrator. Subscriptions may also be effected by such other means as the Directors may prescribe from time to time. Failure to provide the original initial Application Form by such time may, at the discretion of the Directors, result in the compulsory redemption of the relevant Shares. However, applicants will be unable to redeem Shares on request until the original initial Application Form has been received by the Administrator.

Certain of the Distributors may offer a nominee service to investors (each in that capacity, a "Nominee") and investors should make enquiries in that respect with their usual Distributor. The subscription of Shares in the Company may be made under the terms of a nominee agreement between the investors and the relevant Nominee. In such cases, applications should be directed to the relevant Nominee and payment arrangements should be made as advised by the Nominee. The Nominee will apply for Shares and hold them under the terms of the relevant nominee agreement. Investors who subscribe Shares through the intermediary of the Nominee may request direct ownership by submitting an appropriate request in writing to the Nominee in accordance with the terms of the relevant nominee agreement.

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

#### Application for Shares in new Funds and in any Class which remains unsubscribed

Subscriptions for Shares of any Class of new Funds (collectively the "New Funds" and individually a "New Fund") shall be possible during an initial offer period to be set by, or under the delegation of, the Directors (the "Initial Offer Period") and such Initial Offer Period may be extended or shortened at the discretion of the Directors.

Application forms for Shares during the Initial Offer Period must be received by the Administrator and subscription payments must be cleared by the Dealing Cut-off Time for the relevant Fund on the last day of the Initial Offer Period. The Initial Offer Period price per Share for each Class A, B, C, M and R Shares of the New Funds is EUR 10, USD 10 or GBP 10 per Share. Subscription payments made in relation to a New Fund or (as the case may be) a Class which is not launched at the end of the Initial Offer Period will be promptly reimbursed to the relevant subscribers, without payment of interest.

If no subscription has been received in any of the Classes of a New Fund during the Initial Offer Period or if, at the end of the Initial Offer Period, the Directors decide not to launch a New Fund (such a New Fund then being referred to as an "Unsubscribed Fund"), the Directors may (i) decide to launch this Unsubscribed Fund pursuant to any other period set by, or under the delegation of, the Directors (which period can be extended or shortened at the discretion of the Directors) or (ii) instruct that this Unsubscribed Fund be launched on the first Dealing Day where a subscription for Shares of any of the Classes of this Unsubscribed Fund is received by the Administrator by the relevant Dealing Cut-off Time. The initial offer price per Share of this Unsubscribed Fund's Class will be as per the preceding paragraph or such other price as the Directors, or their delegates, may decide.

If no subscription has been received in a Class of a Fund which has already been launched (an "Unsubscribed Class"), the Directors may (i) decide to launch this Unsubscribed Class pursuant to any period set by, or under delegation of, the Directors (which period can be extended or shortened by, or under delegation of, the Directors) or (ii) instruct that this Unsubscribed Class be launched on the Dealing Day where a first subscription for Shares of this Unsubscribed Class is received by the Administrator by the relevant Dealing Cut-off Time. The Directors, or their delegates, may decide that the initial offer price per Share of this Unsubscribed Class will either be as per the preceding paragraph or the price applicable on the relevant Dealing Day for subscribing to one Share of another Class of the relevant Fund.

If no subscription has been received in an Accumulation Share or Distribution Share category of a Class which has already been launched (an "Unsubscribed Category"), this Unsubscribed Category will be launched on the Dealing Day where a first subscription for Shares of this Unsubscribed Category is received by the Administrator by the relevant Dealing Cut-off Time and the initial offer price per Share of this Unsubscribed Category will be the price applicable on the relevant Dealing Day for subscribing to one Share of the already subscribed category of such Class.

#### Subsequent Offer

Application Forms for Shares in any Class or Fund after the Initial Offer Period or after the launching of any Unsubscribed Fund or Unsubscribed Class must be received by the Administrator by the Dealing Cut-off Time for the relevant Fund for the relevant Dealing Day or such other day as the Directors may determine. All subscriptions will be dealt with on a forward pricing basis, i.e. by reference to the Net Asset Value per Share calculated as at the next Valuation Point following the Dealing Cut-off Time. Any applications received after that time will normally be treated as a request for subscription on the next Dealing Day.

#### Subscription Price

The subscription price will be equal to the Price (as defined in the section headed "Single Swinging Pricing" in this Prospectus) as at the Valuation Point on the relevant Dealing Day on which the application is effective.

The latest Price per Share will be available during normal business hours every Business Day at the registered office of the Company.

## Initial Sales Charge

A preliminary fee (to be known as an "Initial Sales Charge") of a percentage as detailed in Appendix 3 of the amount subscribed may be deducted from the subscription amount. This preliminary fee will be used to pay or will be retained by Intermediaries.

## Fractions

Subscription monies representing less than the Price per Share will not be returned to the applicant. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however that fractions shall not be less than 0.001 of a Share. Subscription monies, representing less than 0.001 of a Share will not be returned to the applicant but will be retained by the Company in order to offset administration costs.

## **Subscription Monies**

### Method of Payment

Subscription payments net of all bank charges should be paid by electronic transfer to the bank account specified at the time of dealing (except where local banking practices do not allow electronic bank transfers). Other methods of payment are subject to the prior approval of the Directors. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

### Currency of Payment

Subscription monies are normally payable in the Reference Currency of the relevant Class of the relevant Fund. If, however, a Shareholder requests to pay in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Administrator (at its discretion) on behalf of and for the account, risk and expense of the Shareholder. Such currency exchange transactions may delay any dealing in Shares.

### Timing of Payment

Payment in respect of subscriptions to all Funds, except Milleis Investissements Cash Euro must be received by close of business (Central European Time) three Business Days after the relevant Dealing Day or such other period as the Directors may determine. Payment in respect of subscriptions to Milleis Investissements Cash Euro must be received by close of business (Central European Time) one Business Day after the relevant Dealing Day or such other period as the Directors may determine. If timely settlement is not made, the application may lapse and be cancelled at the costs of the applicant. Failure to make good settlement may result in the Company bringing an action against the defaulting investor or deducting any costs or losses incurred by the Company against any existing holding of the applicant in the Company. Any surplus resulting from the cancellation will be for the benefit of the Company.

## Minimum Subscriptions/Holdings

### Initial Subscriptions

The minimum initial subscription amounts for the respective Reference Currency Share Classes (which may be reduced at the discretion of the Directors) are as set out below:

<b>Class A Shares</b>	<b>Class B Shares</b>	<b>Class C Shares</b>	<b>Class M Shares</b>	<b>Class R Shares</b>
EUR 5,000	EUR 1,000,000	EUR 500	EUR 50,000,000	EUR 5,000
USD 5,000	USD 1,000,000	USD 500	USD 50,000,000	USD 5,000
GBP 5,000	GBP 1,000,000	GBP 500	GBP 50,000,000	EUR 5,000

### Subsequent Subscriptions

Any subsequent subscriptions for the respective Reference Currency Share Classes must be in the minimum amounts set out below (which may be reduced at the discretion of the Directors):

<b>Class A Shares</b>	<b>Class B Shares</b>	<b>Class C Shares</b>	<b>Class M Shares</b>	<b>Class R Shares</b>
EUR 500				
USD 500				
GBP 500				

### Minimum Holdings

Any Shareholder who redeems or otherwise disposes of part of his holding of Shares must maintain a holding of Shares in the Fund of not less than the amounts set out below (which may be reduced or waived at the discretion of the Directors):

<b>Class A Shares</b>	<b>Class B Shares</b>	<b>Class C Shares</b>	<b>Class M Shares</b>	<b>Class R Shares</b>
EUR 5,000	EUR 1,000,000	EUR 500	EUR 50,000,000	EUR 5,000
USD 5,000	USD 1,000,000	USD 500	USD 50,000,000	USD 5,000
GBP 5,000	GBP 1,000,000	GBP 500	GBP 50,000,000	GBP 5,000

The Directors have the power to redeem the Shares of any Shareholder whose holding of Shares falls below the amounts set out above, as described in the section headed "Compulsory Redemption" in this Prospectus.

The Directors may increase the level of initial and subsequent subscriptions or Minimum Holdings as set out above for any or all of the Share Classes provided that such increased amount shall not apply to the Minimum Holdings of Shareholders existing at the date such increase is implemented.

Under the Articles, the Directors are given authority to effect the issue of Shares and have absolute discretion to accept or reject in whole or in part any application for Shares without assigning any reason. The Directors have power to impose such restrictions as they think necessary to ensure that no Shares are acquired by any person which might result in the legal and beneficial ownership of Shares by persons who are not Qualified Holders.

If an application is rejected, any monies received will be returned to the applicant (minus any handling charge incurred in any such return) as soon as possible by telegraphic transfer or such other method as the Directors may determine (but without interest, costs or compensation).

No Shares of any Fund will be issued or allotted during a period when the determination of Net Asset Value of that Fund is suspended.

All Shares will be registered in inscribed form and evidenced by entry on the Company's register of Shareholders and confirmations of ownership in writing, including in electronic format, will be issued to Shareholders. Shareholders who do not request that such confirmation be issued in electronic format will continue to receive them in hard copy format. Share certificates will not be issued.

## **Redemptions**

### **Procedure**

#### *Redemption*

Every Shareholder will have the right to require the Company to redeem his Shares in the Fund on any Dealing Day (save during any period when the calculation of the Net Asset Value is suspended in the circumstances set out in this Prospectus) on furnishing to the Administrator a redemption request. Shares may be redeemed by written application through the Administrator or by such other means as the Directors may prescribe from time to time. All redemption requests are dealt with on a forward pricing basis, i.e. by reference to the Net Asset Value per Share calculated at the next Valuation Point following the Dealing Cut-off Time. Shares shall be redeemed at the Price per Share. In case of Shares held through a nominee, redemption requests must be directed to the Nominee.

#### *Redemption Form*

In order to redeem, Shareholders must give clear written instructions in a form acceptable to the Directors which may be in the form of the redemption form prescribed by the Directors ("Redemption Form") in relation to the Company.

Redemption Forms in respect of a Fund must be received by the Administrator by the Dealing Cut-off Time for the relevant Fund for the relevant Dealing Day. If the Redemption Form is received after that time it will normally be treated as a request for redemption on the next Dealing Day. Shares will be redeemed at the Price per Share calculated at the next Valuation Point following the Dealing Cut-off Time.

Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

Redemption Forms shall (save as decided by the Directors) be irrevocable and may be sent by facsimile at the risk of the relevant Shareholder.

The latest Price per Share will be available during normal business hours every Business Day at the registered office of the Company.

### *Redemption Charge*

The redemption of Shares in the different Classes may be subject to a redemption charge ("Redemption Charge") as a percentage of the redemption amount set out in Appendix 3. The Redemption Charge will accrue to the benefit of the relevant Fund. Redemption Charge will not apply to compulsory redemptions, described below.

### *Method of Payment*

Redemption payments will be made by electronic transfer to the bank account detailed on the Application Form or as subsequently notified in original written form to the Administrator, at the risk and expense of the Shareholder. Other methods of payment are subject to the prior approval of the Directors.

### *Currency of Payment*

Shareholders will normally be repaid in the Reference Currency of the relevant Share Class concerned. If, however, a Shareholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Administrator (at its discretion) on behalf of and for the account, risk and expense of the Shareholder.

### *Timing of Payment*

Redemption proceeds in respect of Shares will normally be paid no more than five Business Days (two Business Days for Milleis Investissements Cash Euro) after the relevant Dealing Day or such other period as the Directors may determine (not exceeding seven Business Days) provided that all the required documentation has been furnished to and received by the Administrator.

### *Minimum Redemptions*

Subject to the Directors' discretion the minimum amount which may be redeemed by a Shareholder in any one redemption is Shares having an aggregate redemption value as follows:

<b>Class A Shares</b>	<b>Class B Shares</b>	<b>Class C Shares</b>	<b>Class M Shares</b>	<b>Class R Shares</b>
EUR 500				
USD 500				
GBP 500				

The remaining balance of Shares must (subject to the Directors' discretion) have a minimum aggregate value following the relevant redemption of not less than the amount set out below.

<b>Class A Shares</b>	<b>Class B Shares</b>	<b>Class C Shares</b>	<b>Class M Shares</b>	<b>Class R Shares</b>
EUR 5,000	EUR 1,000,000	EUR 500	EUR 50,000,000	EUR 5,000
USD 5,000	USD 1,000,000	USD 500	USD 50,000,000	USD 5,000
GBP 5,000	GBP 1,000,000	GBP 500	GBP 50,000,000	GBP 5,000

The Directors have the power to redeem the remaining Shares of any Shareholder whose holding of Shares falls below the amounts set out above, as described in the section "Compulsory Redemption" below.

### *Compulsory Redemption*

The Company shall have the right to redeem compulsorily any Share at the redemption price or to require the transfer of any Share to a Qualified Holder if in their opinion (i) such Share is held by a person other than a Qualified Holder; or (ii) such Share is held by any other person whom the Company reasonably believes to be precluded from holding such Share.

The Company also reserves the right to require compulsory redemption of all Shares of a Class held by a Shareholder if the Net Asset Value of the Shares of that Class held by the Shareholder is less than the Minimum Holding of that Class. Where the Net Asset Value of the Shares of a Class held by a Shareholder is less than the Minimum Holding and the Company decides to exercise its right to compulsorily redeem, the Company will notify the Shareholder in writing and may at the discretion of the Directors permit such Shareholder a period of time in which to purchase additional Shares to meet the minimum requirement or switch the Shares held by the Shareholder into Shares of another Class with a lower Minimum Holding.

### **Switching**

Shareholders may switch all or part of their investment in one Class of any Fund into Shares of the same Class of another Fund. Class A Shareholders may also switch their Shares into Class B and Class M Shares of the same or of another Fund provided such investor fulfils the requirements for holding Class B and Class M Shares and the minimum investment amounts for Class B and Class M Shares are met (an "authorised switching"). Class B Shareholders and Class M Shareholders who no longer qualify as Institutional Investors will be automatically converted into Class A of the same Fund without cost ("an automatic switching") on the first Dealing Day following the day during which the Company becomes aware of that fact. Other switches between Classes are permitted only at the discretion of the Directors. The Administrator will convert at the current exchange rate the amount being switched from one Share Class to another Share Class denominated in a different currency.

Written applications for switching Shares received in good order by the Administrator (either directly or through any of the Distributors) before the Dealing Cut-off Time for the relevant Fund for the relevant Dealing Day will be processed at the Price per Share calculated at the next Valuation Point. Switching requests received thereafter will normally be held over until the next Dealing Day. Where Shares are held through a nominee, this request must be directed to the nominee.

Requests for switches may either be sent by post or facsimile (with the original to follow by post) to the Administrator.

A Shareholder who requests a switch of Shares cannot withdraw from or cancel the transaction unless the calculation of the Net Asset Value per Share of one of the Share Classes concerned has been suspended.

Subject to the discretion of the Directors, all switchings are subject to the switching request complying, in respect of the new Class, with the minimum subscription requirements of the Class into which the switching is requested.

When a switch occurs between Shares issued in Classes of two different Funds, the switch will only be carried out if the relevant Dealing Day is a Dealing Day for both Funds concerned, or if the relevant Dealing Day is not a common Dealing Day, on the next following common Dealing Day for the Funds concerned. Such a switch will be effected by way of a redemption of Shares of one Class (the "Original Class") and a simultaneous subscription (at the relevant Price per Share) for Shares of the other Class (the "New Class")

and, accordingly, the general provisions and procedures relating to redemptions and subscriptions of Shares will apply, save that no Initial Sales Charge or Redemption Charge will be payable.

Redemption proceeds will be converted to the currency in which the New Class is denominated at the rate of exchange available to the Administrator and the cost of conversion will be deducted from the amount in subscribing for Shares of the New Class.

The number of Shares to be issued in the New Class will be calculated in accordance with the following formula:

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

Where:

- A = number of Shares of the New Class to be allocated
- B = number of Shares of the Original Class converted
- C = Price per Share on the relevant Dealing Day for the Original Class
- D = the currency conversion factor or, where the Shares of the New Class are denominated in the same currency of the Old Class, D = 1
- E = Price per Share on the relevant Dealing Day for the New Class plus a switching commission of up to a percentage set out in Appendix 3 of the applicable Price per Share. This commission will accrue for the benefit of the Intermediaries.

Fractions of Shares of the new Class to be allotted will be issued, provided however that fractions shall not be less than 0.001 of a Share. Monies, representing less than 0.001 of a Share will not be payable to the applicant but will be retained by the Company in order to offset administration costs.

The value of Shares held by a Shareholder in any one Class after a switch must exceed the Minimum Holding applicable to such Class. Otherwise, unless waived by the Directors, the Shareholders will be deemed to have requested the switch of their entire holding in such Share Class.

### **Subscriptions/Redemptions in Specie**

#### **Subscription in Specie**

The Company may issue Shares of any Class of Fund by way of exchange for Investments provided that:

- (a) in the case of a person who is not an existing Shareholder no Shares shall be issued until the person concerned shall have completed and delivered to the Administrator an application form as required under this Prospectus (or otherwise) and satisfied all the requirements of the Directors and Administrator as to such person's application;
- (b) the nature of the Investments transferred into the Fund are such as would qualify as eligible Investments for such Fund in accordance with the investment objectives, policies and restrictions of such Fund;
- (c) no Shares shall be issued until the Investments shall have been vested in the Depositary or any sub-depositary to the Depositary's satisfaction. The Depositary shall also be satisfied that the terms of

such settlement will not be such as are likely to result in any prejudice to the existing Shareholders of the Fund;

- (d) the Directors are satisfied that the terms of any exchange would not be such as would be likely to result in any prejudice to remaining Shareholders and provided that any such exchange shall be effected upon the terms (including provision for paying any expenses of, exchange and any preliminary charge as would have been payable for Shares issued for cash) that the number of Shares issued shall not exceed the number which would have been issued for cash against payment of a sum equal to the value of the Investments concerned calculated in accordance with the procedures for the valuation of the assets of the Company. Such sum may be increased by such amount as the Directors may consider represents an appropriate provision for Duties and Charges which would have been incurred by the Fund in the acquisition of the Investments by purchase for cash or decreased by such amount as the Directors may consider represents any Duties and Charges to be paid to the Fund as a result of the direct acquisition by the Fund of the Investments; and
- (e) the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Auditors, will be fully complied with.

### **Redemption in Specie**

In exceptional circumstances the Directors may request that a Shareholder accept "redemption in specie", i.e. receive a portfolio of Investments of equivalent value to the appropriate cash redemption payment. For the redemption in specie to be effective, a Shareholder must expressly confirm acceptance. The Shareholder may instead request a cash redemption payment. Where the Shareholder agrees to accept redemption in specie he will, as far as possible, receive a representative selection of the Fund's holdings pro rata to the number of Shares redeemed and the Directors will ensure that the remaining Shareholders do not suffer any loss therefrom. The value of the redemption in specie will be certified by a report drawn up by the Auditors in accordance with the requirements of Luxembourg law. However, where the redemption in specie exactly reflects the Shareholder's pro-rata share of Investments, no auditor's report will be required. The redeeming Shareholder shall normally bear the costs resulting from the redemption in specie (mainly costs relating to the drawing up of an auditor's report, if any) unless the Directors consider that the redemption in specie is in the interest of the Company or made to protect the interest of the Company.

### **Transfer of Shares**

Subject to the restrictions set out under "Description of Shares", under "Subscriptions" and under "Compulsory Redemption" above and save as hereinafter specified, Shares are freely transferable and may be transferred in writing in a form approved by the Directors. Prior to the registration of any transfer, transferees must complete an application form and provide such other information (e.g. as to identity) as the Company or its delegates may reasonably require. The Directors may decline to register any transfer of a Share where:

- (a) they are aware or believe that such transfer would or might be likely to result in the legal or beneficial ownership of such Share by a person who is not a Qualified Holder; or
- (b) the transfer would result in either the transferor or the transferee remaining or being registered (as the case may be) as the holder of Shares valued at less than the Minimum Holding.

In addition, the Directors may decline to register any transfer of a Share other than to a person who, in the application form, shall (A) represent that such person is not a US Person and is not purchasing such Share for the account or benefit of a US Person, (B) agree to notify the Company promptly if, at any time while it remains a Shareholder, such person should become a US Person or shall hold any Share for the account or benefit of a US Person, (C) agree not to, and not to apply for or attempt to, sell, pledge or transfer any interest

in Shares other than to a person making the representations and agreements set forth in this paragraph, and (D) agree to indemnify the Company from and against any losses, damages, costs or expenses arising in connection with a breach of the representations and agreements set forth above. Any transfer of a Share to a US Person or for the account or benefit of a US Person will not be binding upon the Company.

### **Temporary Suspensions**

The Company may temporarily suspend the determination of the Net Asset Value of any Fund and the issue and redemption of Shares of any Class of any Fund:

- (a) during the whole or any part of any period when any of the principal markets on which any significant portion of the Investments of the relevant Fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading on any relevant futures exchange-or markets restricted or suspended;
- (b) during the whole or any part of any period when, as a result of political, economic, military or monetary events or any other circumstances outside the control, responsibility and power of the Directors, any disposal or valuation of Investments of the relevant Fund is not, in the opinion of the Directors, reasonably practicable without this being seriously detrimental to the interests of owners of Shares in general or the owners of Shares of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value cannot fairly be calculated or such disposal would be materially prejudicial to the owners of Shares in general or the owners of Shares of the relevant Fund;
- (c) during the whole or any part of any period during which any breakdown occurs in the means of communication or calculation normally employed in determining the value of any of the Investments of the Company or when for any other reason the value of any of the Investments or other assets of the relevant Fund cannot reasonably or fairly be ascertained;
- (d) during the whole or any part of any period when the Company is unable to repatriate funds required for the purpose of making redemption payments or when such payments cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange or during which there are difficulties or it is envisaged that there will be difficulties, in the transfer of monies or assets required for subscriptions, redemptions or trading;
- (e) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving to wind up the Company;
- (f) while the value of the Investments held through any subsidiary of the Company may not be determined accurately;
- (g) in the event of the publication (i) of the convening notice to a general meeting of Shareholders at which a resolution to wind up the Company or a Fund is to be proposed, or of the decision of the Board of Directors to wind up one or more Funds, or (ii) to the extent that such a suspension is justified for the protection of the Shareholders, of the notice of the general meeting of Shareholders at which the merger of the Company or a Fund is to be proposed, or of the decision of the Board of Directors to merge one or more Funds; or
- (h) where the master UCITS of a Fund or one or several Target Funds (as defined in section 3 of Appendix 1) in which a Fund has invested a substantial portion of its assets temporarily suspends the repurchase, redemption or subscription of its units, whether on its own initiative or at the request of its competent authorities.

The Company, where possible, will take all necessary steps to bring any period of suspension to an end as soon as possible.

If total requests for redemption or switching on any Dealing Day for any Fund exceed 10% of the total number of Shares outstanding in that Fund, each redemption or switching request in respect of Shares in such Fund may, at the discretion of the Directors, be reduced so that the total number of Shares of each Fund for redemption or switching on that Dealing Day shall not exceed 10% of the total number of Shares outstanding in that Fund. Any redemption or switching request so reduced shall be carried forward to the next Dealing Day and effected in priority to subsequent redemption or switching requests on the following (and, if necessary, subsequent) Dealing Day(s). If redemption or switching requests are so carried forward, the Company shall ensure that the Shareholders whose dealings are affected thereby are promptly informed.

In the event of any suspension as set out above, the Company will immediately (and in any event during the Business Day on which the suspension occurred) notify the CSSF and, if required, any other competent authority in a country in which Shares are marketed. Any such suspension shall further be publicised by the Company and shall be notified to Shareholders requesting redemption or switching of their Shares as soon as reasonably practicable after the filing of their written request for such redemption and switching.

### **Late trading and market timing**

Late trading ("Late Trading") is to be understood as the acceptance of a subscription or redemption order after the cut-off time for the relevant Dealing Day and the execution of such order at the Price applicable on such Dealing Day.

Market timing ("Market Timing") is to be understood as an arbitrage method through which an investor systematically subscribes and redeems Shares within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Values concerned.

The Company shall comply with any relevant provisions contained in CSSF Circular 04/146 of 17 June 2004 concerning the protection of undertakings for collective investment and their investors against Late Trading and Market Timing practices.

In this respect, no subscriptions or redemptions received by the Company will be accepted after the relevant cut-off time except for subscriptions or redemptions received by the Intermediaries which undertake to apply the cut-off time to all such orders and transmit the orders to Luxembourg within a reasonable period of time. It is further reminded that subscriptions or redemptions will be dealt on a forward pricing basis as more fully described above.

In order to protect the interests of the Company and the Shareholders against Market Timing practices, the Company reserves the right to reject any application to subscribe for Shares from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as it, in its discretion, may deem appropriate or necessary.

## FEES AND EXPENSES

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### Establishment Expenses

All fees and expenses relating to the establishment of the Company and the Funds with Shares in issue at the date of this Prospectus (including listing costs) including the fees of the advisers to the Company have been borne by the Company and have been fully amortised. Any new Fund or Class will bear its own direct establishment costs and costs of listing its Shares on any stock exchange, each of which will be amortised over such period as the Directors may have determined.

In the event of liquidation of a Fund or redemption of a Class whose establishment costs have not been fully amortised, any unamortised establishment costs will be borne by such Fund or Class. In the event of the merger of such Fund or Class, any unamortised establishment costs may either be borne by such Fund or Class prior to the merger or be assumed by the Fund or Class in the Company or entity into which the relevant Fund or Class will be merged.

Value added tax (if any) on fees payable by the Company will be borne by the Company in addition to the fees.

The current fees of the service providers to the Company are set out or are referred to below.

### Management Fee

The management fee consists of the management company fee, the investment manager's fee and the distribution fee which are further detailed below (the "Management Fee"). The maximum annual Management Fee for each Share Class of the relevant Fund is as set out in Appendix 3 and is subject to the below provisions.

For its collective portfolio management services, the Management Company is entitled to charge an annual variable fee up to 0.04% of the net assets of the Company with a minimum annual fee of EUR 70,000 at the Company's level (the "Management Company Fee"), without prejudice to the fees due by the Company to the Management Company for i) the production and update of the Key Investor Information Documents and ii) for the registration and maintenance of the Company in the different distribution countries. The Management Company Fee shall accrue daily and be payable quarterly.

The Management Company shall also be entitled to reimbursement of all reasonable costs, expenses and disbursements it incurs in the performance of its duties under the Management Company Agreement.

In respect of any Fund or Class of Shares the Management Company may choose to waive or rebate all or any portion of its fee and/or absorb some or all other expenses in its absolute discretion for any period of time.

For its investment management activities, the Investment Manager is entitled to charge a certain percentage of the net assets of each of the Funds (the "Investment Manager Fee"). Payments to the Investment Manager shall be made in quarterly terms.

The fees of the Investment Manager and the Distributor(s) will be paid from the Management Fee. The Management Company may instruct the Company to pay any of these fees to the Investment Manager and Distributors directly out of the assets of the Company. In such case, the Management Fee paid to the Management Company will be reduced accordingly.

### **Distribution and Service Fee**

The Company may, at its discretion, pay to the Initiator or a Distributor, for its distribution and service activities (including support activities to the benefit of the Company), a distribution and service fee of up to 0.20% per annum of the Net Asset Value of the relevant Fund (the "Distribution and Service Fee") which may at their discretion retrocede part or all of their fee to various sub-distributors, intermediaries, dealers and professional investors. Any such fee will be in addition to fees payable to the Distributors from the Management Fee, as described above.

### **Performance Fees**

In addition to the investment management fees, the Investment Manager may be entitled to a performance fee (the "Performance Fee") on certain Funds, as set out in Appendix 3. Any such fee will be in addition to the Management Fee, as described above.

### **Currency Hedging Manager's Fees**

The Currency Hedging Manager shall be entitled to a fee payable directly out of the assets of the Company not to exceed 0.1% of the net monthly currency value of all forward foreign exchange contracts entered into in respect of the Hedged Share Classes within each calendar quarter. All costs, including the fees of the Currency Hedging Manager, which may be incurred by the Hedged Share Classes and gains/losses which may be made by the Hedged Share Classes as a result of hedging transactions entered into will accrue and be attributable/charged to the relevant Class or Classes.

### **Administrator's Fees**

The Administrator is entitled to receive a fee out of the assets of the Company, in accordance with usual market practice. The Administrator shall be entitled to an annual fee of up to 0.20% of the Net Asset Value of each Fund. The fees of the Administrator shall be accrued on each Dealing Day based on the Net Asset Value of each Fund and will be paid monthly in arrears out of the assets of each Fund. In addition, the Administrator will be entitled to certain out of pocket expenses, transfer agency fees, financial statement preparation charges, registrar fees and operational expenses at normal commercial rates, directly out of the assets of the Company.

### **Depositary's, Paying, Listing and Domiciliary Agent's Fees**

The Depositary is entitled to receive fees out of the assets of the Company pursuant to the relevant agreement between the Depositary and the Company and in accordance with the usual market practice. The Depositary shall be entitled to an annual fee not to exceed 0.10% of the Net Asset Value of each Fund. The fees of the Depositary shall be accrued on each Dealing Day based on the Net Asset Value of each Fund and will be paid monthly in arrears out of the assets of each Fund. In addition, the Depositary will be entitled to recover from the Company sub-custody fees, compliance monitoring, transaction charges and out-of-pocket expenses at normal commercial rates, directly out of the assets of the Company.

The Paying, Listing and Domiciliary Agent is entitled to receive a fee out of the assets of the Company, in accordance with usual market practice.

### **Initial Sales Charge**

An initial sales charge of a percentage as detailed in Appendix 3 of the amount subscribed may be deducted from the subscription amount. This preliminary fee will be used to pay or will be retained by Intermediaries.

## **Redemption Charge**

The redemption of Shares in the different Classes may be subject to a Redemption Charge as a percentage of the redemption amount set out in Appendix 3. The Redemption Charge will accrue to the benefit of the relevant Fund. Redemption Charge will not apply to compulsory redemptions.

## **Switching Commission**

For Share switches, the Price of the New Share Class may be increased by a switching commission, as described under "Switching" above. This commission will accrue for the benefit of the Intermediaries.

## **Directors' Fees and Expenses**

The Directors shall be entitled to a fee and remuneration for their services at a rate to be determined from time to time by the Shareholders in general meeting. The Directors may also be reimbursed, *inter alia*, for travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company. Any Director who devotes special attention to the business of the Company may be paid such extra remuneration as the Directors may determine.

Directors' fees paid to any Director of the Company who is an employee or director of any company within the Investment Manager and other members of the same group of companies currently waive their entitlement to remuneration.

## **Operational Expenses**

The Company will also pay out of the assets of each Fund:

- (a) any fees in respect of circulating details of the Net Asset Value (including publishing prices) and Net Asset Value per Share;
- (b) stamp duties;
- (c) any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- (d) company secretarial fees;
- (e) rating fees (if any);
- (f) brokerage or other expenses of acquiring and disposing of Investments;
- (g) fees and expenses of the tax, legal and other professional advisers of the Company;
- (h) fees connected with listing of Shares on any stock exchange;
- (i) fees and expenses in connection with the distribution of Shares and costs of registration and maintaining registration of the Company in jurisdictions outside Luxembourg;
- (j) costs of preparing, printing and distributing the Prospectus, Key Investor Information Documents, reports, accounts and any explanatory memoranda;
- (k) any necessary translation fees;

- (l) any costs incurred as a result of periodic updates of the Prospectus and Key Investor Information Documents, or updates as a result of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law);
- (m) in respect of each financial year of the Company in which expenses are being determined, such proportion (if any) of the establishment and reconstruction expenses as are being amortised in that year;
- (n) costs of holding annual general meetings of the Company;
- (o) any costs incurred in respect of any other meeting of Shareholders convened for any purpose;
- (p) any cost incurred in preparing and modifying the Articles;
- (q) liabilities on amalgamation or reconstruction including certain liabilities arising after transfer of property to the Funds in consideration for the issue of Shares;
- (r) interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- (s) the audit fees of the Company's auditors and any expenses of the auditors;
- (t) indemnity insurance of the Directors;
- (u) costs of any mergers and reconstructions;
- (v) any other fees and expenses relating to the management and administration of the Company or attributable to the Company's Investments;
- (w) value added tax and any equivalent duty payable on these charges where appropriate; and
- (x) fees payable to trustees, fiduciaries, correspondent bank, local paying agents and any other agents employed by the Company.

The above expenses shall be charged as between each Fund and Class thereof on such terms and in such manner as the Directors deem fair and equitable.

All fees and expenses, Duties and Charges will be charged to the Fund (and Class thereof, if appropriate) in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund (or Class thereof), the expense will normally be allocated to Classes of all Funds pro rata to the Net Asset Value of the relevant Funds. Expenses of the Company which are directly attributable to a specific Share Class are charged against the income available for distribution to the holders of such Shares or to the capital of the Fund, where applicable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

#### **Charging of Fees and Expenses to Capital or Income**

Some Funds may charge all of their fees and expenses to the capital of the Funds and some Funds may charge all of their fees and expenses to the income of the Funds in the first instance and, where there is insufficient income, then to the capital of the Funds.

Appendix 3 provides details of whether a particular Fund will charge all of its fees and expenses to the capital or income.

**Shareholders should note therefore that where fees and expenses are charged to the capital of a Fund, it will have the effect of reducing the capital value of Shareholders' investment in that Fund.**

## ALLOCATION OF ASSETS AND LIABILITIES

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The records and accounts of each Fund shall be maintained separately in the Base Currency of the relevant Fund.

The assets of each Fund shall belong exclusively to that Fund, shall be segregated in the records of the Depositary from the assets of other Funds, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for any such purpose.

The proceeds from the issue of each Class of Share shall be applied to the relevant Fund established for that Class of Share, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles.

Where any asset is derived from another asset, the derived asset shall be applied to the same Fund as the assets from which it was derived, and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund.

In the case where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, the Directors shall have the discretion, subject to the approval of the Auditors, to determine the basis upon which such asset or liability shall be allocated between the Funds and the Directors shall have the power at any time and from time to time subject to the approval of the Auditors to vary such basis, provided that the approval of the Auditors shall not be required in any case where the asset or liability is allocated between all Funds pro rata to their Net Asset Values.

## TAXATION

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### General

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of shares and is not intended as tax advice to any particular investor or potential Investor. Prospective Investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

### Luxembourg Taxation

#### Taxation of the Company

The Company is not subject to taxation in Luxembourg on its income, profits or gains.

The Company is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg on the issue of Shares in the Company.

The Company is, nevertheless, in principle, subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on its Net Asset Value at the end of the relevant quarter, calculated and paid quarterly. A reduced subscription tax rate of 0.01% *per annum* is however applicable to:

- any Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Fund or Share Class provided that their shares are only held by one or more Institutional Investor(s).

A subscription tax exemption applies to:

- The portion of any Fund's assets (prorata) invested in a Luxembourg investment fund or any of its portfolio to the extent it is subject to the subscription tax;
- Any Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Share Classes are in issue in the relevant Fund meeting (ii) to (iv) above, only those Share Classes meeting (i) above will benefit from this exemption;
- Any Fund, whose main objective is the investment in microfinance institutions; and
- Any Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Share Classes are in issue in the relevant Fund meeting (ii) above, only those Share Classes meeting (i) above will benefit from this exemption.

To the extent that the Fund would only be held by pension funds and assimilated vehicles, the Fund as a whole would benefit from the subscription tax exemption.

### **Withholding tax**

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Company as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

### **Taxation of the Shareholders**

#### **Luxembourg resident individuals**

Capital gains realised on the sale of the Shares by Luxembourg resident individual investors who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

- (i) the Shares are sold within 6 months from their subscription or purchase; or
- (ii) if the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal for more than 10% of the share capital of the Company.

Distributions received from the Company will be subject to Luxembourg personal income tax. Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*).

#### **Luxembourg resident corporate**

Luxembourg resident corporate investors will be subject to corporate taxation at the rate of 26.01% (in 2018 for entities having their registered office in Luxembourg-City) on the distributions received from the Company and on the capital gains realised upon disposal of Shares.

Luxembourg-resident corporate investors who benefit from a special tax regime, such as, for example, (i) an UCI subject to the 2010 Law, (ii) a specialised investment fund subject to the amended Luxembourg law of 13 February 2007 on specialised investment funds (the "2007 Law"), (iii) a reserved alternative investment fund subject to the law of 23 July 2016 on reserved alternative investment funds (to the extent it has not opted to be subject to general corporation taxes), or (iv) a family wealth management company subject to the amended Luxembourg law of 11 May 2007 on family wealth management companies, are exempt from income tax in Luxembourg, but are instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realised thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate investors except if the holder of the Shares is (i) an UCI subject to the 2010 Law, (ii) a vehicle governed by the amended law of 22 March 2004 on securitisation, (iii) an investment company in risk capital subject to the amended Luxembourg law of 15 June 2004 on the investment company in risk capital, (iv) a specialised investment fund subject to the 2007 Law, (v) a reserved alternative investment fund subject to the law of 23 July 2016 on

reserved alternative investment funds or (vi) a family wealth management company subject to the amended Luxembourg law of 11 May 2007 on family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth exceeding EUR 500 million.

### **Non-Luxembourg residents**

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realised upon disposal of the Shares nor on the distribution received from the Company and the Shares will not be subject to net wealth tax.

### **Ireland Taxation**

*The following summary reflects the Company's understanding of the main aspects of current Irish tax law and practice of the Revenue Commissioners in Ireland applicable to the holding and disposal of Shares where the shareholder is regarded as holding a material interest in an offshore fund and is resident or ordinarily resident in Ireland or carrying on a trade in Ireland through a branch or agency in Ireland and is only intended as a brief and general guide to the position. Shareholders should note this summary reflects the law and practice in force at the date of this document and may change in the future.*

*It is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it. It is addressed to Shareholders who are the absolute beneficial owners of Shares held as investments and not to special classes of Shareholder such as financial institutions. In addition, it does not address the tax consequences in Ireland for Shareholders whose acquisition of Shares in a Fund would be regarded as a shareholding in a Personal Portfolio Investment Undertaking (PPIU). Accordingly, its applicability will depend upon the particular circumstances of individual shareholders. The summary is not exhaustive and does not generally consider tax reliefs or exemptions. Any prospective shareholder who is in any doubt about his/her Irish tax position in relation to the Company should consult his/her Irish professional adviser.*

*Investors should consult their professional advisers on the possible tax or other consequences of buying, holding, transferring, switching or selling any of their Shares under the laws of their countries of citizenship, residence and domicile.*

### **Scope of Irish Tax**

Shareholders in the Company who are resident or ordinarily resident in Ireland or hold their Shares in respect of a trade carried on through a branch or agency in Ireland will be liable to tax in respect of income and gains arising on their Shares in accordance with the provisions of Chapter 4 Part 27 of the Taxes Consolidation Act, 1997. Accordingly, such Shareholders will be obliged to comply with the requirements set out therein.

### **Filing Obligations**

Such Shareholders should note that acquiring Shares in the Company will bring them within the self-assessment system of tax and, in particular, Part 41A of the Taxes Consolidation Act, 1997. Accordingly, Shareholders who are individuals will be obliged to comply with the tax filing and payment requirements including making a self-assessment tax return on or before 31 October in the year following the year of assessment in which the income or gains arise, paying preliminary tax on or before 31 October in the year of assessment in which the income or gains arise and paying the balance of any tax due on or before 31 October in the year following the year of assessment in which the income or gains arise. For those both filing their tax return and making their tax payment online, an extension to these dates may apply.

Shareholders should note that they are obliged to provide details of their acquisition of Shares in the Company in the prescribed manner in their annual tax return to the Irish Revenue Commissioners for the year of assessment in which they acquire Shares, including:

- (a) the name and address of the Company;
- (b) a description, including the cost to the person, of the material interest acquired; and
- (c) the name and address of the person through whom the material interest was acquired.

### **Tax on Distributions**

Non-corporate Shareholders will be liable to income tax under Case III of Schedule D on distributions received from the Company, on or after 1 January 2014, at the rate of 41%.

Corporate Shareholders will be liable to corporation tax under Case III of Schedule D, currently at a rate of 25%, in respect of all distributions received from the Company (other than on a disposal) except where the corporate Shareholder holds the securities as part of its trading activities, in which case, the rate of corporation tax applicable to the distributions will be that applicable to trading income, which is currently 12.5%.

Persons who are resident but not domiciled in Ireland may be able to claim the remittance basis of taxation, in which case the liability to tax will only arise as and when income from the Company (received annually or more frequently) is received in Ireland.

### **Tax on Disposals**

Non-corporate Shareholders will be subject to income tax under Case IV of Schedule D on the gain arising on disposing of their Shares in the Company, calculated in accordance with the capital gains tax rules, but no indexation relief will be available. The gain will be taxed at the rate of 41% in respect of disposals made on or after 1 January 2014.

Shareholders who are individuals should note that on their death, the individual will be deemed to have disposed of his/her Shares in the Company and reacquired them at the then market value immediately before his/her death and, accordingly, will be subject to income tax on the gain arising as outlined above.

Corporate Shareholders who dispose of their Shares in the Company will be liable to tax on the gain arising calculated in accordance with the capital gains tax rules, but no indexation relief will be available. The gain will be subject to corporation tax under Case IV of Schedule D at the rate of 25%, except where the corporate shareholder holds the Shares as part of its trading activities, in which case, the rate of corporation tax applicable to the gain will be that applicable to trading income, which is currently 12.5%.

Shareholders who are subject to Irish tax on any disposal of Shares should note that for Irish tax purposes they will be deemed to dispose and reacquire their Shares in the Company at market value on the eighth anniversary of holding those Shares. A deemed disposal will arise at the end of each eight year period in respect of which the shareholder holds Shares in the Company. On a deemed disposal the Shareholder will be liable to pay income tax or corporation tax as applicable on the deemed gain under Case IV of Schedule D as outlined above. Such tax will be creditable against tax payable on an actual disposal of those Shares.

Shareholders should also note that any loss arising on a disposal (including a deemed disposal) of Shares in the Company will be treated as a nil loss for tax purposes and any gain arising on a disposal of such Shares may not be relieved by other losses available to the Shareholder from other sources.

Switching between Funds will not be regarded as a disposal of Shares by a Shareholder for tax purposes in Ireland where the exchange is effected by way of a bargain made at arm's length by the Company of the whole or part of the Shares of the shareholder in one Fund for Shares in another Fund.

### **Encashment Tax**

Shareholders in the Company should note that any distributions made by a paying agent in Ireland on behalf of the Company or which are presented to, collected by, received by or otherwise realised by a bank or other person acting on behalf of the Shareholder in Ireland may be subject to encashment tax at the standard rate of income tax which is currently 20%. Encashment tax is creditable against the Shareholder's final income tax liability.

### **Stamp Duty**

No stamp duty will be payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company provided the consideration is not related to any immovable property situated in Ireland or any right over or interest in such property, or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the Taxes Consolidation Act, 1997 or a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act, 1997) which is registered in Ireland.

### **Capital Acquisitions Tax**

A gift or inheritance comprising of Shares will be within the charge to capital acquisitions tax if either: (i) the disponent or the beneficiary in relation to the gift or inheritance is resident or ordinarily resident in Ireland; or (ii) the Shares are regarded as property situate in Ireland.

However, Shareholders should note that:

- (a) a non-Irish domiciled individual will not be regarded as being resident or ordinarily resident in Ireland at the date of the gift or inheritance unless that individual: (i) has been resident in Ireland for the five consecutive tax years preceding that date; and (ii) is either resident or ordinarily resident at that date; and
- (b) on the basis that the Company is incorporated or otherwise formed outside of Ireland and is a collective investment scheme within the meaning of Section 75 of the Capital Acquisitions Tax Consolidation Act 2003 being a bona fide scheme for the purpose, or having the effect, solely or mainly, of providing facilities for the participation by the public or other investors in profits or income arising from the acquisition, holding, management or disposal of securities or any other property, the disposal of Shares by way of a gift or inheritance will be exempt from capital acquisitions tax provided that:
  - (i) the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date;
  - (ii) the disponent is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
  - (iii) the beneficiary is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

## France

The attention of Shareholders domiciled for tax purposes in France is drawn to the requirement to file income tax returns for income derived from the switch between the Funds which are subject to capital gains on securities.

### International taxation arrangements

If a Shareholder is subject to tax or reporting in another country or jurisdiction (or the Company has reason to believe or is required to presume that this may be the case), the Company may be required by legislation, regulation, order or by agreement with tax authorities of that country or jurisdiction to report on an ongoing basis certain information about the Shareholder or Shareholder interests in the Company:

(a) to a relevant tax authority which may then pass that information to the tax authorities where the Shareholder is subject to tax; or

(b) directly to the tax authorities in that country.

If the Shareholder is not an individual, the Company may also have to report information about its direct and indirect shareholders or other owners or interest holders and, if it is a trust, its beneficiaries, settlors or trustees.

If the Company is required to report information about Shareholders, this would include (but is not limited to) information about the Shareholder's interests in the Company, for example the amounts of payments from the Company to the Shareholder, including dividends, interest paid or credited to the Shareholder, and/or, Shareholder name, address and country of residence and social security number/taxpayer identification number or similar (if applicable). The Shareholder may need to provide the Company with further information, if requested, about their identity and status.

If only some of the Shareholder income is reportable, the Company will report all income unless it can reasonably determine the reportable amount.

If, pursuant to regulatory or legislative requirements, a withholding tax would apply to income or assets ("Withholdable Income") in or from the Company and attributable to the Shareholder, the Company will withhold tax on that Withholdable Income at the rate specified by the legislation or regulation as relevant unless the Shareholder elects for the Company to report information instead or provides the Company with evidence that the Shareholder qualifies for an exemption from the particular legislation or regulation in question.

If a Shareholder requests the Company to make a payment to an account based at a financial institution which does not participate or comply with relevant tax legislation, regulations, orders or agreements with tax authorities the Company may be required, and the Shareholder authorises the ACD, to withhold certain amounts from the payment.

### Foreign Account Tax Compliance Act (FATCA)

FATCA, a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply

with such Luxembourg IGA as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes ("reportable accounts"). Any such information on reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law places upon it. To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company may:

- a. request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;
- b. report information concerning a shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a reportable account under the FATCA Law and the Luxembourg IGA;
- c. report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to shareholders with FATCA status of a non-participating foreign financial institution;
- d. deduct applicable US withholding taxes from certain payments made to a shareholder by or on behalf of the Company in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e. divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company is responsible for the treatment of the personal data provided for in the FATCA Law. The personal data obtained will be used for the purposes of the FATCA Law and such other purposes indicated by the Company in accordance with applicable data protection legislation and may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*). Responding to FATCA-related questions is mandatory. The investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and may contact the Company at its registered office to exercise this right.

The Company reserves the right to refuse any application for Shares if the information provided by an investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

## **EU Tax Considerations**

### **Automatic Exchange of Information**

The OECD has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the

field of taxation (the "Euro-CRS Directive") was adopted in order to implement the CRS among the EU Member States.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law").

The CRS Law requires Luxembourg financial institutions to identify financial asset holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the assets holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company may require its investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status. Responding to CRS-related questions is mandatory. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by the Company in accordance with applicable data protection law. If an account is deemed a CRS reportable account under the CRS Law, information regarding the shareholder qualifying as a reportable person under the CRS Law (including information on his/her/its controlling person, if any) and his/her/its account will be reported to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Company is responsible for the treatment of the personal data provided for in the CRS Law. The investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) which can be exercised by contacting the Company at its registered office.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement (the "Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-EU Member States; it requires agreements on a country-by-country basis.

The Company reserves the right to refuse any application for Shares if the information provided by an investor does not satisfy the requirements under the CRS Law. Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

## **General**

**Shareholders should ascertain from their professional advisers the consequences to them of acquiring, holding, redeeming, transferring, selling, exchanging or converting Shares under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirement.**

**The above statements regarding taxation are based on advice received by the Company regarding the law and practice in force at the date of this Prospectus. Prospective investors should be aware that levels and bases of taxation are subject to change and that the value of any relief from taxation depends upon the individual circumstances of the tax payer.**

**It is expected that Shareholders in the Company will be resident for tax purposes in many different countries. Consequently, no attempt is made in the Prospectus to summarise the taxation consequences for each investor. These consequences will vary in accordance with the law and practice currently in force in an investor's country of incorporation, establishment, citizenship, residence or domicile and with his personal circumstances.**

Investors should consult their professional advisers on the possible tax and other consequences of their subscribing for, purchasing, holding, redeeming, selling, exchanging or converting Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile. The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of Shareholders.

## GENERAL INFORMATION

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### **Institutional Investors**

The Directors may restrict the issue and transfer of Shares of a Fund/Class to Institutional Investor(s). The Directors may, at their discretion, delay the acceptance of any subscription application for Shares of a Fund/Class reserved for Institutional Investors until such time as the Company has received sufficient evidence that the applicant qualifies as an Institutional Investor. If it appears at any time that a holder of Shares of a Fund/Class reserved to Institutional Investors is not an Institutional Investor, the Directors will convert the relevant Shares into Shares of a Fund/Class which is not restricted to Institutional Investors (provided that there exists such a Fund/Class with similar characteristics) or compulsorily redeem the relevant Shares in accordance with the provisions set forth above in this Prospectus. The Directors will refuse to give effect to any transfer of Shares and consequently refuse for any transfer of Shares to be entered into the Shareholders' register in circumstances where such transfer would result in a situation where Shares of a Fund/Class restricted to Institutional Investors would, upon such transfer, be held by a person not qualifying as an Institutional Investor. In addition to any liability under applicable law, each Shareholder who does not qualify as an Institutional Investor, and who holds Shares in a Fund/Class restricted to Institutional Investors, shall hold harmless and indemnify the Company, the Directors, the other Shareholders of the relevant Fund/Class and the Company's agents for any damages, losses and expenses resulting from or connected to such holding circumstances where the relevant Shareholder had furnished misleading or untrue documentation or had made misleading or untrue representations to wrongfully establish its status as an Institutional Investor or has failed to notify the Company of its loss of such status.

### **Liquidation, Mergers and Reorganisations**

The liquidation of the Company is normally decided upon by an extraordinary Shareholders' meeting at which the liquidators would be appointed and their powers defined. The liquidation would be carried out in accordance with the provisions of Luxembourg law and is subject to the majority and quorum requirements for the amendment of the Articles.

The Directors must submit the question of the winding-up of the Company to a general meeting of Shareholders if the capital of the Company falls below two-thirds of the minimum share capital (currently the equivalent of €1,250,000). This meeting may be held without a specified quorum being present and at which decisions are taken by a simple majority of the votes cast. If the capital of the Company falls below one quarter of the minimum capital, a resolution to liquidate the Company may be passed by Shareholders representing one quarter of the Shares present or represented at a general meeting convened for the purpose by the Directors.

The net liquidation proceeds relating to each Class in a Fund will be distributed to Shareholders of the relevant Class in proportion to their holding of Shares in the relevant Class. Any liquidation amounts that have not been claimed by Shareholders at the close of the liquidation will be deposited in escrow with the *Caisse des Consignations* in Luxembourg. Amounts not claimed within the applicable prescription period may be forfeited.

In the event of the dissolution of the Company, liquidation shall be carried out by one or several liquidators (who may be physical persons or legal entities) named by the meeting of shareholders effecting such dissolution and which shall determine their powers and their compensation. The net proceeds of liquidation corresponding to each Fund or Class shall be distributed by the liquidators to the holders of shares of each relevant Fund or Class in proportion of their holding of shares in such Fund or Class.

The Directors of the Company may decide to liquidate one Fund or Class if a change in the economic or political situation relating to the Fund or Class concerned would justify such liquidation or if required by the interests of Shareholders in a Fund or Class or where the total net asset value of a Fund or Class is less than the equivalent in Base Currency of EUR 15 million, or if required by the interests of Shareholders in a Fund or Class. Notice of the decision to liquidate will be published by the Company prior to the effective date of the liquidation and the notice will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Directors otherwise decide in the interests of, or to keep equal treatment between, the Shareholders, the Shareholders of the Fund or Class concerned may continue to request redemption or conversion of their shares. Assets which could not be distributed to their beneficiaries upon the close of the liquidation of the Fund concerned will be deposited with the *Caisse de Consignation* on behalf of their beneficiaries.

In the same circumstances as described above, the reorganisation of one Fund or Class by means of a division into two or more Funds or Classes may be decided by the Directors. Such a decision will be published in the same manner as described above and, in addition, the notice will contain information relating to the two or more new Funds or Classes. Such a notice will be published at least one month before the date on which the reorganisation becomes effective in order to enable the shareholders to request redemption of their shares, free of charge (unless the shares have been issued in a Class subject to a deferred sales charge payable upon redemption) before the operation involving division into two or more Funds or Classes becomes effective.

Any merger of a Fund shall be decided by the Board of Directors under the conditions set out in the 2010 Law unless the Board of Directors decides to submit the decision for a merger to a meeting of Shareholders of the Fund concerned. No quorum is required for this meeting and decisions are taken by the simple majority of the votes cast. In case of a merger of a Fund where, as a result, the Company ceases to exist, or in case of merger of the Company, the merger shall be decided by a meeting of Shareholders resolving in accordance with the quorum and majority requirements for the amendment of the Articles.

Where any merger, sub-division or division as provided for above results in holders being entitled to fractions of shares and where the relevant shares are admitted for settlement in a clearing system the operating rules of which do not allow the settlement or clearing of fractions of shares or where the Directors has resolved not to issue fractions of shares in the relevant Fund or Class, the Directors will be authorised to redeem the relevant fraction. The Net Asset Value of the redeemed fraction will be distributed to the relevant Shareholders unless such amount is less than EUR 15 (or the Reference Currency equivalent).

The decisions to liquidate or to reorganise a Fund in the circumstances and in the manner described in this section may also be taken at a meeting of the Shareholders of the Fund to be liquidated or reorganised where no quorum is required and where the decision to liquidate or reorganise must be approved by a majority of the votes cast.

### **Use of Dealing Commissions**

The Investment Manager may pass on broker's charges to the Company and in return for the broker's charges receive goods or services in addition to the execution of orders.

Any such dealing commission arrangements are subject to the following conditions: (i) the goods and services will be either related to the execution of trades on behalf of the Company or comprise the provision of research; (ii) the goods and services will reasonably assist the Investment Manager in the provision of its services to the Company on whose behalf the orders are being executed and will not impair compliance with the duty of the Investment Manager to act in the best interests of the Company; (iii) broker's charges on transactions affecting the Company' portfolio will only be attributed to broker-dealers that are legal entities and not to private individuals; (iv) the Investment Manager will provide reports to the Board of Directors on dealing

commission arrangements (including the nature of the services received); and (v) dealing commission arrangements will be disclosed in the Company's periodic reports.

### **Rebates**

The Investment Manager and any of its connected persons shall not retain the benefit of any cash commission rebate (being cash commission repayment made by a broker or dealer to the Investment Manager and/or any of its connected persons) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Investment Manager or that connected person for or on behalf of the Company.

Any such cash commission rebate received from any such broker or dealer shall be held by the Investment Manager and that connected person for the account of the Company.

### **Directors**

- (a) Any Director who devotes special attention to the business of the Company may be paid such extra remuneration as the Directors may determine (see the section headed "Fees and Expenses" above in relation to Director's fees).
- (b) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company on such terms as the Directors may determine.
- (c) Subject to the provisions of Luxembourg law, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company thereof or in which the Company or any subsidiary or associated company thereof is otherwise interested;
  - (ii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company thereof is otherwise interested; and
  - (iii) shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

### **Indemnities**

The Directors (including alternates) and other officers of the Company and its former directors and officers shall be indemnified by the Company against losses and expenses which any such person may become liable to by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of fraud, negligence or wilful default) under the conditions and as provided for in the Articles.

## Valuation principles applicable to the assets of the Company

- (a) The assets of the Company shall be deemed to include (i) all cash in hand, on deposit or on call including any interest accrued thereon and all accounts receivable, (ii) all bills, demand notes, certificates of deposit, promissory notes and accounts receivable (including proceeds of securities sold but not delivered), (iii) all bonds, forward currency transactions, time notes, shares, stock, units of or participation in collective investment undertakings/ mutual funds, debentures, debenture stock, subscription rights, warrants, futures contracts, options contracts, swap contracts, fixed rate securities, variable or floating rate securities, securities in respect of which the return and/or repurchase amount is calculated by reference to any index, price or rate, financial instruments and other investments and securities owned or contracted for by or in respect of the Company, (iv) all stock and cash dividends and cash distributions to be received by the Company and not yet received by the Company but declared to stockholders on record on a date on or before the day as of which the Net Asset Value is being determined, (v) all interest accrued on any interest-bearing securities attributed to the Company except to the extent that the same is included or reflected in, the principal value of such security, (vi) all other Investments of the Company, (vii) the establishment costs attributable to the Company and the cost of issuing and distributing Shares of the Company in so far as the same have not been written off and (viii) all other assets of the Company of every kind and nature including prepaid expenses as valued and defined from time to time by the Directors.
- (b) The valuation principles to be used in valuing the Company's assets are as follows:
- 1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.
  - 2) The value of securities and/or any money market instruments and/or financial derivative instruments (the "Investments") which are quoted or dealt in on any stock exchange or which are dealt in on any regulated market is based on the last available price applicable to the relevant Dealing Day or the closing mid-market valuations or the valuations on a specific valuation point/time or the settlement price as determined by the relevant exchange or market, as the Directors may decide, provided that the Board of Directors shall determine the reference stock exchange or regulated market to be considered when Investments are quoted or dealt in on more than one stock exchange or regulated market.
  - 3) In the event that any of the Investments on the relevant Dealing Day are not quoted or dealt in on any stock exchange or regulated market or if, with respect to securities quoted or dealt in on any stock exchange or dealt in on any regulated market, the price as determined pursuant to subparagraph 2) is not representative of the fair market value of the relevant Investment, the value of such Investment may be determined based on the reasonably foreseeable sales price determined prudently and in good faith.
  - 4) Shares or units in open-ended undertakings for collective investment shall be valued at their last available calculated net asset value.
  - 5) The financial derivative instruments which are not listed on any official stock exchange or traded on any other regulated market, operating regularly, and recognised and open to the public, will be valued in accordance with market practice, such as quotation provided by counterparties, as determined by the Board of Directors.

- 6) Swaps will be valued in accordance with market practice, such as their fair value based on the underlying securities or assets or provided by counterparties, as determined by the Board of Directors.
- 7) The money market instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in accordance with market practice as determined by the Board of Directors.
- 8) All other assets are to be valued at their respective estimated sales prices determined in good faith by the Board of Directors.

### **Prevention of Money Laundering and Terrorist Financing**

Pursuant to international regulations and Luxembourg laws and regulations including, but not limited to, the amended law of 12 November 2004 on the fight against money laundering and financing of terrorism, the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012 as well as any applicable CSSF Circulars concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector in order to prevent the use of undertakings for collective investment such as the Company from money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the registrar agent, as delegate of the Company, may require any other information that the Company may require in order to comply with its legal and regulatory obligations, including but not limited to the CRS Law.

In case of delay or failure by an applicant to provide the required documentation, the application for subscription will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the Company nor the registrar agent has any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

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

### **Pooling**

Subject to the provisions of the Articles, the Directors may invest and manage all or any part of the portfolio of assets established for two or more Funds (for the purposes hereof "Participating Funds") on a pooled basis. Any such asset pool shall be formed by transferring to it cash or other assets (subject to such assets being appropriate in respect to the investment policy of the pool concerned) from each of the Participating Funds. Thereafter, the Directors may from time to time make further transfers to each asset pool. Assets may also be transferred back to a Participating Fund up to the amount of the participation of the Class concerned.

Each Participating Fund shall be entitled to assets in such pool as determined by reference to the allocations and withdrawals of assets by the relevant Participating Fund and to those made on behalf of the other Participating Funds. Where a cash contribution or a withdrawal is made, it will be reduced by an amount which the Directors consider appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned or, respectively, increased by an addition reflecting costs which may be incurred in realising securities or other assets of the asset pool.

Dividends, interest and other distributions of an income nature received in respect of the assets in an asset pool will be immediately credited to the Participating Funds in proportion to their respective participation in the

asset pool at the time of receipt. On the dissolution of the Company, the assets in an asset pool will be allocated to the Participating Funds in proportion to their respective participation in the asset pool.

At the present time, none of the Funds are managed on a pooled basis. Should the Directors resolve to manage existing Funds on such basis, prior notice will be given to investors.

### **Inspection of Documents**

Copies of the following documents (and any subsequent amending documents) will be available for inspection at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) free of charge at the registered office of the Company:

- (a) the Articles;
- (b) the latest Prospectus and the latest Key Investor Information Documents;
- (c) the Management Company Agreement;
- (d) the Investment Management Agreement;
- (e) the Depositary Agreement;
- (f) the Administration Agreement;
- (g) the agreements entered into with the Distributors; and
- (h) the latest annual and semi-annual financial statements of the Company (when issued).

Copies of the documents listed under (a), (b) and (h) may be obtained free of charge at the registered office of the Company.

### **Benchmark Regulation**

Regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation") came into full effect on 1 January 2018. The Benchmark Regulation introduces a new requirement for all benchmark administrators providing indices which are used or intended to be used as benchmarks in the European Union to be authorised or registered by the competent authority. In respect of the Funds, the Benchmark Regulation prohibits the use of benchmarks unless they are produced by an EU administrator authorised or registered by the European Securities and Markets Authority ("ESMA") or are non-EU benchmarks that are included in ESMA's public register under the Benchmark Regulation's third country regime.

The benchmarks used by the Funds are, as at the date of this Prospectus, provided by benchmark administrators who benefit from the transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear yet on the public register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. EU benchmark administrators should apply for authorisation or registration as an administrator under the Benchmark Regulation before 1 January 2020. Updated information on the public register maintained by the ESMA should be available by 1 January 2020 at the latest. Benchmark administrators located in a third country must comply with the third country regime provided for in the Benchmark Regulation. The Management Company will make available a written plan setting out the actions that will be taken in the event of the benchmarks materially changing or ceasing to be provided, on request and free of charges at its registered office.

## APPENDIX 1: INVESTMENT RESTRICTIONS

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

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

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

- (A) The Company will invest solely in:
- (i) transferable securities and money market instruments admitted to an official listing on a stock exchange in an Eligible State; and/or
  - (ii) transferable securities and money market instruments dealt in on another Regulated Market; and/or
  - (iii) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market and such admission is achieved within one year of the issue; and/or
  - (iv) shares or units of UCITS and/or of other UCIs, whether situated in an EU Member State or not, provided that:
    - such other UCIs have been authorised (a) under the laws of any member country of the European Union or (b) under the laws of Canada, Hong Kong, Japan, Norway, Switzerland or the United States, or (c) under other laws which provide that such other UCIs are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law and that co-operation between authorities is sufficiently ensured;
    - the level of protection for shareholders in such other UCIs is equivalent to that provided for Shareholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive;
    - the business of such other UCIs is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
    - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs; and/or

- (v) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a EU Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law; and/or
- (vi) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs (i) and (ii) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:
- the underlying consists of securities covered by this section (1) (A), financial indices, interest rates, foreign exchange rates or currencies, in which the Funds may invest according to their investment objective;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

Unless specifically provided otherwise for any specific Fund, the Company will invest in financial derivative instruments for hedging and/or investment purposes and as more fully described in the section 5 below;

and/or

- (vii) money market instruments other than those dealt in on a Regulated Market, if the issuer or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the European Union or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or
  - issued by an undertaking any securities of which are dealt in on Regulated Markets; or
  - issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
  - issued by other bodies belonging to categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least Euro ten million (€10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an

entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

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

(B) Each Fund may hold ancillary liquid assets.

(C) (i) Each Fund may invest no more than 10% of its net asset value in transferable securities or money market instruments issued by the same issuing body (and in the case of credit-linked securities both the issuer of the credit-linked securities and the issuer of the underlying securities). Each Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in (1)(A)(v) above or 5% of its net assets in other cases.

(ii) Furthermore, where any Fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the net asset value of such Fund, the total value of all such investments must not account for more than 40% of the net asset value of such Fund.

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

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

- investments in transferable securities or money market instruments issued by a single body;
- deposits made with a single body; and/or
- exposures arising from OTC derivative transactions undertaken with a single body

in excess of 20% of its net assets.

(iii) The limit of 10% laid down in paragraph (C)(i) above shall be 35% in respect of transferable securities or money market instruments which are issued or guaranteed by an EU Member State, its local authorities or by an Eligible State or by public international bodies of which one or more EU Member States are members.

(iv) The limit of 10% laid down in paragraph (C)(i) above shall be 25% in respect of debt securities which are issued by credit institutions having their registered office in an EU Member State and which are subject by law to a special public supervision for the purpose of protecting the holders of such debt securities, provided that the amount resulting from the issue of such debt securities are invested, pursuant to applicable provisions of the law, in assets which are sufficient to cover the liabilities arising from such debt securities during the whole period of validity thereof and which are assigned to the preferential repayment of capital and accrued interest in the case of a default by such issuer.

If a Fund invests more than 5% of its assets in the debt securities referred to in the subparagraph above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the assets of such Fund.

- (v) The transferable securities and money market instruments referred to in paragraphs (C)(iii) and (C)(iv) are not included in the calculation of the limit of 40% referred to in paragraph (C)(ii).

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

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 2013/34/EU of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, as amended, or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph (C).

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

- (vi) Without prejudice to the limits laid down in paragraph (D), the limits laid down in this paragraph (C) shall be 20% for investments in shares and/or debt securities issued by the same body when the aim of a Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, provided:

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

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

- (vii) **Where any Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU Member State, by its local authorities or a non-EU Member State accepted by the CSSF (being at the date of this Prospectus OECD member states, Singapore, Brazil, Russia, Indonesia and South Africa) or by public international bodies of which one or more EU Member States are members, the Company may invest 100% of the net asset value of any Fund in such securities provided that such Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the net asset value of the Fund.**

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

- (D) (i) The Company may not normally acquire shares carrying voting rights which would enable the Company to exercise significant influence over the management of the issuing body.
- (ii) A Fund may acquire no more than (a) 10% of the non-voting shares of any single issuing

body, (b) 10% of the value of debt securities of any single issuing body, (c) 10% of the money market instruments of the same issuing body, and/or (d) 25% of the units of the same collective investment undertaking. However, the limits laid down in (b), (c) and (d) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of securities in issue cannot be calculated.

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

- (i) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
  - (ii) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
  - (iii) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members; or
  - (iv) shares held in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that state where, under the legislation of that state, such holding represents the only way in which such Fund's assets may invest in the securities of the issuing bodies of that state, provided, however, that such company in its investment policy complies with the limits laid down in 1(C), 1(E) and 1(D) (i) and (ii).
- (E) (i) Subject to the investment objective and investment policy of the relevant Fund, each Fund may invest more than 10% of its net assets in shares or units of UCITS or other UCIs referred to under 1A(iv) above. In this case, the following limits shall apply:
- (a) Each Fund may not invest more than 20% of its net assets in shares or units of the same UCITS or other UCIs referred to under 1A(iv) above.
  - (b) Furthermore, investments made in UCIs other than UCITS, may not exceed, in aggregate, 30% of the net assets of the Fund.
  - (c) To the extent that a UCITS or UCI is composed of several sub-funds and provided that the principle of segregation of commitments of the different sub-funds is ensured in relation to third parties, each sub-fund shall be considered as a separate entity for the application of the limit laid down under 1(E)(i)(a) above.
- (ii) When a Fund invests in the shares or units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by another company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged by that management company or other company on account of its investment in the shares or units of such other UCITS and/or UCIs.
- (iii) In respect of a Fund's substantial proportion of its investments in UCITS and other UCIs that are managed, directly or by delegation, by the same management company or by another company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding the maximum total management fee (excluding any performance fee, if any) charged to such Fund and each of the UCITS or other UCIs concerned shall not exceed 3% of the relevant net assets under management. The Company

will indicate in its annual report the total management fees charged both to the relevant Fund and to the UCITS and other UCIs in which such Fund has invested during the relevant period.

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

## **2. INVESTMENT IN OTHER ASSETS**

- (A) The Company will not make investments in precious metals or certificates representing these.
- (B) The Company may not enter into transactions involving commodities or commodity contracts, except that the Company may employ techniques and instruments relating to transferable securities within the limits set out in paragraph 3 below.
- (C) The Company will not purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (D) The Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in 1.(A) iv), vi) and vii).
- (E) The Company may not borrow for the account of any Fund, other than amounts which do not in aggregate exceed 10% of the net asset value of the Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.
- (F) The Company will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Fund, except as may be necessary in connection with the borrowings mentioned in (E) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the net asset value of each Fund. In connection with swap transactions, option and forward exchange or futures transactions the deposit of securities or other assets in a separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.
- (G) The Company will not underwrite or sub-underwrite securities of other issuers.

## **3. CROSS-FUNDS INVESTMENTS**

A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each, a "Target Fund") without the Fund being subject to the requirements of the law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

- (i) the Investing Fund may not invest more than 20% of its Net Asset Value in a single Target Fund; and

- (ii) the Target Fund does not, in turn, invest in the Investing Fund invested in this Target Fund; and
- (iii) no more than 10% of the assets that the Target Fund whose acquisition is contemplated may, according to its investment policy, be invested in units of other UCITS or other UCIs; and
- (iv) voting rights, if any, attaching to the Shares of the Target Fund are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- (v) for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

#### **4. MASTER-FEEDER STRUCTURES**

- (A) Under the conditions and within the limits laid down by the 2010 Law, the Company may, to the widest extent permitted by the Regulations (i) create any Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Fund into a Feeder UCITS or a Master UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.
- (B) A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following:
  - (i) ancillary liquid assets in accordance with 1. (B) above;
  - (ii) financial derivative instruments, which may be used only for hedging purposes;
- (C) For the purposes of compliance with paragraph 4 of section "5. Financial Derivatives, Techniques and Instruments" hereafter, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent under b) with either:
  - (i) the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
  - (ii) the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.

#### **5. FINANCIAL DERIVATIVES, TECHNIQUES AND INSTRUMENTS**

The Company is authorised to invest in financial derivative instruments on eligible assets and employ techniques and instruments relating to transferable securities and to money market instruments under the conditions and within the limits laid down by the Regulations. Under no circumstances shall these operations cause the Company and its Funds to diverge from its investment policies and restrictions.

The Company may invest in financial derivative instruments, for hedging exchange and market risks and/or investment purposes and may also employ techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management where authorised, as more fully described below.

The Company may also invest in financial derivative instruments in relation to a specific Fund to achieve its investment objective as disclosed under the section headed "Investment Objectives, Investment Policies and Investor Profiles" in this Prospectus.

When a Fund invests in total return swaps or in other financial derivative instruments with similar characteristics, information relating to the underlying assets and strategy and to the relevant counterparties shall be described in Appendix 3.

The Company shall ensure that the global exposure of each Fund relating to derivative instruments does not exceed the total net assets of that Fund. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following paragraphs. When a Fund invests, as a part of its investment policy and within the limits laid down in restriction 1(C)(v), in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in restrictions 1(C)(i) to (v). When a Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in restriction 1(C). In addition, the frequency of the review and rebalancing of the composition of the underlying index of such financial derivative instruments shall vary per index and could be daily, weekly, monthly, quarterly or annually. There will be no cost to the Fund when the index itself rebalances.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the aforesaid requirements.

The counterparties to these transactions must be subject to prudential supervision rules considered by the CSSF as described above in section 1. (A) (vi).

### **5.1 Transactions aimed at hedging exchange-rate risks**

In the context of the management of the investment portfolio, each Fund may use instruments with a view to hedging against exchange-rate fluctuations. These instruments may include, but are not limited to, sales of forward foreign-exchange contracts, sales of currency futures, purchases of put options on currencies as well as sales of call options on currencies.

### **5.2 Swaps**

The Company may enter into swap transactions which consist of contractually paying out (or receiving) to (from) the swap counterparty:

- (i) a positive or negative performance of one security, a basket of securities, a stock exchange index or a benchmark;
- (ii) an interest rate, either floating or fixed;
- (iii) a foreign exchange rate; or
- (iv) a combination of any of the above;

against the payment of an interest rate either floating or fixed. There is no exchange of principal in the swap and the Company will not hold any security, but the Company will receive all the economies of owning securities, such as dividend income.

When entering into swap transactions, the Company must ensure that:

- (i) its counterpart is a financial institution of good reputation specialised among other things in this type of transaction;
- (ii) the level of its exposure to the swap is such that it is able, at all times, to have sufficient liquid assets available to meet its redemption obligations and the commitments arising out of such transactions; and
- (iii) the underlying assets performance referred to under the swap agreement is in compliance with the investment policy of the relevant Fund entering into such transaction.

The swap transactions to be entered into will be marked to market daily using the market value of the underlying assets used for the transaction in accordance with the terms of the swap agreement.

### **5.3 Credit Default Swaps**

The Company may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer at their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference or strike price. The credit default swaps to be entered into will be market to market daily on this basis. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The International Swaps and Derivatives Association ("ISDA") has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement.

The Company may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolios by buying protection.

Provided it is in the exclusive interests of its Shareholders, the Company may also sell protection under credit default swaps in order to acquire a specific credit exposure.

Credit default swaps may trade differently from the funded securities of the reference entity. In adverse market conditions, the basis (difference between the spread on bonds and the spread on credit default swaps) can be significantly more volatile.

The Company will only enter into credit default swap transactions with highly rated financial institutions specialised in this type of transaction and only in accordance with the standard terms laid down by the ISDA. In addition, the use of credit default swaps must comply with the investment objectives and policies and risk profile of the relevant Fund.

The Company will ensure that, at any time, it has the necessary assets in order to pay redemption proceeds resulting from redemption requests and also meet its obligations resulting from credit default swaps and other techniques and instruments.

### **5.4 Securities lending and repurchase transactions**

To the maximum extent allowed by, and within the limits set forth in, the Regulations, in particular the provisions of (i) Article 11 of the Grand Ducal regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 on undertakings for collective investment and of (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques

and instruments relating to transferable securities and money market instruments, CSSF Circular 11/512 and CSSF Circular 14/592 on ESMA's Guidelines on ETFs and other UCITS issues (as these pieces of regulations may be amended or replaced from time to time), each Fund may for the purpose of generating additional capital or income or for reducing costs or risks (A) enter, either as purchaser or seller, into optional as well as non-optional repurchase transactions and (B) engage in securities lending transactions.

When a Fund enters into securities lending and/or reverse repurchase transactions, information on the fees allocation and the counterparties receiving such fees shall be described in Appendix 3 or the Company's annual report, as appropriate.

### **Collateral Policy**

- (a) Repurchase/reverse repurchase agreements, ("repo contracts") and stock lending arrangements may only be effected in accordance with normal market practice.
- (b) All assets received by the Company, on behalf of a Fund, in the context of efficient portfolio management techniques and/or OTC derivative transactions must comply with the criteria set out below:
  - (i) Liquidity: collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Articles 56 of the Directive.
  - (ii) Valuation: collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
  - (iii) Issuer credit quality: collateral received should be of high quality.
  - (iv) Correlation: collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
  - (v) Collateral diversification (asset concentration): collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by any EU Member State, any of its local authorities, any OECD country, Singapore or any member of the G20, or a public international body to which one or more EU Member States belong. In that case, the relevant Fund will receive securities from at least six different issues, but securities from any single issue shall not account for more than 30% of the Net Asset Value of that Fund.
  - (vi) Immediately available: collateral received should be capable of being fully enforced by the Investment Manager, on behalf of the relevant Fund(s), at any time without reference to or approval from the counterparty.

Collateral received on a title transfer basis should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party trustee which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

- (c) Non-cash collateral cannot be sold, pledged, re-used or re-invested.
- (d) Cash collateral received by a Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of such Fund in:
  - (i) deposits with credit institutions having their registered office in an EU Member State or if the credit institution has its registered office in a third country, it must be subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
  - (ii) high quality government bonds;
  - (iii) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and to the extent that the Company is able to recall at any time the full amount of cash on an accrued basis;
  - (iv) shares or units issued by short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Re-invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral.

Invested cash collateral may not be placed on deposit with, or invested in securities issued by, a counterparty or a related entity.

The Fund may re-invest cash collateral in securities on a when issued, delayed delivery and forward commitment basis and such securities will be taken into consideration in calculating a Fund's investment restriction limits.

- (e) Permitted types of collateral

Where the Company, on behalf of Fund, receives collateral as a result of trading in OTC derivatives or as a result of engaging in efficient portfolio management techniques, the Company intends, subject to the criteria set out at Section (b)(i) – (vi) above, to accept collateral in the form which complies with the requirements of the CSSF Circular 08/356 (as may be amended or replaced from time to time).

- (f) Level of collateral required

The value of any collateral, whatever its currency, received by the Company, adjusted in light of the haircut policy, will be market to market daily and will equal or exceed, in value, at all times, the value of the amount invested or securities loaned. Collateral received in form of cash will be denominated in the same currency as the currency of the derivatives or securities loaned they cover.

(g) Haircut Policy

Collateral received by the Company, on behalf of a Fund, will be subject to the following haircut policy:

Eligible Collateral	Haircut applicable
Cash	None
Government bonds and T-Bills	at least 2%
Supranational bonds and municipal bonds	at least 3%
Corporate bonds	at least 5%
Equities	at least 5%

The Company reserves the right to vary this policy at any time in which case this Prospectus will be updated accordingly.

(h) Revenue and costs arising from efficient portfolio management techniques

To the extent that the Company, on behalf of a Fund, engages in efficient portfolio management techniques, and to the extent that direct and indirect operational costs/fees arising from efficient portfolio management techniques are deducted from the revenue delivered to the Fund (which costs and fees should not include hidden revenue), the Company will disclose information on the costs and fees as well as the identity of the entity or entities to which such costs and fees are paid, indicating whether or not these are related parties to the Depositary in the annual report of the Company to the extent required by the Regulations.

All the revenues arising from efficient portfolio management techniques, net of direct or indirect operational costs, should be returned to the relevant Fund(s).

Notwithstanding the above, the Company does currently not intend to enter into i) securities financing transactions as defined in Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/012 (the "SFT Regulation") – such as but not limited to repurchase and reverse repurchase agreements and securities lending transactions and – ii) total return swaps. Should the Company intend to use them, the Prospectus will be updated in accordance with the SFT Regulation.

## 5.5 Specific risks linked to securities lending and repurchase transactions

Use of the aforesaid techniques and instruments involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

Although Regulations require each Fund entering into one of the above transactions to receive sufficient collateral to reduce its counterparty exposure, the Regulations do however not require that such counterparty exposure be fully covered by collateral. This leaves room for the Funds to be exposed to a net counterparty risk and investors should be aware of the possible resulting loss in case of default of the relevant counterparty.

In relation to reverse repurchase transactions and sale with right of repurchase transactions in which a Fund

acts as purchaser, investors should be aware that (A) in the event of the failure of the counterparty from which securities have been purchased there is the risk that the value of the securities purchased may yield less than the cash originally paid, notably because of inaccurate pricing of said securities, an adverse market value change, a deterioration in the credit rating of the issuers of such securities, or the illiquidity of the market in which these are traded, and that (B) locking cash in transactions of excessive size or duration and/or delays in recovering cash at maturity may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment. As a Fund may reinvest any cash collateral received from sellers, there is a risk that the value on return of the reinvested cash collateral may decline below the amount owed to those sellers.

In relation to repurchase transactions and sale with right of repurchase transactions in which a Fund acts as seller, investors should be aware that (A) in the event of the failure of the counterparty to which securities have been sold there is the risk that the value of the securities sold to the counterparty is higher than the cash originally received, notably because of a market appreciation of the value of said securities or an improvement in the credit rating of their issuer, and that (B) locking investment positions in transactions of excessive size or duration and/or delays in recovering, at maturity, the securities sold, may restrict the ability of the Fund to meet delivery obligations under security sales or payment obligations arising from redemption requests. As a Fund may reinvest the cash received from purchasers, there is a risk that the value on return of the reinvested cash may decline below the amount owed to those purchasers.

Repurchase and reverse repurchase transactions will, as the case may be, further expose a Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of this Prospectus. In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral, as assets in which cash collateral is reinvested are subject to the same risks as those further described in other sections of this Prospectus in relation to direct investment of the Fund, such reinvestment may yield a sum less than the amount of collateral to be returned hence creating leverage with corresponding risks and risk of losses and volatility; and that (C) delays in the return of securities on loans may restrict the ability of a Fund to meet delivery obligations under security sales. As a Fund may reinvest the cash collateral received from borrowers, there is a risk that the value on return of the reinvested cash collateral may decline below the amount owed to those borrowers.

## **5.6 Specific risks linked to the use of derivative instruments**

### **Market risk**

Derivatives are used to efficiently take (or reduce) exposure to risk factors, introducing market risk. This does not differ from positions in other financial instruments. What does differ is the comprehensibility of the market risk introduced by more complex derivative instruments. A position in a derivative instrument can introduce (non-linear) exposures to a multitude of market variables.

### **Credit risk**

Positions in OTC-derivative instruments introduce counterparty credit risk. Broadly speaking, credit risk can be defined as the loss incurred on a contract if the counterparty is unable to honour its engagements.

Because of the low margin deposits normally required in trading derivative instruments, a high degree of leverage is typical for trading in derivatives instruments. As a result, a relatively small price movement in a derivative contract may result in substantial losses to the investor. Investment in derivative transactions may result in losses in excess of the amount invested.

## **Absence of regulation and risk of counterparty default in OTC transactions**

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps, total return swaps and certain options on currencies are generally traded) than of transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with OTC transactions. Therefore, a Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that a Fund will sustain losses. The Company will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. Regardless of the measures the Company may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that a Fund will not sustain losses as a result.

### **Liquidity: requirement to perform**

From time to time, the counterparties with which the Company effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, the Company might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance.

**The foregoing risk factors do not purport to be a complete explanation of the risks involved in investing in the shares. Prospective investors should read the entire Prospectus and consult with their legal, tax and financial advisors before making any decision to invest in any Fund.**

## **6. RISK MANAGEMENT PROCESS**

The Management Company will employ a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Fund. The Management Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Unless otherwise provided in Appendix 3 for specific Funds, commitment approach is used to monitor and measure the global exposure of the Funds.

This approach measures the global exposure related solely to positions on financial derivative instruments under consideration of netting or hedging.

Each Fund's total commitment to financial derivative instruments, limited to 100% of the portfolio's total net value, is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage.

## **7. MISCELLANEOUS**

- A. The Company may not make loans to other persons or act as a guarantor on behalf of third parties provided that for the purpose of this restriction the making of bank deposits and the acquisition of such securities referred to in paragraph 1. (A) (i), (ii) and (iii) or of ancillary liquid assets shall not be deemed to be the making of a loan and that the Company shall not be prevented from acquiring such securities above which are not fully paid.
- B. The Company need not comply with the investment limit percentages when exercising subscription rights attached to securities which form part of its assets.

C. The Management Company, the Investment Manager, the Distributors, the Depositary, the Administrator and any authorised agents or their associates may have dealings in the assets of the Company provided that any such transactions are effected on normal commercial terms negotiated at arm's length and provided that each such transaction complies with any of the following:

- i) a certified valuation of such transaction is provided by a person approved by the Directors as independent and competent;
- ii) the transaction has been executed on best terms, on and under the rules of an organised investment exchange; or

where neither i) or ii) is practical;

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

## APPENDIX 2: LIST OF FUNDS AND SHARE CLASSES

Name of Fund	Share Class	EUR
<b>Money Market Funds:</b>		
Milleis Investissements Cash Euro	Class A – Acc	Yes
	Class A – Dist	Yes
	Class B – Acc	Yes
	Class B – Dist	Yes
	Class C – Acc	Yes
	Class C – Dist	Yes
	Class M – Acc	Yes
	Class M - Dist	Yes
	Class R – Acc	Yes
	Class R – Dist	Yes
<b>Bond Funds:</b>		
Milleis Investissements Convertible Euro	Class A – Acc	Yes
	Class A – Dist	Yes
	Class B – Acc	Yes
	Class B – Dist	Yes
	Class C – Acc	Yes
	Class C – Dist	Yes
	Class M – Acc	Yes
	Class M - Dist	Yes
	Class R – Acc	Yes
	Class R – Dist	Yes

<b>Name of Fund</b>	<b>Share Class</b>	<b>EUR</b>
<b>Equity Funds:</b>		
Milleis Investissements Convictions Euro	Class A – Acc	Yes
	Class A – Dist	Yes
	Class B – Acc	Yes
	Class B - Dist	Yes
	Class C – Acc	Yes
	Class C - Dist	Yes
	Class M - Acc	Yes
	Class M - Dist	Yes
	Class R - Acc	Yes
	Class R - Dist	Yes
Milleis Investissements Flexible Euro	Class A – Acc	Yes
	Class A - Dist	Yes
	Class B – Acc	Yes
	Class B - Dist	Yes
	Class C – Acc	Yes
	Class C - Dist	Yes
	Class M - Acc	Yes
	Class M - Dist	Yes
	Class R - Acc	Yes
	Class R - Dist	Yes
Milleis Investissements Small & Midcap Euro	Class A – Acc	Yes
	Class A - Dist	Yes
	Class B – Acc	Yes
	Class B - Dist	Yes
	Class C – Acc	Yes

Name of Fund	Share Class	EUR
	Class C - Dist	Yes
	Class M - Acc	Yes
	Class M - Dist	Yes
	Class R - Acc	Yes
	Class R - Dist	Yes

Not all Funds and Share Classes set out above, may be available at the date of this Prospectus. A complete list of the available Share Classes may be obtained from the Administrator.

Certain Funds and/or Share Classes may be offered in certain jurisdictions only. Investors should consult the Distributors, the Administrator, their relevant Intermediary or professional adviser as to availability of any Share in their jurisdictions.

## APPENDIX 3: FUND SPECIFIC DETAILS

### MILLEIS INVESTISSEMENTS CASH EURO

(At the date of this Prospectus, the Fund still benefits from the grandfathering provisions provided for in Article 44 of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (the "MMF Regulation"). As a consequence and despite the provisions recently introduced in the Articles, the Fund has not yet been authorised by the CSSF as a Money Market Fund within the meaning of the MMF Regulation. Once this authorisation is obtained, this Prospectus will be updated accordingly.)

**The information contained in this section in relation to the Fund should be read in conjunction with the full text of the Prospectus.**

#### Investment Objective and Policy:

The investment objective is to maintain the principal of the Fund and aim to provide a return in line with money market rates. The Fund qualifies as a Money Market Fund.

According to the principle of risk diversification, the Fund's net assets are invested in high-quality money market instruments complying with the criteria set forth in the Directive. These money market instruments consist primarily of a range of Euro denominated short-term debt securities, comprising, to the extent permitted by the investment restrictions, of debt instruments and money market instruments. On an ancillary basis, the Fund may hold liquid assets comprising cash, time deposits and short-term money market instruments regularly negotiated and issued or guaranteed by first class issuers.

The Fund limits investment in securities to those with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days. Floating rate securities shall reset to a money market rate or index.

The portfolio of the Fund will be invested in a manner such that the weighted average maturity of all securities and instruments comprised in the portfolio does not exceed 6 months.

For the securities or instruments whose terms of issue provide for an adjustment of their interest rate by reference to market conditions, the residual maturity until the date on which the rate is adjusted shall be considered.

The weighted average life of the portfolio will be of no more than 12 months. The Fund investments will be restricted to high quality securities rated one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument or, if the instrument is not rated, it is of an equivalent quality as determined by the Investment Manager's internal rating process.

The Fund may not take direct or indirect exposure to equity or commodities, including via derivatives and may only use derivatives in line with its money market strategy. The Fund may invest in financial derivative instruments, including equivalent cash settled instruments, which give exposure to foreign exchange for hedging purposes.

The Fund may engage in transactions in financial derivative instruments for the purposes of hedging interest rate and/or currency risk.

#### Risk Warnings:

Investors should read, be aware of and consider the risks set out under Risk Factors.

#### Base Currency:

Euro

#### Valuation Point:

17.35 (Central European time) on each Dealing Day.

#### Dealing Cut-off Time:

13.00 (Central European time) on the relevant Dealing Day.

#### Share Classes and Fees:

Not all Share Classes set out below, may be available at the date of this Prospectus. A complete list of the available Share Classes may be obtained from the Administrator.

Share Class	Initial Sales Charge % of the subscription amount	Management Fee % per annum of the Net Asset Value	Redemption Charge % of the redemption amount
Class A Shares	Up to 5.00%	Up to 0.60% (*)	None
Class B Shares	Up to 5.00%	Up to 0.10% (*)	None
Class C Shares	Up to 3.00%	Up to 0.60% (*)	None
Class M Shares	None	Up to 0.25% (*)	None
Class R Shares	None	0.15% (*)	None

(\*) Subject to the provisions set out in the section "Management Fee".

#### Switching Commission:

Switching into the Fund: None

Switching out of the Fund: up to 5.00% of the applicable Price per Share of the New Class.

The Fund may invest up to 10% of its assets in UCITS and other UCIs provided that they comply with the definition of Short-term Money Market Fund or Money Market Fund.

**Investor Profile:**

May suit cautious investment strategy and most likely to be appropriate for investors who are investing to protect the value of their assets. It can also be used by any type of investor looking to balance their portfolio or to hold cash as a liquidity reserve.

**Performance Fee:**

None

**Charging of Fees and Expenses to Capital or Income:**

Income

**Dividend Frequency for Distribution Shares:**

Holders of Distribution Shares shall be entitled to regular dividend payments at the discretion of the Directors.

**Indicative Benchmark Index:**

Eonia Capitalization Index 7 Day (EONCAPL7 Index)

Disclosure of this benchmark is for information purposes only and does not constitute a commitment by the Investment Manager to follow or to manage the Fund in relation to this benchmark. Additionally, the indicative benchmark may be changed by the Investment Manager at any time without notice to the Fund's investors. The use of this benchmark for this purpose does not fall within the scope of the Benchmark Regulation.

## MILLEIS INVESTISSEMENTS CONVERTIBLE EURO

The information contained in this section in relation to the Fund should be read in conjunction with the full text of the Prospectus.

### Investment Objective and Policy:

The investment objective is to achieve total return by actively managing a portfolio primarily invested in convertible bonds and notes denominated in Euro or in any major currency which can be hedged back to the Euro. Whilst investments which are not denominated in Euro will normally be hedged back to the Euro, the Investment Manager may resolve not to do so if he considers it compatible with the interests of the Fund.

Investment will be in convertible bonds, exchangeable bonds, synthetic convertible bonds (bonds and warrants), warrants and equity or bond related products whose underlying securities are issued or guaranteed by corporations of the Euro zone as well as corporations of OECD countries and their subsidiaries.

The Fund may invest up to 10% of its assets in UCITS and other UCIs.

### Investor Profile:

The Fund seeks to allow investors to participate in trends in equity financial markets while prevailing of a level of risk that is intermediate between equity risk level and fixed income level.

### Risk Warnings:

Investors should read, be aware of and consider the risks set out under Risk Factors.

### Base Currency:

Euro

### Valuation Point:

17.35 (Central European time) on each Dealing Day.

### Dealing Cut-off Time:

13.00 (Central European time) on the relevant Dealing Day.

### Share Classes and Fees:

Not all Share Classes set out below, may be available at the date of this Prospectus. A complete list of the available Share Classes may be obtained from the Administrator.

Share Class	Initial Sales Charge % of the subscription amount	Management Fee % per annum of the Net Asset Value	Redemption Charge % of the redemption amount
Class A Shares	Up to 5.00%	Up to 1.30% (*)	None
Class B Shares	Up to 5.00%	Up to 0.70% (*)	None
Class C Shares	Up to 3.00%	Up to 1.50% (*)	None
Class M Shares	None	Up to 0.40% (*)	None
Class R Shares	None	0.70% (*)	None

(\*) Subject to provisions set out in the section "Management Fee".

### Switching Commission:

Up to 2.00% of the applicable Price per Share of the New Class.

### Performance Fee:

None

### Charging of Fees and Expenses to Capital or Income:

Income

### Dividend Frequency for Distribution Shares:

Holders of Distribution Shares shall be entitled to regular dividend payments at the discretion of the Directors.

### Indicative Benchmark Index:

Exane ECI zone euro (EZCIEZCI Index)

Disclosure of this benchmark is for information purposes only and does not constitute a commitment by the Investment Manager to follow or to manage the Fund in relation to this benchmark. Additionally, the indicative benchmark may be changed by the Investment Manager at any time without notice to the Fund's investors. The use of this benchmark for this purpose does not fall within the scope of the Benchmark Regulation.

## MILLEIS INVESTISSEMENTS CONVICTIONS EURO

The information contained in this section in relation to the Fund should be read in conjunction with the full text of the Prospectus.

### Investment Objective and Policy:

The investment objective is to achieve capital growth by actively managing a portfolio of companies composed essentially of Euro denominated stock.

The Fund will invest predominantly in common stock, preferred shares and securities convertible into common stock of companies domiciled in Eurozone countries.

The Fund may engage in transactions in financial derivative instruments for hedging and/or investment purposes.

To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its total assets in equity securities issued by companies which have their head office in PEA eligible countries, and/or in PEA eligible collective investment undertakings.

The Fund may invest up to 10% of its assets in UCITS and other UCIs.

### Investor Profile:

The Fund may suit a growth investment strategy and most likely to be appropriate for investors who are investing for long-term capital growth and who are willing to accept high market volatility.

### Risk Warnings:

Investors should read, be aware of and consider the risks set out under Risk Factors.

### Base Currency:

Euro

### Valuation Point:

17.35 (Central European time) on each Dealing Day.

### Dealing Cut-off Time:

13.00 (Central European time) on the relevant Dealing Day.

### Share Classes and Fees:

Not all Share Classes set out below, may be available at the date of this Prospectus. A complete list of the available Share Classes may be obtained from the Administrator.

Share Class	Initial Sales Charge % of the subscription amount	Management Fee % per annum of the Net Asset Value	Redemption Charge % of the redemption amount
Class A Shares	Up to 5.00%	Up to 1.50% (*)	None
Class B Shares	Up to 5.00%	Up to 0.80% (*)	None
Class C Shares	Up to 3.00%	Up to 2.25% (*)	None
Class M Shares	None	Up to 0.55% (*)	None
Class R shares	None	0.80% (*)	None

(\*) Subject to the provisions set out in the section "Management Fee".

### Switching Commission:

Up to 2.00% of the applicable Price per Share of the New Class.

### Performance Fee:

The Investment Manager will be entitled to a Performance Fee on Class C Shares.

The Performance Fee will be calculated on a daily basis and will be paid annually in arrears at a maximum rate of 15% of the appreciation of the Net Asset Value of the Share Class over the benchmark (EURO STOXX TR). The calculation period of the Performance Fee shall correspond to the accounting year of the Company (the "Calculation Period").

For Shares redeemed before the end of a Calculation Period, the crystallisation fee ("Crystallisation Fee") shall be calculated on the relevant Dealing Day. The Crystallisation Fee will be calculated according to the following formula:

Crystallisation Fee (t) = (number of Shares redeemed (t) / number of Shares (t-1)) \* Performance Fee (t-1)

The Crystallisation Fees chargeable to such redeemed Shares will already be reflected in the redemption price of the redeemed Shares and will be deducted from the accrued Performance Fee.

No high water mark principle applies and cumulated losses during a Calculation Period shall not be carried forward to the next Calculation Period.

### Charging of Fees and Expenses to Capital or Income:

Income

### Dividend Frequency for Distribution Shares:

Holders of Distribution Shares shall be entitled to regular dividend payments at the discretion of the Directors.

## MILLEIS INVESTISSEMENTS FLEXIBLE EURO

The information contained in this section in relation to the Fund should be read in conjunction with the full text of the Prospectus.

### Investment Objective and Policy:

The investment objective is to achieve long term capital growth by actively managing a portfolio of European stocks.

Investment will be made in European stocks meaning stocks including ordinary and preferred stocks of issuers established in one of the countries in Europe, and notes or bonds exchangeable or convertible into such stocks and warrants giving the right to acquire or subscribe to such stocks.

To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its total assets in equity securities issued by companies which have their head office in PEA eligible countries and/or in PEA eligible collective investment undertakings.

The Fund may invest up to 10% of its assets in UCITS and other UCIs.

The Fund may engage in transactions in financial derivative instruments for hedging and/or investment purposes. It will notably engage in transactions in financial derivative instruments in order to manage its equity market exposure from 0 to 100% of its assets. The Fund will not use leverage.

### Investor Profile:

The Fund may be suitable for investors who seek to invest over a 5-year period or more and who are willing to accept high market volatility.

### Risk Warnings:

Investors should read, be aware of and consider the risks set out under Risk Factors.

### Base Currency:

Euro

### Valuation Point:

17.35 (Central European time) on each Dealing Day.

### Dealing Cut-off Time:

13.00 (Central European time) on the relevant Dealing Day.

### Share Classes and Fees:

Not all Share Classes set out below, may be available at the date of this Prospectus. A complete list of the available Share Classes may be obtained from the Administrator.

Share Class	Initial Sales Charge  % of the subscription amount	Management Fee  % per annum of the Net Asset Value	Redemption Charge  % of the redemption amount
Class A Shares	Up to 5.00%	Up to 1.50% (*)	None
Class B Shares	Up to 5.00%	Up to 0.80% (*)	None
Class C Shares	Up to 3.00%	Up to 2.25% (*)	None
Class M Shares	None	Up to 0.55% (*)	None
Class R shares	None	0.80% (*)	None

(\*) Subject to provisions set out in the section "Management Fee".

### Switching Commission:

Up to 2.00% of the applicable Price per Share of the New Class.

### Performance Fee:

The Investment Manager will be entitled to a Performance Fee on Class C Shares.

The Performance Fee will be calculated on a daily basis and will be paid annually in arrears at a maximum rate of 15% of the appreciation of the Net Asset Value of the Share Class over the benchmark (50% STOXX Europe Large 200 Net Return EUR & 50% EONIA) up to 31 October 2018 and at a maximum rate of 15% of the appreciation of the Net Asset Value of the Share Class over the benchmark (50% EuroStoxx large net return + 50% EONIA Index – Bloomberg ticker (50% LCXT index + 50% EONIA index) from 1 November 2018. The calculation period of the Performance Fee shall correspond to the accounting year of the Company (the "Calculation Period").

For Shares redeemed before the end of a Calculation Period, a crystallisation fee (the "Crystallisation Fee") shall be calculated on the relevant Dealing Day. The Crystallisation Fee is the accrued Performance Fee due to the Investment Manager on redemptions of Shares.

The Crystallisation Fee will be calculated according to the following formula:

$$\text{Crystallisation Fee (t)} = (\text{number of Shares redeemed (t)} / \text{number of Shares (t-1)}) * \text{Performance Fee (t-1)}$$

The Crystallisation Fees chargeable to such redeemed Shares will already be reflected in the redemption price of the redeemed Shares and will be deducted from the accrued Performance Fee.

No high water mark principle applies and cumulated losses during a Calculation Period shall not be carried forward to the next Calculation Period.

### Charging of Fees and Expenses to Capital or Income:

Income

**Dividend Frequency for Distribution Shares:**

Holders of Distribution Shares shall be entitled to regular dividend payments at the discretion of the Directors.

## MILLEIS INVESTISSEMENTS SMALL & MIDCAP EURO

The information contained in this section in relation to the Fund should be read in conjunction with the full text of the Prospectus.

### Investment Objective and Policy:

The investment objective is to achieve capital growth by investing in small to mid-cap companies.

The Fund will invest predominantly in common stock, preferred shares and securities convertible into common stock of companies domiciled in a range of Eurozone countries.

The emphasis will be on selecting companies that offer the best prospects in their respective activity. Stock and sector selections will be used in order to identify the best business opportunities arising in the Euro zone small to mid-cap universe considered to be companies with a market capitalisation of usually between EUR 200 million and EUR 10 billion at the time of initial investment.

To ensure eligibility for the French *Plan d'Epargne en Actions* (PEA), the Fund invests at least 75% of its total assets in equity securities issued by companies which have their head office in PEA eligible countries, and/or in PEA eligible collective investment undertakings.

The Fund may engage in transactions in financial derivative instruments for hedging and/or investment purposes.

The Fund may invest up to 10% of its assets in UCITS and other UCIs.

### Investor Profile:

The Fund will have exposure to smaller capitalisation companies throughout the Euro zone. Although such companies have often produced periods of very high returns for investors, they have historically been less liquid and carry a higher risk of financial distress than larger blue chip companies. Therefore, investors in this Fund will be comfortable with its potential to be more volatile than core large-cap equity investment funds.

### Risk Warnings:

Investors should read, be aware of and consider the risks set out under Risk Factors.

### Base Currency:

Euro

### Valuation Point:

17.35 (Central European time) on each Dealing Day.

### Dealing Cut-off Time:

13.00 (Central European time) on the relevant Dealing Day.

### Share Classes and Fees:

Not all Share Classes set out below, may be available at the date of this Prospectus. A complete list of the available Share Classes may be obtained from the Administrator.

Share Class	Initial Sales Charge % of the subscription amount	Management Fee % per annum of the Net Asset Value	Redemption Charge % of the redemption amount
Class A Shares	Up to 5.00%	Up to 1.80% (*)	None
Class B Shares	Up to 5.00%	Up to 0.90% (*)	None
Class C Shares	Up to 3.00%	Up to 2.50% (*)	None
Class M Shares	None	Up to 0.55% (*)	None
Class R shares	None	0.90% (*)	None

(\*) Subject to provisions set out in the section "Management Fee".

### Switching Commission:

Up to 2.00% of the applicable Price per Share of the New Class.

### Performance Fee:

The Investment Manager will be entitled to a Performance Fee on Class C Shares.

The Performance Fee will be calculated on a daily basis and will be paid annually in arrears at a maximum rate of 15% of the appreciation of the Net Asset Value of the Share Class over the benchmark (EURO STOXX Small TR). The calculation period of the Performance Fee shall correspond to the accounting year of the Company (the "Calculation Period").

For Shares redeemed before the end of a Calculation Period, a crystallisation fee (the "Crystallisation Fee") shall be calculated on the relevant Dealing Day. The Crystallisation Fee will be calculated according to the following formula:

$$\text{Crystallisation Fee (t)} = (\text{number of Shares redeemed (t)} / \text{number of Shares (t-1)}) * \text{Performance Fee (t-1)}$$

The Crystallisation Fees chargeable to such redeemed Shares will already be reflected in the redemption price of the redeemed Shares and will be deducted from the accrued Performance Fee.

No high water mark principle applies and cumulated losses during a Calculation Period shall not be carried forward to the next Calculation Period.

### Charging of Fees and Expenses to Capital or Income:

Income

### Dividend Frequency for Distribution Shares:

Holders of Distribution Shares shall be entitled to regular dividend payments at the discretion of the Directors.