

# MIRALT SICAV

AUTHORISED IN SWITZERLAND AS FOREIGN FUND OF FUNDS WITH SPECIAL RISK

## PROSPECTUS

November 2015

**MIRALT SICAV (the "Fund") operates as a "Fund of Funds", primarily investing its assets in a portfolio of UCIs which are generically known as Hedge Funds. An investment in the Fund carries substantial risks. The risks inherent to an investment in Hedge Funds are of a nature and degree not typically encountered in investments in securities of companies listed on major securities markets worldwide. There can be no assurance that the Fund's investment objective will be achieved and investment results may vary substantially over time. Investors incur the risk to lose all or part of their investment in the Fund. An investment in the Fund is not intended to be a complete investment program for any investor. Prospective investors should carefully consider whether an investment in shares is suitable for them in the light of their own circumstances and financial resources (see "Risk Factors" below).**

**The Board of Directors will, however, endeavour to monitor risks through the selection of the Fund's investments based on a due diligence procedure (see "Due Diligence Process" below).**

VISA 2015/101190-3105-0-PC  
L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2015-11-25  
Commission de Surveillance du Secteur Financier



MIRALT SICAV (the "Fund") is authorised under Part II of the list of undertakings for collective investment provided by the Luxembourg law of 17<sup>th</sup> December 2010 relating to undertakings for collective investment as amended from time to time (the "2010 Law") and qualifies as an externally managed alternative investment fund under the Directive 2011/61/EU of 8 June 2011. The Fund may be offered for sale in European Economic Area ("EEA") Member States subject to passport notification in countries other than Luxembourg.

However, such authorisation does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this prospectus or the portfolio securities held by the Fund. Any representation to the contrary is unauthorised and unlawful.

Shares in the Fund are offered on the basis of the information and representations contained in this Prospectus or the documents specified herein and no other information or representation relating thereto is authorised. Neither the delivery of this Prospectus nor the offer, issue or sale of shares in the Fund shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date hereof.

None of the shares of the Fund have been, nor will be registered under the United States Securities Act of 1933 and the shares may not be offered or sold directly or indirectly in the United States of America or to any U.S. person, as this term is defined by the Regulation S under the Securities Act of 1933 ("U.S. Person"). In addition, the shares may not be offered or sold to any corporation controlled by, or a majority of whose shares are held by, U.S. Persons.

Furthermore, no person that could be considered as a U.S. taxpayer, as per the United States of America laws and regulations (as may be amended from time to time) is entitled to be registered in the books of the Fund as a shareholder. The same applies to an entity which is held, for at least 10% of its shares and/or interests, by such a U.S. taxpayer.

The distribution of this prospectus and the offering of shares in jurisdictions other than Luxembourg may be restricted. Prospective investors are required to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this document and shares of the Fund in other jurisdictions may also be restricted pursuant to selling restrictions set out in AIFMD and applicable local rules and regulations; persons into whose possession this document comes are required to inform themselves about and to observe any such restrictions. This

document does not constitute a solicitation by anyone in any jurisdiction in which such solicitation is not authorised or to any person to whom it is unlawful to make such solicitation.

The information contained in this Prospectus is supplemented by the financial statements and further information contained in the latest annual and semi-annual reports of the Fund, copies of which may be requested free of charge at the registered office of the Fund and at the offices of Mirabaud Asset Management (Suisse) S.A. in Geneva.

The Board of Directors has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no material facts the omission of which makes misleading any statement herein, whether of fact or opinion. The Board of Directors accepts responsibility accordingly.

The Board of Directors draws the investors' attention to the fact that any investor will only be able to fully exercise his/her/its investor rights directly against the Fund, notably the right to participate in general shareholders' meetings if the investor is registered himself/herself/itself and in his/her/its own name in the shareholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his/her/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 Fund. Investors are advised to take advice on their rights in the Fund.

#### Data Protection

Pursuant to the Luxembourg law of 2 August 2002 on the Protection of Persons with regard to the Processing of Personal Data (as amended from time to time) any personal data that is furnished in connection with an investment in the Fund may be held on computer and processed by the Management Company, Investment Manager(s) and/or their delegates and affiliates, as well as the Custodian Bank, Administrative Agent (each as defined hereafter), distributors or their delegates as data processor or data controller, as appropriate. Personal data may be processed for the purposes of carrying out the services of the Management Company, Investment Manager(s), Custodian Bank, Administrative Agent or distributors and to comply with legal obligations including legal obligations under applicable company law and anti-money laundering legislation. Personal data may be used in connection with investments in other investment fund(s) managed by the Management Company or the Investment Manager(s) and their affiliates. Personal data shall be disclosed to third parties where necessary for legitimate business interests only. This may include disclosure to third parties such as auditors and the regulators or agents of the Management Company, Investment Manager(s), Custodian Bank, Administrative Agent or distributors who process the personal data for carrying out their services and

complying with legal obligations including legal obligations under applicable company law and anti-money laundering legislation.

Investors consent to the aforementioned processing of their personal data and in particular the disclosure of their personal data to the parties referred to above including companies situated in countries outside of the European Economic Area which may not have the same data protection laws as in Luxembourg. The transfer of personal data to the aforementioned entities may transit via and/or be processed in countries which may not have data protection requirements deemed equivalent to those prevailing in the European Economic Area.

Investors may request access to, rectification of or deletion of any personal data provided to any of the parties above or stored by any of the parties above in accordance with applicable data protection legislation. Investors may at any time object, on request and free of charge, to the processing of their personal data for direct marketing purposes. Investors should address such requests to the Management Company.

Reasonable measures have been taken to ensure confidentiality of the personal data transmitted within the above mentioned parties. However, due to the fact that the personal data is transferred electronically and made available outside of Luxembourg, the same level of confidentiality and the same level of protection in relation to data protection regulation as currently in force in Luxembourg may not be guaranteed while the personal data is kept abroad.

The Fund will accept no liability with respect to any unauthorised third party receiving knowledge and/or having access to the investor's personal data, except in case of wilful negligence or gross misconduct of the Fund.

Personal data shall not be held for longer than necessary with regard to the purpose of the data processing.

CONTENTS

	Page
<b>I. INFORMATION ON THE FUND.....</b>	<b>7</b>
A. PRINCIPAL AGENTS .....	7
B. SUMMARY AND DEFINED TERMS .....	9
<b>II. THE FUND .....</b>	<b>12</b>
<b>III. INVESTMENT OBJECTIVES OF THE FUND .....</b>	<b>12</b>
<b>IV. INVESTMENT POLICY OF THE FUND.....</b>	<b>12</b>
A. RATIONALE FOR ALTERNATIVE ASSET MANAGEMENT .....	13
B. HEDGE FUND STRATEGIES AND DEFINITIONS .....	13
C. ADVANTAGES AND DISADVANTAGES OF A FUND OF FUNDS STRUCTURE ..	14
<b>V. INVESTMENT RESTRICTIONS.....</b>	<b>15</b>
<b>VI. RISK FACTORS.....</b>	<b>18</b>
A. GENERAL RISKS .....	18
B. LACK OF REGULATORY SUPERVISION .....	19
C. LACK OF PUBLICLY AVAILABLE INFORMATION REGARDING UCIS.....	19
D. ILLIQUIDITY OF THE UCIS .....	19
E. INCENTIVE FEE .....	20
F. FEE STRUCTURE .....	20
G. LEVERAGE.....	20
H. SHORT SALES .....	20
I. ABSENCE OF CUSTODIAN BANKS AND AUDITORS .....	21
J. CONFLICTS OF INTERESTS.....	21
K. NATURE OF THE INVESTMENTS OF THE FUND.....	22
<b>VII. DUE DILIGENCE PROCESS .....</b>	<b>23</b>
A. QUALITATIVE ANALYSIS .....	23
B. QUANTITATIVE ANALYSIS .....	23
<b>VIII. MANAGEMENT OF THE FUND.....</b>	<b>24</b>
A. MANAGEMENT COMPANY .....	24
B. THE INVESTMENT MANAGER .....	25
C. THE SUPERVISORY BOARD.....	26
D. THE CUSTODIAN .....	27
E. THE ADMINISTRATIVE, REGISTRAR & TRANSFER, PAYING AND DOMICILIARY AGENT ...	29
F. THE AUDITOR .....	29
G. SHAREHOLDER RIGHTS AGAINST SERVICE PROVIDERS.....	30
<b>IX. THE SHARES .....</b>	<b>30</b>
<b>X. DIVIDENDS .....</b>	<b>30</b>
<b>XI. ISSUE AND REDEMPTION OF SHARES.....</b>	<b>31</b>
A. MARKET TIMING AND LATE TRADING .....	31
B. ISSUE OF SHARES .....	31
C. REDEMPTION OF SHARES.....	33
D. SUBSCRIPTION AND REDEMPTION PRICE .....	34
E. SUBSCRIPTION ADJUSTMENT.....	34
F. REDEMPTION ADJUSTMENT.....	35
G. CONVERSION OF SHARES.....	35
H. ANTI-MONEY LAUNDERING PROCEDURES .....	36
<b>XII. VALUATION OF THE SHARES.....</b>	<b>36</b>
<b>XIII. FEES AND EXPENSES.....</b>	<b>39</b>
<b>XIV. TAXATION .....</b>	<b>41</b>

A. EU TAX CONSIDERATIONS FOR INDIVIDUALS RESIDENT IN THE EU OR IN CERTAIN THIRD COUNTRIES OR DEPENDENT OR ASSOCIATED TERRITORIES .....	41
B. THE FUND.....	42
C. SHAREHOLDERS.....	43
<b>XV. LIQUIDATION OF THE FUND .....</b>	<b>43</b>
<b>XVI. DISSOLUTION AND AMALGAMATION OF SUB-FUNDS.....</b>	<b>43</b>
<b>XVII. MEETINGS .....</b>	<b>44</b>
<b>XVIII. REPORTS.....</b>	<b>45</b>
<b>XIX. MATERIAL DOCUMENTS.....</b>	<b>46</b>
<b>XX. APPLICABLE LAW AND JURISDICTION .....</b>	<b>47</b>
<b><i>ANNEX I: SUB-FUNDS details.....</i></b>	<b>48</b>
MIRALT SICAV – EUROPE.....	48
MIRALT SICAV – NORTH AMERICA .....	54
MIRALT SICAV – DIVERSIFIED.....	59

## **I. INFORMATION ON THE FUND**

### **A. PRINCIPAL AGENTS**

#### **Fund**

MIRALT SICAV (*Société d'investissement à capital variable*, Luxembourg), a Fund of Funds which offers investors a choice between several sub-funds.

#### **Sub-Fund(s)**

Each of the Fund's actual and future sub-funds. As of the date of this Prospectus, the Fund has three Sub-Funds with several classes of shares each:

- MIRALT SICAV – Europe
- MIRALT SICAV – North America
- MIRALT SICAV – Diversified

#### **Board of Directors**

##### **Chairman:**

Mr Yves Mirabaud, Partner, Mirabaud SCA, Geneva

##### **Directors:**

- Mr Giles Morland, Partner, Mirabaud UK Ltd., United Kingdom
- Mr Umberto Boccato, Senior Vice President, Mirabaud Asset Management (Suisse) SA, Geneva
- Mr Frédéric Fasel, Senior Vice President, FundPartner Solutions (Europe) S.A.

#### **Supervisory Board**

- Mrs Carine Laurent-Jayer, Managing Director, Mirabaud Asset Management (Europe) S.A.
- Mr Cyril Lustac, Conducting Officer, Mirabaud Asset Management (Europe) S.A., Luxembourg

#### **Management Company:**

Mirabaud Asset Management (Europe) S.A.

25, avenue de la Liberté

L-1931 Luxembourg

#### **Board of Directors of the Management Company:**

- Mr Lionel Aeschlimann, Partner, Mirabaud SCA, Geneva
- Mr Giles Morland, Partner, Mirabaud UK Ltd., United Kingdom
- Mr Jérôme Wigny, Partner, Elvinger, Hoss & Prussen, Luxembourg

**Conducting Officers of the Management Company:**

- Mrs Marlène Valentin, Conducting Officer, Mirabaud Asset Management (Europe) S.A., Luxembourg
- Mrs Carine Laurent-Jayer, Managing Director, Mirabaud Asset Management (Europe) S.A.
- Mr Cyril Lustac, Conducting Officer, Mirabaud Asset Management (Europe) S.A., Luxembourg

**Investment Manager**

Mirabaud Asset Management (Suisse) S.A.  
29 Boulevard Georges-Favon  
1204 Geneva, Switzerland

**Custodian Bank**

Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg

**Administrative, Domiciliary, Registrar and Transfer and Paying Agent (the "Administrative Agent")**

FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg

**Auditors**

Ernst & Young, 7, rue Gabriel Lippmann, Parc d'Activité Syrdall 2, L-5365 Munsbach

**Legal Advisors to the Fund**

Elvinger, Hoss & Prussen, 2, Place Winston Churchill, L-1340 Luxembourg

**Registered Office**

15, avenue J.F Kennedy, L-1855 Luxembourg

## **B. SUMMARY AND DEFINED TERMS**

<b>AIFM</b>	Alternative investment fund manager as defined in AIFMD.
<b>AIFMD</b>	Alternative Investment Fund Managers Directive (Directive 2011/61/EU), the Commission Delegated Regulation (EU) No. 231/2013 and any implementing measures as implemented in Luxembourg by the Law of 12 July 2013 on Alternative Investment Fund Managers as amended from time to time.
<b>Board of Directors</b>	The board of directors of the Fund.
<b>Business Day</b>	Any day on which banks in Luxembourg (Grand-Duchy of Luxembourg) are open for business except 24 <sup>th</sup> December.
<b>CHF</b>	All references to "CHF" in this Prospectus are to the Swiss Francs.
<b>Classes</b>	Pursuant to the articles of incorporation of the Fund, the Board of Directors may decide to issue, within each Sub-Fund, separate classes of shares (hereinafter referred to as a "class" or "classes", as appropriate) whose assets will be commonly invested but where a specific sales or redemption charge structure, fee structure, minimum subscription amount or dividend policy may be applied. If different classes are issued within a Sub-Fund, the details of each class are described in Annex I for the relevant Sub-Fund.
<b>Conversion Charge</b>	The Board of Directors may apply a conversion charge not exceeding 1% of the Net Asset Value of the shares to be converted, to be applied for the benefit of the classes or Sub-Funds between which conversion is effected as appropriate to cover the costs of transactions arising from the conversion.
<b>Custodian</b>	Depository within the meaning of AIFMD which is Pictet & Cie (Europe) S.A., Luxembourg or its successor.
<b>Dividends</b>	Unless otherwise stated in Annex I for the relevant Sub-Fund, the Board of Directors has the option, in any given accounting year, to propose to the shareholders of any Sub-Fund or Class the payment of a dividend out of all or part of that Sub-Fund's or Class' net income or realized capital gains, if the Board of Directors thinks it appropriate to make such a proposal.
<b>EUR</b>	All references to "EUR" in this Prospectus are to the Euro.
<b>Financial Year</b>	The financial year of the Fund ends on 31 <sup>st</sup> December.
<b>Investment Manager</b>	Mirabaud Asset Management (Suisse) S.A. or its successor.
<b>Listing</b>	The shares of the Sub-Funds are listed on the Luxembourg Stock Exchange.

<b>Managed Accounts</b>	An unregulated segregated account managed by a third party underlying manager for the exclusive benefit of the relevant Sub-Fund and subject to a bilateral investment management agreement between the relevant Sub-Fund and the underlying manager.
<b>Minimum Subscription - Minimum Holding</b>	The minimum subscription and the minimum holding requirement for shares of a Sub-Fund or class are described in Annex I for the relevant Sub-Fund.
<b>Net Asset Value</b>	The total assets minus liabilities and accrued expenses valued at current market prices, as indicated under Section XII Valuation of the Shares.
<b>Redemption Adjustment</b>	An amount determined by the Board of Directors or its appointed agent that may be deducted from the Net Asset Value per share to reflect expenses, including redemption charges, payable by the Fund to sell or redeem interests in UCIs so as to maintain, to the extent deemed appropriate by the Board of Directors or its appointed agent, the proportionate interests in UCIs which prevailed prior to the redemption of shares.
<b>Redemption Day</b>	See information in Annex I for the relevant Sub-Fund.
<b>Redemption Price</b>	The Net Asset Value per share minus a Redemption Adjustment, each computed on the relevant Valuation Day.
<b>Submanager</b>	The investment manager of a UCI.
<b>Subscription Adjustment</b>	An amount determined by the Board of Directors or its appointed agent that will be added to the Net Asset Value per share to reflect expenses payable by the Fund to purchase additional interests in UCIs so as to maintain, to the extent deemed appropriate by the Board of Directors or its appointed agent, the proportionate interests in UCIs which prevailed prior to the subscription and issue of additional shares.
<b>Subscription Charge</b>	A sales commission not exceeding 3% of the Subscription Price may be added to compensate financial intermediaries and other persons who assist in the placement of shares.
<b>Subscription Day</b>	See information in Annex I for the relevant Sub-Fund.
<b>Subscription Price</b>	The Net Asset Value per share, plus a Subscription Adjustment, each computed on the relevant Valuation Day.
<b>Term</b>	The Fund has been launched for an indefinite period.
<b>UCI</b>	Undertakings for Collective Investments, i.e. the underlying funds.

<b>UCITS IV Directive</b>	Directive 2009/65 of the European Parliament and of the Council of 13 <sup>th</sup> July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities.
<b>USD</b>	All references to "USD" in this Prospectus are to the currency of the United States of America.
<b>Valuation Day</b>	See information in Annex I for the relevant Sub-Fund.

## **II. THE FUND**

The Fund was incorporated on 21<sup>st</sup> June 2001 under the laws of the Grand Duchy of Luxembourg. The Fund has the status of an undertaking for collective investment and the particular form of a *société d'investissement à capital variable* (SICAV). The Fund qualifies under the part II of the 2010 Law. The articles of incorporation of the Fund (the "Articles") were last amended on 30 July 2012 by notarial deed and were published in the Mémorial on 24 August 2012. The consolidated Articles were filed with the *Registre de Commerce et des Sociétés* of Luxembourg where they are available for inspection and where copies thereof may be obtained. Copies may also be obtained at the registered office of the Fund and at the offices of Mirabaud Asset Management (Suisse) S.A. in Geneva.

The Fund is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under n° B 82.482.

The Fund offers investors, within the same investment vehicle, a choice between several sub-funds (the "Sub-Funds"), which are managed separately and which are distinguished mainly by their specific investment policy and/or by the currency in which they are denominated. The specifications of each Sub-Fund are described in Annex I of this Prospectus. The Board of Directors may, at any time, decide the creation of further Sub-Funds or share classes within such Sub-Funds and in such case, Annex I will be updated. The assets of a Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

The details of each Sub-Fund can be found in Annex I.

## **III. INVESTMENT OBJECTIVES OF THE FUND**

The primary objective of the Fund is to achieve long-term, risk adjusted capital appreciation by investing its assets in a diversified portfolio of UCIs using non-conventional or alternative asset management strategies. There can be no assurance that the Fund will achieve its objectives.

## **IV. INVESTMENT POLICY OF THE FUND**

MIRALT SICAV operates as a fund of funds, primarily investing its assets in a portfolio of UCIs, which are generically known as Hedge Funds, managed by investment managers worldwide having the possibility of using alternative asset management strategies.

Any material change to the investment objective and/or the investment policy of a Sub-Fund shall be reflected in this Prospectus upon prior approval of the Board of Directors and the CSSF and shall be notified to Shareholders in accordance with applicable Luxembourg regulatory requirements.

#### **A. RATIONALE FOR ALTERNATIVE ASSET MANAGEMENT**

Traditional asset management is based on the theory of market efficiency. Participation in the markets has a direct correlation to the economy at large. The ability to outperform markets, however, is contingent upon assuming additional risk. This is reflected through individual share volatility and general market behaviour which is defined as systemic risk. In contrast, alternative asset management assumes that markets are inherently inefficient over certain periods of time and attempts to capitalise on opportunities produced. The strategies used to do so attempt not to increase the overall risk profile and indeed in most cases strive to reduce it. Their ability to do so is predicated on many of the characteristics which clearly differentiate them from their traditional counterparts.

Traditional asset management focuses on the comparative performance of the long investment portfolio in relation to an appropriate index or benchmark. Portfolio indexation has led to a largely passive investment approach which is measured in relative terms. Alternative asset management is a much more dynamic approach as it seeks to outperform in all market conditions through its combined long and short exposure. These strategies seek to achieve absolute rather than index-related performance.

Alternative asset management strategies are not constrained to investing in, and maintaining only long positions in, equities and bonds. They have the distinct ability to use both long and short positions within their strategic constructs. Both traditional and alternative investment styles may use derivative instruments for hedging and position-building purposes. Outright and directional positions, however, may also be used to various degrees within alternative portfolios dependent on investment style. Leverage, while generally not being permitted in traditional strategies, may be used to a significant degree in certain alternative investment strategies. However, a hedge fund does not necessarily make use of leverage.

#### **B. HEDGE FUND STRATEGIES AND DEFINITIONS**

Hedge fund strategies in the traditional sense seek to reduce systemic or market risk in investment portfolios through offsetting long and short positions. Alternative asset management is simply the expansion of the traditional hedge fund definition through the use of more diverse strategies and methodologies. A wide range of investment disciplines are represented which vary both in nature, risk and performance attributes. In general terms, the alternative asset management strategies include the following:

*Long only:* With absolute return objective, these strategies will use cash as a way to protect capital. Normally long only managers are fully invested all the time, whereas in the hedge fund strategies cash will be used as a hedge.

*Traditional:* Strategies which follow the original long/short model. This style seeks to reduce risk through offsetting positions and capitalise on the ability to use leverage.

*Macro:* Macro strategies employ a "top-down" investment approach in which the various macroeconomic factors such as interest rate direction and currency movements play a key role in the decisional process. Macro funds often invest in diversified portfolios which may have not only core equity positions but also include fixed income instruments, currencies, futures, options and other derivative instruments. In this respect, many of the macro strategies may be considered to be highly leveraged.

*Relative Value:* These strategies, commonly referred to as arbitrage, can be used in diverse sectors such as convertible bonds, fixed income, and capital restructuring. The focus is on identifying valuation differences between related trading instruments. The relative value comes from buying the underpriced instrument while hedging it through shorting a corresponding overpriced instrument. The instruments are generally related by issuer, sector or economic sensitivity.

*Distressed securities:* This strategy employs a fundamental valuation process related to securities of companies in bankruptcy proceedings. These securities are frequently undervalued based on the uncertainty related to their corporate viability. Analysis necessary to valuing the securities of these issuers is legally complex and often lacks transparency.

It is intended to invest the assets of the various Sub-Funds in a variety of UCIs pursuing alternative strategies including some or all of the above. The portfolio allocation of each Sub-Fund is described in Annex I to this Prospectus.

### **C. ADVANTAGES AND DISADVANTAGES OF A FUND OF FUNDS STRUCTURE**

Advantages and disadvantages of the fund of funds structure of MIRALT SICAV may be summarized as follows:

Advantages:

- Risk diversification as each Sub-Fund invests in several UCIs (at least five).
- Professional selection of UCIs and Submanagers by applying a due diligence procedure taking into consideration a quantitative and qualitative analysis method.
- Monitoring of each UCI and Submanager.

Disadvantages:

- The risk diversification resulting from investments in several UCIs may eventually entail a less important return than the investment made in a single UCI.
- Each UCI in which any Sub-Fund invests incurs fees and expenses that will be added to expenses and management fee incurred by the Sub-Fund.

## **V. INVESTMENT RESTRICTIONS**

The Board of Directors has resolved that a Sub-Fund may not:

1. acquire more than 20% of the securities issued by a single issuer or UCI. This restriction shall also be applicable to the Fund as a whole;
2. invest more than 20% of its net assets in securities issued by a single issuer or UCI. In the case of a UCI with multiple sub-funds, this limit shall be applicable to the UCI as a whole;
3. invest more than 30% of its net assets, in securities issued by UCIs managed by or with the assistance of the same investment managers or investment advisers or their affiliates;
4. invest less than 50% of its net assets in open-ended UCIs (whereby the term "open-ended" shall mean that redemptions of the shares or units in such UCIs are allowed at least on a quarterly basis) and 80% of its net assets in UCIs which are either open-ended UCIs or closed-ended UCIs listed on an official exchange, or dealt in on another recognised market which is regulated, operating regularly and open to the public;
5. invest more than 10% of its net assets, in securities (including closed-ended UCIs) which are neither listed on an official exchange nor dealt in on another market which operates regularly and is recognised and open to the public being specified that this limit may be increased up to 20% of the net assets for investments in UCIs which allow for redemptions of their shares or units at least once every three years. There shall be no limitation for investments in open-ended UCIs which normally allow for redemption of their shares or units at least on a quarterly basis;

Investments in shares or units of UCIs which may not be redeemed during a period exceeding one year shall be subject to the condition that the investment adviser or the sponsor of that UCI shall have agreed to assist the Fund on a best efforts basis in finding potential buyers for such investments if it should wish to sell them.

This restriction does not apply to securities for which a listing has been requested and which are obtained within one year, in which case they are considered as listed securities.

This restriction does not apply either to money market instruments issued by first class issuers which are either traded regularly, or which have a residual maturity of less than 12 months, provided that the average residual maturity of all money market instruments which are not traded regularly does not exceed 120 days;

6. acquire for more than 30% of its net assets, shares or units of UCIs which, in accordance with their investment policy, principally invest in other UCIs;
7. without prejudice to the application of the provisions set out above:
  - i) borrow more than 25% of each Sub-Fund's net assets to bridge short term liabilities, including to satisfy redemption requests unless specifically otherwise provided for in Annex I "SUB-FUNDS details" for the relevant Sub-Fund. The maximum level of leverage which a Sub-Fund may employ, calculated in accordance with the gross and commitment methods is the one stated for each Sub-Fund in the relevant Annex. In addition, the total amount of leverage employed by a Sub-Fund will be disclosed in the Fund's annual report. The leverage level calculated under the commitment method allows to take into account netting arrangements, sums the value of all physical positions, the notionals of all derivative instruments, takes into account any leverage generated through securities lending or borrowing and reverse repurchase agreements, but excludes derivatives that are used within hedging arrangements and derivatives that don't generate any incremental leverage. The leverage level calculated under the gross method doesn't take into account any netting or hedging arrangement, sums the value of all physical positions, the notionals of all derivative instruments, takes into account any leverage generated through securities lending or borrowing and reverse repurchase agreements, but excludes cash & cash equivalents held in the base currency of the Sub-Fund;
  - ii) grant loans;
  - iii) act as guarantor on behalf of third parties;
  - iv) carry out uncovered sales of securities, provided however that the UCI, in which the Fund shall invest, may carry out such short sales;
  - v) invest in real estate;

- vi) invest in physical commodities or other physical assets (such as art, antiques, etc.) provided that the individual UCIs may, under exceptional circumstances, be compelled to acquire physical commodities positions for a limited period of time;
  - vii) invest in UCIs which do not contemplate that each Sub-Fund is only accountable for its initial investment;
8. A Sub-Fund (the "Investing Sub-Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Fund(s) (each a "Target Sub-Fund") without the Fund being subject to the requirements of the Luxembourg Law of 10<sup>th</sup> August 1915 on commercial companies, as amended (the "1915 Law") 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 Sub-Fund may not invest more than 20% of its net assets in a single Target Sub-Fund; and
  - ii) the Target Sub-Fund does not, in turn, invest in the Investing Sub-Fund invested in this Target Sub-Fund; and
  - iii) the investment policy of the Target Sub-Fund whose acquisition is contemplated does not allow such Target Sub-Fund to invest more than 10% of its net assets in other Target Sub-Funds; and
  - iv) there is no duplication of management/subscription or repurchase fees between those at the level of the Investing Sub-Fund having invested in the Target Sub-Fund, and those of the relevant Target Sub-Fund.

Within the limits set forth below the Fund may employ the following techniques and instruments intended to provide protection exclusively against exchange risks:

- i) It may sell calls and/or futures contracts on currencies, buy puts on currencies, or enter into other financial instruments, provided such calls, puts, futures or other financial instruments are traded on a recognised exchange or regulated market, which operates regularly and is open to the public;
- ii) Further, the Fund may enter into currency forward contracts or currency swaps on the OTC market with highly rated financial institutions.

The total amounts of all pending transactions should reflect the last available market exposure of the relevant assets of the Sub-Fund concerned denominated in the currency to be hedged. Adjustment transactions can be made in the course of a period in order to rectify the potential gaps.

The Fund may, exclusively to provide protection against interest rate risks, enter into interest rate futures sales contracts or purchase put options on interest rates or enter into interest rate swaps for amounts not exceeding the corresponding risk of fluctuation of

the corresponding portion of its portfolio. Such contracts or options must be denominated in the currencies in which the assets of the Sub-Fund are denominated, or, when circumstances so warrant, in currencies which are likely to fluctuate in a similar manner, and they must be listed on an exchange or dealt on a regulated market, provided however that interest rate swap transactions may be entered into by private agreement with highly rated financial institutions.

The Fund may not place the assets of a Sub-Fund in Managed Accounts, neither directly, nor indirectly through a subsidiary of the Fund.

The Board of Directors may from time to time impose further investment restrictions as shall be compatible with or in the interest of the shareholders, in order to comply with the laws and regulations of the countries where the shares of the Fund are distributed.

The restrictions set forth above shall only be applicable at the time where the relevant investment is made. If the restrictions are exceeded as a result of any events other than the making of investments, the situation shall be remedied taking due account of the interest of the shareholders.

## **VI. RISK FACTORS**

### **A. GENERAL RISKS**

**Prospective investors should be aware that an investment in the Fund involves a high degree of risk, including the risk of loss of the entire amount invested.** Submanagers may invest in and actively trade instruments with significant risk characteristics, including risks arising from the volatility of securities, financial futures, derivatives, currency and interest rate markets, the leverage factors associated with trading in such markets and instruments, and the potential exposure to loss resulting from counterparty defaults. There can be no assurance that a Sub-Fund's investment program will be successful or that the investment objective of a Sub-Fund will be achieved. Shares in the Fund may fluctuate in price and value, and the value of the shares may decline below the amount originally invested.

Despite a strict *Due Diligence* procedure used to select and monitor the individual funds in which the assets of the Fund are invested, there can be no assurance that the past performance information will be indicative of how such investments will perform (either in terms of profitability or correlation) in the future. Upon a redemption of shares or the liquidation of the Fund, investors may receive less than the amount invested.

It is intended to invest in UCIs which pursue a speculative investment policy. These UCIs will generally fall in the category commonly known as "hedge funds" or "alternative investments". Some investments may also be made in UCIs which trade in

commodities futures and options, currencies and currency contracts or financial instruments. Thus, such UCIs use specific investment and trading techniques such as investments in options, use of futures or short sales of securities. The Investment Manager will seek to achieve risk diversification by selecting UCIs managed by different Submanagers with different investment styles or investing in different areas.

**B. LACK OF REGULATORY SUPERVISION**

**The Fund is permitted to invest in UCIs established in jurisdictions where no or less supervision is exercised on such UCIs by regulators. Although the Fund will ensure that in any such event other safeguards are provided for the protection of the interest of the shareholders of such UCIs, such protection may be less efficient than if a supervision by a regulator was exercised. Further the efficiency of any supervision or of other safeguards may be affected by a lack of precision of investment and risk diversification guidelines applicable to, and the flexibility of the investment policies pursued by, such UCIs.**

**However, in order to minimize these risks, a *Due Diligence* procedure has been put in place setting out various criteria for the selection of UCIs (see below "*Due Diligence Process*").**

**C. LACK OF PUBLICLY AVAILABLE INFORMATION REGARDING UCIS**

The securities in which the UCIs invest may be offered on a private placement basis, and unlike more regulated mutual funds registered for distribution to the public, are subject to limited monitoring, disclosure and reporting requirements. Accordingly, only a relatively small amount of publicly available information about UCIs, their holdings and performance, may be available.

**D. ILLIQUIDITY OF THE UCIS**

Although the Investment Manager will seek to select UCIs which offer the opportunity to have their shares or units redeemed within a reasonable time frame, there is no assurance that the liquidity of the investments of such UCIs will always be sufficient to meet redemption requests as, and when made. Any lack of liquidity may affect the liquidity of the shares of the Fund and the value of its investments.

For such reasons the treatment of redemption requests may be postponed in exceptional circumstances including if a lack of liquidity may result in difficulties to determine the Net Asset Value of the shares of the Fund and consequently a suspension of issues and redemptions.

#### **E. INCENTIVE FEE**

Due to the specialist nature of the UCIs in which the Fund invests, many, if not most of such UCIs, may pay performance fees. Under these arrangements the Submanagers will benefit from the appreciation, including any unrealized appreciation, if the value of the assets under their management increases, but they may not similarly be penalized for realized losses or decreases in the value of such assets. Further, because several, if not all Submanagers may be paid in performance fees, it is possible that in a given year such fees will be paid whereas the total net asset value per share of the Fund decreases.

#### **F. FEE STRUCTURE**

The Fund incurs the costs of its management and the fees paid to the Management Company, the Investment Manager and the Custodian and other service providers as well as a prorata portion of the fees paid by the UCIs in which the Fund invests to their Submanager or other service providers. As a result the operating expenses of the Fund may constitute a higher percentage of the net asset value than could be found in other investment schemes. Further, some of the strategies employed at the level of the UCIs require frequent changes in trading positions and a consequent portfolio turnover. This may involve brokerage commission expenses to exceed significantly those of other investment schemes of comparable size.

Potential investors should be aware that the fees payable to the Investment Manager are in addition to the fees paid by the investee UCIs to the Submanager and that there may be a duplication of fees. There may also be a duplication of subscription and/or redemption fees.

The fees applicable to each Sub-Fund and/or its classes are set out in Annex I.

#### **G. LEVERAGE**

Certain UCIs in which the Fund invests, operate with substantial degree of leverage and are not limited in the extent to which they either may borrow or engage in margin transactions. The positions maintained by such UCIs may in aggregate value be in excess of the net asset value of the Fund. This leverage presents the potential for a higher rate of total return but also increases the volatility of the Fund, including the risk of a total loss of the amount invested.

#### **H. SHORT SALES**

The UCIs in which the Fund invests may engage in short selling of securities which may expose the portion of the UCI's assets committed to such activities to unlimited risk due the lack of an upper limit on the price to which a security may rise. However,

to the extent that the Fund participates in short selling activities through a UCI, the Fund's losses will be limited to the amount invested in the particular UCI.

**I. ABSENCE OF CUSTODIAN BANKS AND AUDITORS**

Some of the UCIs to which the assets of the Fund are allocated have a broker as a custodian instead of a bank. In certain cases these brokers may not have the same capacities, size and credit rating as a bank. In addition, contrary to custodian banks in regulated environments, these brokers will perform only safekeeping functions with no statutory supervisory obligations. In addition, the jurisdiction of some of the UCIs may not require the auditing of UCIs' accounts.

**J. CONFLICTS OF INTERESTS**

Conflicts of interests may arise between the Fund and the persons or entities involved as investment managers or advisers in the management of the Fund and/or the Submanagers of the UCIs in which the Fund invests. The Submanagers normally manage assets of other clients that make investments similar to those made on behalf of the undertakings in which the Fund invests. 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 or disposed.

Conflicts may also arise as a result of the other services provided by the Investment Manager or its affiliates which may provide advisory, custody or other services to other clients and some of the other UCIs in which the Fund invests. Similarly the Directors of the Management Company and/or of the Fund may also be Directors of UCIs in which the Fund may invest and the interests of such UCI and of the Fund could result into conflicts.

Generally there may be conflicts of interests between the best interests of the Fund and an interest of the Management Company, the Investment Manager and their affiliates and the Directors of the Fund to generate fees, commissions and other revenues. In the event that such a conflict of interests arises, the Directors of the Fund will endeavour to ensure that it is resolved in the best interests of the Fund.

In addition, the Directors of the Fund and the Management Company will endeavour that all agreements and transactions entered into by the Fund will be negotiated at arm's length.

Furthermore, some Submanagers have an equity stake in their own fund. Conflicts of interest can therefore not be ruled out at the level of the UCIs.

## **K. NATURE OF THE INVESTMENTS OF THE FUND**

Although the Investment Manager seeks to monitor investments and trading activities of the UCIs to which the Fund has allocated assets, investment decisions are normally made independently at the level of such UCI and it is possible that some Submanagers 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, the possibility also exists that one UCI purchases an instrument at about the same time as another UCI decides to sell it. There is no guarantee that the selection of the Submanagers will actually result in a diversification of investment styles and that the positions taken by the underlying UCIs will always be consistent.

The assets of the Fund may also be allocated to UCIs whose primary investment strategies include speculative trading of commodities futures and/or financial futures contracts and currencies. Commodity and currency futures prices can be highly volatile because of the low margin requirements in futures trading. An extremely high degree of leverage is typical for futures trading accounts. As a result, a relatively small price movement in a futures contract may result in substantial losses or gains to the investor. Similarly some of the UCIs may have the majority of their assets invested in options and other geared instruments, where a relatively small price movement in the underlying security or commodity may result in substantial losses or profits.

There are only very limited constraints on the investment strategies and techniques that can be employed by the Submanagers. Furthermore, each UCI in which the Fund invests has its own investment policy as set forth in its own prospectus.

As a result of its diversified investments, the Fund may incur other risks, including currency exchange risks in respect of assets held in other currencies, tax risks in respect of assets invested in other jurisdictions, political risks relating to political, social and economic factors which may affect the assets of the UCIs in which the Fund invests, which are held in countries which may be subject to economic difficulties, political or social unrest. The foregoing list of risk factors does not purport to be a complete explanation of the risks involved. Prospective investors should read the entire Prospectus and fully evaluate all other information that they deem to be necessary for determining to invest in the Fund. Prospective investors should ensure that they fully understand the content of this Prospectus.

ACCORDINGLY, INVESTMENT IN THE SHARES OF THE FUND IS ONLY APPROPRIATE FOR INVESTORS WHO ARE WILLING TO ACCEPT THE RISKS AND REWARDS STEMMING FROM SUCH AN APPROACH.

## **VII. DUE DILIGENCE PROCESS**

The due diligence process can be divided into two separate and distinct categories: qualitative and quantitative analysis.

### **A. QUALITATIVE ANALYSIS**

This process allows for the development of what may be considered a Submanager profile. It is a result of thorough assessment of the academic and professional history of the Submanager, principals and other key members of the UCI. In particular, past investment success is scrutinized to determine the likelihood of future achievement. The primary elements considered are the overall strategy, consistency in application, flexibility or constraints based on market sector, liquidity and diversification of the portfolio.

Organisational issues such as corporate governance, independent process, operational integrity and methodological robustness are all vital factors in the determination of structural or non-investment risk. The organisation of the UCI itself is also a reflection of the structural strengths and efficiencies. Roles and relationships of each intervening institution i.e., administrator, auditor, custodian, legal advisors are therefore critical and must be evaluated individually.

Qualitative analysis by definition entails a great deal of personal contacts and relationship-building. Any potential conflict of interest is mitigated through intimate knowledge of management styles, techniques and personalities. Experience and relationships also allow for the establishment of a check and balance system among peers by way of a professional network.

### **B. QUANTITATIVE ANALYSIS**

This process involves the comparative measurement of Submanagers to their own track records, those of their peers, and the overall results of the markets they deal in. Many statistical factors are taken into consideration to determine the risk-reward profiles of investment strategies, the correlation between Submanagers and markets, as well as style analysis across sectors. Technical factors including use of leverage or derivatives also contribute to the general appreciation of a particular investment style.

Quantitative analysis is a process which attempts to take historical data and project probabilities of future results. This process while having inherent limitations provides valuable insight in the composition of a multi-product portfolio. The ability to identify trends or other characteristics in relation to market movements is an important factor in building a portfolio which reduces risk and increases returns over time.

The active management of a multi-product portfolio requires both reliable data and practical experience to appropriately allocate resources while mitigating associated risk. Creation and application of statistical models, ratios and risk parameters provide essential view on investment alternatives. The effective application of this information with respect to mechanical and market constraints, however, cannot be dissociated from the depth of knowledge provided through extensive experience. The combination of both quantitative and qualitative analysis is critical to the successful implementation of any multi-manager product.

## **VIII. MANAGEMENT OF THE FUND**

### **A. MANAGEMENT COMPANY**

Mirabaud Asset Management (Europe) S.A. was appointed by the Board of Directors as management company and AIFM of the Fund in accordance with the provisions of the restated management company agreement effective as of 1<sup>st</sup> January 2014 for an undetermined period and pursuant to which the Board of Directors delegates, under its sole control, the investment management, administration and marketing functions to the Management Company. This agreement may be terminated by each party by a three months' prior notice.

Mirabaud Asset Management (Europe) S.A. was incorporated in Luxembourg on 15<sup>th</sup> April 2011 as a *société anonyme* governed by Luxembourg law and is registered on the list of management companies and AIFMs authorised by the CSSF. The Management Company has its registered office at 26b, boulevard Royal, L-2449 Luxembourg. The Management Company is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B 160.383. Copies of the Management Company's articles of incorporation may be obtained at the *Registre de Commerce et des Sociétés*. The capital of the Management Company at the date of this Prospectus is 500,000 Euro.

The Management Company employs a risk management process and also has risk management procedures and processes which enable it to monitor the risks of the Fund.

The Management Company maintains a liquidity management process to monitor the liquidity risk of the Sub-Funds, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The liquidity management systems and procedures allow the Management Company to apply various tools and arrangements necessary to ensure that the portfolio of each Sub-Fund is sufficiently liquid to normally respond appropriately to redemption

requests. In normal circumstances, redemption requests will be processed as set out in section "XI Issue and Redemption of Shares".

Other arrangements may also be used in response to redemption requests, including the temporary suspension or deferral of such redemption requests in certain circumstances or use of similar arrangements which, if activated, will restrict the redemption rights investors benefit from in normal circumstances as set out below under the section "XI Issue and Redemption of Shares" and "XII Valuation of Shares".

The Management Company has established policies and procedures and made arrangements to ensure the fair treatment of investors. Such arrangements include, but are not limited to, ensuring that no one or more investors are given preferential treatment over any rights and obligations in relation to their investment in the Fund. All rights and obligations to investors, including those related to subscription and redemption requests, are set out in this Prospectus or the Articles.

Information regarding the risk management process and liquidity management employed by the Management Company is available upon request from the registered office of the Management Company.

## **B. THE INVESTMENT MANAGER**

Mirabaud Asset Management (Suisse) S.A. was established in Geneva in 2013 and is domiciled at 29 Boulevard Georges Favon, CH-1204 Geneva, Switzerland.

The Management Company has delegated the daily management of the assets of the Sub-Funds to the Investment Manager.

The Investment Manager may enter with broker-dealers that are entities and not individuals into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the relevant Sub-Fund, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the relevant Sub-Fund. Any such arrangement must be made by the Investment Manager on terms commensurate with best market practice. The use of soft commissions shall be disclosed in the periodic reports.

Within the Investment Manager, a Committee of particularly well qualified persons in asset management of hedge funds, including Mr. Umberto Boccato and Mr. Vaqar Zuberi, reviews the portfolios of the Sub-Funds and discusses the investment decisions.

### **Umberto Boccato**

Umberto Boccato is the CIO of Funds of Hedge Funds at Mirabaud Asset Management and oversees the portfolio managers of Fund of Hedge Funds and analysts covering all Hedge Fund strategies. Aside from his managerial responsibilities, Mr Boccato sits on the board of various alternative funds, including the Fund. Mr Boccato has experience in the asset management industry since 1993. Prior to joining Mirabaud in 2005, Mr Boccato held investment positions as a financial analyst and portfolio manager in financial institutions in New York and London. Mr Boccato holds a Bachelor's degree in Economics and a Master's of Business Administration from Loyola Marymount University.

### **Vaqar Zuberi**

Vaqar Zuberi, Portfolio Manager and Analyst, joined the Mirabaud group in April 2007. Prior to joining the Mirabaud group, Mr. Zuberi worked for EFG Private Bank Ltd. in London as Senior Analyst conducting hedge fund manager analysis and selection for the bank's multi-manager funds as well as for private client hedge fund portfolios. Mr. Zuberi started his career at Schonfeld Securities LLC in New York in 1989 as a proprietary equities trader developing and implementing quantitative trading strategies. Mr. Zuberi holds a Bachelors degree in Engineering from Columbia University, a Masters of Business Administration in Finance from New York University, and a Diploma in International Business Management from HEC (France). Mr. Zuberi is a CFA charterholder.

## **C. THE SUPERVISORY BOARD**

The Board of Directors has entrusted to the Supervisory Board the responsibility for supervising the activities of the Investment Manager. Indeed, the Supervisory Board shall have the duty to ensure that at all times the tasks of the Investment Manager are in compliance with the applicable Luxembourg laws and regulations, the Articles and this Prospectus.

In particular, the Supervisory Board shall oversee all day-to-day investment decisions taken by the Investment Manager and their execution.

The Supervisory Board is composed of the following members:

- Mrs Carine Laurent-Jayer, Managing Director, Mirabaud Asset Management (Europe) S.A.
- Mr Cyril Lustac, Conducting Officer, Mirabaud Asset Management (Europe) S.A., Luxembourg

Mrs Laurent-Jayer is the Managing Director at Mirabaud Asset Management (Europe) S.A. Prior to joining Mirabaud in 2011, Mrs Laurent-Jayer spent 15 years at PricewaterhouseCoopers, where she was an Audit Director within the asset management group. Mrs Laurent-Jayer holds a Master's degree in Business Administration and qualifies as Reviser d'Entreprises in Luxembourg.

Mr Cyril Lustac is the Conducting Officer in charge of risk management at Mirabaud Asset Management (Europe) S.A. Before joining Mirabaud in 2013, he worked for 9 years in investment risk management and compliance at Schroders Investment Management and Citibank. Mr Lustac holds a Master's degree in applied economics and is a GARP certified Financial Risk Manager.

#### **D. THE CUSTODIAN**

Pictet & Cie (Europe) S.A. has been appointed as depositary under the terms of a custodian bank agreement entered into with the Fund for an indefinite period.

Pictet & Cie (Europe) S.A. was incorporated as a *société anonyme* (limited company) under Luxembourg law for an indefinite period on 3<sup>rd</sup> November 1989. Its fully paid-up capital is CHF 70,000,000 at the date of this Prospectus.

On behalf of and in the interests of the Fund's shareholders, as depositary (hereinafter the "Custodian"), the Custodian is responsible for the safekeeping of entrust other banks or financial institutions which fulfil the conditions required by law with the safekeeping of some or all of these assets.

The Custodian will perform all the usual functions of a depositary with regard to deposits of cash and securities. It will fulfil these functions and responsibilities in accordance with the provisions of the 2010 Law and AIFMD.

Under instructions from the Board of Directors, the Custodian will undertake all acts relating to the holding of the Fund's assets. It will execute orders and comply with the instructions of the Board of Directors provided that they are in line with the legal requirements and the Articles.

The principal duties of the Custodian are as follows:

- a) safe-keeping of the assets of a Sub-Fund that can be held in custody (including book entry securities);
- b) record-keeping of assets that cannot be held in custody in which case the Custodian must verify their ownership;
- c) ensure that the Sub-Fund's cash flows are properly monitored, and in particular ensure that all payments made by or on behalf of investors upon the subscription

- of Shares in a Sub-Fund have been received and that all cash of the Sub-Fund has been booked in cash accounts that the Custodian can monitor and reconcile;
- d) ensure that the issue, redemption and conversion of Shares of a Sub-Fund are carried out in accordance with applicable Luxembourg laws and the Articles;
  - e) ensure that the value of the Shares of a Sub-Fund is calculated in accordance with applicable Luxembourg laws, the Articles and the valuation procedures;
  - f) carry out the instructions of the Management Company, unless they conflict with applicable Luxembourg laws or the Articles;
  - g) ensure that in transactions involving a Sub-Fund's assets any consideration is remitted to the Sub-Fund within the usual time limits;
  - h) ensure that a Sub-Fund's income is applied in accordance with applicable Luxembourg laws and the Articles.

In relation to the Custodian's duties regarding custody as referred to at paragraph (a), in respect of financial instruments which can be held in custody, (except to the extent that the Custodian has contractually transferred liability to a delegate in accordance with AIFMD) the Custodian is liable to the Fund or the Shareholders for any loss of such financial instruments held by the Custodian or any delegate. As at the date of this Prospectus, the Custodian has not entered into any arrangements to contractually transfer liability to a delegate.

In relation to all the other Custodian's duties as referred to at paragraphs (b) – (g), the Custodian is liable to the Fund or the Shareholders for all other losses suffered by it or them as a result of the Custodian's negligent or intentional failure to properly fulfil such obligations.

The Custodian may delegate certain functions to specialised service providers. Details of such delegates and of any conflict of interests that may arise are available at the registered office of the Management Company.

The custodian bank agreement may be terminated by each party at any time, by giving at least three months' written notice to the other party. Any decision by the Fund to end the Custodian's appointment is subject to another custodian taking on the duties and responsibilities of the Custodian (such appointment to generally take place within 2 months). If the agreement is terminated, the Custodian will continue to perform its duties until such time as the Custodian has been relieved of all the Fund's assets that it held or had arranged to be held on behalf of the Fund. The Custodian will only be required to take the necessary measures to safeguard the best interests of shareholders.

The Custodian is remunerated in accordance with customary practice in the Luxembourg financial market. Such remuneration is expressed as a percentage of the Fund's net assets and paid on a quarterly basis.

## **E. THE ADMINISTRATIVE, REGISTRAR & TRANSFER, PAYING AND DOMICILIARY AGENT**

The central administration function of the Fund has been delegated to FundPartner Solutions (Europe) S.A.

FundPartner Solutions (Europe) S.A. acts as Registrar and Transfer Agent, Administrative Agent, Paying Agent and Domiciliary Agent under the terms of an agreement concluded with the Management Company for an indefinite period. This agreement may be terminated by either party, subject to 3 months' prior notification.

FundPartner Solutions (Europe) S.A. was incorporated as a *société anonyme* (limited company) under Luxembourg law for an indefinite period on 17<sup>th</sup> July 2008, under the former denomination Funds Management Company S.A. Its fully paid-up capital is CHF 6,250,000 at the date of this Prospectus. FundPartner Solutions (Europe) S.A. is fully owned by the partners of Pictet & Cie, Geneva.

As Registrar and Transfer Agent, FundPartner Solutions (Europe) S.A. is primarily responsible for ensuring the issue, conversion and redemption of shares and maintaining the register of shareholders of the Fund.

As Administrative Agent and Paying Agent, FundPartner Solutions (Europe) S.A. is responsible for calculating and publishing the Net Asset Value of the shares of each Sub-Fund pursuant to the law and the Articles of Association and for performing administrative and accounting services for the Fund as necessary.

As Domiciliary Agent, FundPartner Solutions (Europe) S.A. is primarily responsible for receiving and keeping safely any and all notices, correspondence, telephonic advice or other representations and communications received for the account of the Fund, as well as for providing such other facilities as may from time to time be necessary in the course of the day-to-day administration of the Fund.

The Administrative, Registrar & Transfer, Paying and Domiciliary Agent is remunerated in accordance with customary practice in the Luxembourg financial market. Such remuneration is expressed as a percentage of the Fund's net assets and paid on a quarterly basis.

## **F. THE AUDITOR**

Ernst & Young has been appointed as Auditor of the Fund. The Fund has instructed the Auditor as follows:

- to perform an annual audit of the Fund's financial statements;

- to determine whether the Board of Directors, the Management Company, the Investment Manager, the Custodian and the Administrative Agent have observed the provisions of this Prospectus as well as those of all applicable laws and regulations;
- to proceed at least on a bi-annual basis with on-site inspections of the registered office of the Fund, the Management Company, the Administrative Agent and if needed the Investment Manager.

#### **G. SHAREHOLDER RIGHTS AGAINST SERVICE PROVIDERS**

It should be noted that Shareholders will only be able to exercise their rights directly against the Fund and will not have any direct contractual rights against the service providers of the Fund appointed from time to time.

#### **IX. THE SHARES**

The shares issued by the Fund are issued in registered form only. They are freely transferable and entitled to participate equally in the profits and liquidation proceeds attributable to each Sub-Fund concerned. The shares, which are of no par value and which must be fully paid upon issue, carry no preferential or pre-emptive rights and each share is entitled to one vote at all meetings of shareholders.

Different classes of shares may be issued within each Sub-Fund as set out in Annex I.

The Fund may restrict or prevent the ownership of shares by any person, firm or corporation, if such holding results in a breach of applicable laws and regulations, whether Luxembourg or foreign, or if it may be detrimental to the Fund. More specifically, the Fund may restrict the ownership of shares by any tax payer or resident of the United States of America or to the estate of any person, or to a corporation or other entity created or organised in or under the laws of the United States ("U.S. Person"). In addition, the shares may not be offered or sold to any corporation controlled by, or a majority of whose shares are held by U.S. Persons. Where it appears to the Fund that any person who is precluded from holding shares either alone or in conjunction with any other person is a beneficial owner of shares, the Fund may compulsorily purchase or redeem all the shares so owned.

#### **X. DIVIDENDS**

Unless otherwise stated in Annex I, the Board of Directors has the option, in any given accounting year, to propose to the shareholders of distribution shares of any Sub-Fund the payment of a dividend out of all or part of that Sub-Fund's or Class' net income or realized capital gains, if the Board of Directors thinks it appropriate to make such a proposal.

## **XI. ISSUE AND REDEMPTION OF SHARES**

### **A. MARKET TIMING AND LATE TRADING**

The Fund does not allow investments which are associated with late trading or market timing practices, as such practices may adversely affect the interests of the Shareholders. Shares of the Fund are not offered, nor is the Fund managed or intended to serve as a vehicle for frequent trading that seeks to take advantage of short-term fluctuations in the concerned securities markets.

#### Market Timing

In general, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts Shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value of the UCI.

Accordingly, the Board of Directors may, whenever it deems it appropriate, cause the Registrar and Transfer Agent to reject an application for subscription and/or switching of Shares from Investors whom the Board of Directors consider to be a market timer and may, if necessary, take appropriate measures in order to protect the interests of the other investors. For these purposes, the Board of Directors may consider an investor's trading history and the Registrar and Transfer Agent may combine shares which are under common ownership or control.

#### Late Trading

In general, late trading is to be understood as the acceptance of a subscription or redemption order after the time limit fixed for accepting orders ("cut-off time") on the relevant day and the execution of such order at the price based on the Net Asset Value applicable to such same day. The Fund does not accept late trading.

### **B. ISSUE OF SHARES**

Shares in any Sub-Fund are issued in registered form only. The inscription of the Shareholder's name in the share register evidences his or her right of ownership of such Shares. Shareholders will receive a written confirmation that their names have been recorded in the Shareholder's Register. They will not receive a certificate unless they have expressly requested that a certificate evidencing their shares be issued to them.

Fractions of shares may be issued up to four decimal places.

The Fund may impose a minimum subscription and minimum holding requirement for each registered shareholder in the different Sub-Funds and/or the different classes of shares within each Sub-Fund as set out in Annex I. This amount shall be determined by reference to the Subscription Price paid in respect of the shares held.

The Fund shall not give effect to any transfer of shares in its register as a consequence of which an investor would not meet the minimum holding requirement referred to in Annex I.

#### SUBSCRIPTION IN KIND

The Board of Directors may, at its discretion, decide to accept assets as valid consideration for a subscription provided that these comply with the investment policy and rules of the relevant Sub-Fund. Such assets will be independently valued, if required by Luxembourg law or regulations or required by the Board of Directors, by a special report of the Company's Auditor. Additional costs resulting from a subscription in kind will be borne by the subscriber concerned or by a third party, but will not be borne by the Fund unless the Board of Directors considers that the subscription in kind is in the interest of the Fund.

The Fund will require from each registered shareholder acting on behalf of other investors that any assignment of rights to the shares of the Fund be made in compliance with applicable securities laws in the jurisdictions where such assignment is made and that in unregulated jurisdictions such assignment be made in compliance with the minimum holding requirement.

The issue price of new shares shall correspond to the prevailing Net Asset Value of the shares of the relevant class, plus a Subscription Adjustment (the "Subscription Price").

A Subscription Charge not exceeding 3% of the Subscription Price may be added to compensate financial intermediaries and other persons who assist in the placement of shares.

The Board of Directors has adopted a policy of controlling the growth of each Sub-Fund and may therefore from time to time restrict or suspend the offering of new shares of any Sub-Fund. This policy would be without effect on the redemptions of the shares.

The Fund reserves the right to reject in whole or in part any subscription application. In addition, the Board of Directors reserves the right to suspend the issue and sale of shares at any time and without notice.

No shares of any Sub-Fund and/or class will be issued by the Fund during any period when the calculation of the Net Asset Value per share of such Sub-Fund and/or class is suspended (see below).

For applications for shares of any Sub-Fund, see the specific terms and conditions in the part of Annex I applicable to each of them.

### **C. REDEMPTION OF SHARES**

The shareholders shall have the right, on such dates as determined in Annex I for the relevant Sub-Fund to present their shares for redemption to the Fund. If, as a result of a redemption request, the value of any holding decreases below the minimum set out in Annex I for the relevant Sub-Fund, then such request will be treated as a request for redemption of the entire holding.

If redemption requests for more than 10% of the Net Asset Value of a Sub-fund are received, then the Fund may limit redemptions so they do not exceed this threshold amount of 10%. Redemptions shall be limited with respect to all shareholders seeking to redeem shares as of a same day so that each such shareholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Fund on the next day at the Net Asset Value per share applicable on such next day on which redemption requests are accepted, subject to the same limitation. On such day, such requests for redemption will be complied with in priority to subsequent requests.

The Directors may accept, at their discretion, that shareholders withdraw their request for redemption until and including the Business Day falling 5 Business Days prior to the relevant Redemption Day (as defined in Annex I for the relevant Sub-Fund) provided however that (i) all requests for withdrawal relating to a same Redemption Day be treated in the same manner and (ii) no instructions were given on behalf of the relevant Sub-Fund for the redemption of portfolio UCIs in order to create liquidities to meet redemption requests.

Shareholders may withdraw at any time their requests for redemption in the event of a suspension of the valuation of the assets of the Fund in the circumstances described below, under "Valuation of the Shares". The Fund may suspend the investors' right to require the Fund to redeem their shares during any period when the determination of the Net Asset Value of the shares of the Sub-Fund and/or class is suspended as provided under "Valuation of the Shares" below.

In the event of a suspension of redemptions, a withdrawal of redemption requests will be effective only if written notification is received by the Administrative Agent before the termination of the period of suspension. If the request is not so withdrawn the redemption will be made on the Valuation Day (as defined for each Sub-Fund) next

following the end of the suspension.

The Board of Directors may accept a shareholders request for a redemption in kind. In exceptional circumstances the Board of Directors may request that a shareholder accepts 'redemption in kind' i.e. receives a portfolio of stock from the relevant class of equivalent value to the appropriate cash redemption payment. In such circumstances the investor must specifically accept the redemption in kind. He may always request a cash redemption payment in the reference currency of the class. Where the investor agrees to accept redemption in kind he will, as far as possible, receive a representative selection of the class' holdings pro rata to the number of shares redeemed and the Board of Directors will make sure that the remaining shareholders do not suffer any loss therefrom. The value of the redemption in kind will, to the extent it is required under Luxembourg laws and regulations or required by the Board of Directors, be certified by an auditor's certificate. Additional costs resulting from a redemption in kind will be borne by the shareholder concerned or by a third party, but will not be borne by the Fund unless the Board of Directors considers that the redemption in kind is in the interest of the Fund or made to protect the interests of the Fund.

For the redemption of shares of any class, see the specific terms and conditions in the part of Annex I applicable to the relevant Sub-Fund.

#### **D. SUBSCRIPTION AND REDEMPTION PRICE**

The Subscription Price and Redemption Price are based on the Net Asset Value per share, which is adjusted as stated below.

In fixing the Subscription Price and the Redemption Price, the Directors have authorised the adjustment of the Net Asset Value per share for any investor subscribing in the Fund or shareholder redeeming shares. The Subscription Adjustment (as defined below) and the Redemption Adjustment (as defined below) are fixed in order to avoid an adverse effect on the Net Asset Value per share for the existing shareholders who are not making additional subscription to, or redeeming shares, as the case may be. The Subscription Price is increased in addition by the Subscription Charge.

#### **E. SUBSCRIPTION ADJUSTMENT**

The Directors have determined that, for purposes of fixing the Subscription Price, a Subscription Adjustment, not to exceed three percent (3%) of the Net Asset Value, may be added to the Net Asset Value per share to reflect expenses that will be payable by the Fund to make additional purchases of investments. This adjustment will revert to the Sub-Fund or class concerned. The Board of Directors determines the Subscription Adjustment in good faith to maintain, to the extent deemed appropriate by the Board of Directors, the proportionate interests in the investments of the Fund which prevailed prior to the subscription and issue of additional shares. Within the limits set out above,

the Subscription Adjustment may be modified without notice to reflect changes in such costs to be incurred by the Fund. Information as to the prevailing level of the subscription adjustment is available at the registered offices of the Fund and the Management Company and at the offices of the Investment Manager.

The same Subscription Adjustment (if any) will be applied in respect of all subscription requests dealt with on the same Subscription Day.

#### **F. REDEMPTION ADJUSTMENT**

The Directors have also determined that, for purposes of fixing the Redemption Price, a Redemption Adjustment, not to exceed three percent (3%) of the Net Asset Value, may be deducted from the Net Asset Value per share for the benefit of the Sub-Fund or class concerned to reflect expenses payable by the Fund to redeem interests in the underlying investments. The Board of Directors determines the Redemption Adjustment in good faith to maintain, to the extent deemed appropriate by the Board of Directors, the proportionate interests in the Fund's investments which prevailed prior to the redemption of shares. Information as to prevailing level of the redemption adjustment is available at the registered offices of the Fund and the Management Company and at the offices of the Investment Manager.

The same Redemption Adjustment (if any) will be applied in respect of all redemption requests dealt with on the same Redemption Day.

#### **G. CONVERSION OF SHARES**

To the extent described in and permitted by Annex I for each Sub-Fund, and subject to any suspension of the determination of the Net Asset Values concerned (see "Valuation of the Shares"), shareholders have the right to convert all or part of their shares of any class of a Sub-Fund into shares of another existing class of that Sub-Fund. Shareholders also have the right to convert all or part of their shares of any class of a Sub-Fund into shares of another Sub-Fund by applying for conversion in the same manner as for subscription and redemption of shares. However, the right to convert shares is subject to compliance with any conditions (including any minimum holdings) applicable to the class into which conversion is to be effected. Therefore, if, as a result of a conversion, the value of a shareholder's holding in the new class would be less than the minimum, the Board of Directors may decide not to accept the request for conversion of the shares. In addition, if, as a result of a conversion, the value of a shareholder's holding in the original class would become less than the relevant minimum holding, the shareholder may be deemed (if the Board of Directors so decides) to have requested the conversion of all of his shares.

The number of shares issued upon conversion will be based upon the respective Net Asset Values of the two classes concerned on the common Valuation Day on which the

conversion request is accepted. If there is no common Valuation Day for any two classes, the conversion will be made on the basis of the Net Asset Value calculated on the next following Valuation Day of each of the two classes concerned.

The Board of Directors may apply a Conversion Charge not exceeding 1% of the Net Asset Value of the shares to be converted, to be applied for the benefit of the classes or Sub-Funds between which conversion is effected as appropriate to cover the costs of transactions arising from the conversion.

The same Conversion Charge will be applied in respect of all conversions of a class or Sub-Fund effected on the same common Valuation Day. No Redemption Adjustment or Subscription Adjustment will be charged upon conversions.

#### **H. ANTI-MONEY LAUNDERING PROCEDURES**

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to the law of 12<sup>th</sup> November 2004 on the fight against money laundering and financing of terrorism, as amended and circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar agent may require subscribers to any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the undertakings for collective investment nor the registrar agent have 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 on-going client due diligence requirements under relevant laws and regulations.

#### **XII. VALUATION OF THE SHARES**

The Net Asset Value of the shares of each class of each Sub-Fund is determined in its reference currency. It shall be determined as of each Valuation Day (as defined for each Sub-Fund), and normally made public within 10 Business Days after such Valuation Day by dividing the net assets attributable to each class of each Sub-Fund by the number of shares of such class of a Sub-Fund then outstanding. The net assets of each Sub-Fund are made up of the value of the assets attributable to such class within each

Sub-Fund less the total liabilities attributable to such class calculated at such time as the Board of Directors shall have set for such purpose.

The assets and liabilities of the Fund shall be allocated in such a manner so that the issue price received upon issue of shares connected with a specific class of a Sub-Fund shall be attributed to that class. All assets and liabilities of the class as well as income and expenses which are related to a specific class shall be attributed to that class. Assets or liabilities which cannot be attributed to any Sub-Fund or class shall be allocated to all the Sub-Funds and/or classes pro rata to the respective Net Asset Value of the Sub-Funds or classes. The proportion of the total net assets attributable to each class shall be reduced as applicable by the amount of any distribution to shareholders and by any expenses paid.

In determining the value of the assets of the Fund shares or units in open-ended Underlying Funds will be valued at the actual net asset value for such shares or units as of the relevant Valuation Day, or if no such actual net asset value is available they shall be valued at the estimated net asset value as of such Valuation Day, or if no such estimated net asset value is available they shall be valued at the last available actual or estimated net asset value which is calculated prior to such Valuation Day whichever is the closer to such Valuation Day, provided that if events have occurred which may have resulted in a material change in the net asset value of such shares or units since the date on which such actual or estimated net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors, such change.

In respect of shares or units held by the Fund, for which issues and redemptions are restricted and a secondary market trading is effected between dealers who, as main market makers, offer prices in response to market conditions, the Directors may decide to value such shares or units in line with the realisation prices so established.

If events have occurred which may have resulted in a material change of the net asset value of such shares or units in other UCI since the day on which the latest net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors, such change of value.

The Administrative Agent and the Board of Directors may rely solely on the valuations provided by underlying UCIs or by any of their agents or the Investment Manager and or the Board of Directors with respect to the investment such UCIs have made. Valuations provided by UCIs may be subject to adjustments made by such UCIs subsequent to the determination of the net asset value of a Sub-Fund. Such adjustments, whether increasing or decreasing the net asset value of a Sub-Fund, will not affect the amount of the redemption proceeds received by redeeming shareholders. As a result, to the extent that such subsequently adjusted valuations from UCIs adversely affect the net asset value of a Sub-Fund, the remaining outstanding shares of such Sub-Fund will be

adversely affected by redemptions. Conversely, any increases in the net asset value of a Sub-Fund resulting from such subsequently adjusted valuations will be entirely for the benefit of the remaining outstanding shares of such Sub-Fund.

Year-end net asset value calculations are audited by the Fund's independent auditors and may be revised as a result of such audit. As discussed above, such revisions may result from adjustments in valuations provided by UCIs.

In no event shall the Board of Directors, the Management Company, the Custodian, the Administration Agent or the Investment Manager incur any individual liability or responsibility for any determination made or other action taken or omitted by them in the absence of negligence, wilful misfeasance or bad faith.

Securities held by the Fund (including shares or units in closed-end UCI) which are quoted or dealt in on a stock exchange will be valued at its latest available publicised stock exchange closing price and where appropriate the bid market price on the stock exchange which is normally the principal market for such security and each security dealt in on any other organised market will be valued in a manner as near as possible to that for quoted securities.

The valuation of a security denominated in a currency other than the reference currency of the relevant Sub-Fund is determined in the national currency and converted into the relevant currency at the foreign exchange rate in effect at 5.00 p.m. Luxembourg time as of the relevant Valuation Day (as defined for each Sub-Fund).

The valuation of securities not quoted or dealt in on a stock exchange or another organised market and of securities which are so quoted or dealt in but in respect of which no price quotation is available or the price quoted is not representative of the securities' fair market value, shall be determined prudently and in good faith on the basis of their reasonably foreseeable sale prices. All other assets will be valued at their respective fair values as determined in good faith according to the procedures put in place by the Board of Directors.

Money market instruments and cash will be valued at face value to which shall be added interest accrued.

The Fund may suspend the determination of the Net Asset Value of the Fund's and/or its Sub-Funds shares and the issue, redemption and conversion of its shares during:

- (a) any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of the Fund attributable to a Sub-Fund from time to time are quoted is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;

- (b) any period when the net asset value of one or more UCI, in which the Fund, for the account of a Sub-Fund, will have invested and the units or the shares of which constitute a significant part of the assets of the Fund attributable to a Sub-Fund, cannot be determined accurately so as to reflect their fair market value as at the Valuation Day (as defined for each Sub-Fund) or the calculation of this net asset value is suspended;
- (c) the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by the Fund would be impracticable;
- (d) any breakdown in the means of communication normally employed in determining the price of any of the investments or the current prices on any market or stock exchange;
- (e) any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of shares cannot in the opinion of the Directors be effected at normal rates of exchange;
- (f) if the Fund or any Sub-Fund is being or may be wound up, or following the date on which notice is given of the general meeting of shareholders at which a resolution to wind up the Fund or the Sub-Fund is to be proposed; or
- (g) during any period when in the opinion of the Directors there exist circumstances outside of the control of the Fund where it would be impracticable or unfair towards the shareholders to continue dealing in shares of any Sub-Fund.

The issue, redemption and conversion of shares in the Sub-Fund(s) concerned will also be suspended during any such period where the Net Asset Value is not determined.

Any such suspension shall be notified to investors requesting issue, conversion or redemption of shares at the time of the filing of the relevant application and may, at the sole discretion of the Board of Directors, be made public in such media as determined by the Board of Directors.

### **XIII. FEES AND EXPENSES**

The expenses incurred by the Fund in relation to the launch of additional Sub-Funds will be borne by, and payable out of the assets of, those Sub-Funds and will be amortised on a straight line basis over 5 years from the launching date.

The Custodian and the Domiciliary, Administrative, Registrar and Transfer Agent are entitled to receive, out of the assets of the Fund, fees and commissions in accordance with usual practice in Luxembourg. The Management Company and Investment Manager are entitled to the fees and commissions specified for each Sub-Fund and/or class within each Sub-Fund in the relevant Annex. Distributors are entitled to fees as specified for each Sub-Fund and/or class within each Sub-Fund in Annex I. The amounts charged are shown in the Fund's financial reports.

The Fund bears all costs and expenses directly incurred in the operations including the following:

- all operational costs, including fees payable to accountants, any paying agent and permanent representatives in places of registration;
- all costs and expenses associated with other agents employed by the Fund, including fees for legal and auditing services, promotional, printing, reporting and publishing expenses, including the cost of advertising or preparing and printing of prospectuses, explanatory memoranda or registration statements, taxes or governmental charges;
- all costs for the listing of the shares of the Fund on any stock exchange or regulated market and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex.

All expenses are accrued in the price of the shares.

The members of the Board of Directors shall be reimbursed for any reasonable travelling, hotel and incidental expenses incurred for attending meetings.

**It should be noted that the investment policy of the Fund is to invest in UCIs and will result in a duplication of certain costs that will be charged both to the underlying UCI by its service providers, as well as to the Fund by the service providers of the Fund. Such costs will include, but are not limited to, formation expenses, custodian, domiciliary, management fees, audit expenses and other associated costs.**

However, in the event that a Sub-Fund invests in UCIs which are (a) managed directly or indirectly by the Management Company or the Investment Manager, or (b) managed by an affiliate of the Management Company or the Investment Manager with which they are linked (i) because they are under the same administration (ii) because they are under the same control, or (iii) because of a significant direct or indirect holding of the capital or voting rights (the "Affiliated UCIs"), such Sub-Fund

cannot be charged any issuance or redemption fee and the total fees for management and advisory services charged to such Sub-Fund in respect of such investments shall be of maximum 0.25% per year in aggregate for all classes of shares in the Sub-Fund. There is no duplication of management/issuance or redemption fees between those at the level of the Investing Sub-Fund having invested in the Target Sub-Fund, and those of the relevant Target Sub-Fund.

Costs and expenses which cannot be allotted to one specific Sub-Fund or class will be charged to the different Sub-Funds or classes proportionally to their respective net assets.

#### **XIV. TAXATION**

##### **A. EU TAX CONSIDERATIONS FOR INDIVIDUALS RESIDENT IN THE EU OR IN CERTAIN THIRD COUNTRIES OR DEPENDENT OR ASSOCIATED TERRITORIES**

The Council of the European Union adopted, on 3 June 2003, Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Directive"). Under this Directive, Member States of the European Union ("Member States") will be required to provide tax authorities of another Member State with details of payments of interest or other similar income paid by a paying agent (as defined in the Directive) within its jurisdiction to an individual resident in that other member state. Luxembourg has opted instead for a withholding tax system for a transitional period in relation to such payments. The applicable withholding tax is 35% unless the interest recipient has opted for the exchange of information disclosure procedure.

The Luxembourg government has the intention to fully implement in Luxembourg the exchange of information procedure as foreseen in the Directive, in which case, this withholding tax might no longer apply. This would however require a change of Luxembourg law to be approved by the Luxembourg Parliament.

The Directive has been implemented in Luxembourg by a law dated 21<sup>st</sup> June 2005 (the "Law").

Dividends distributed by a Sub-Fund will be subject to the Directive and the Law if more than 15% of such Sub-Fund's assets are invested in debt claims (as defined in the Law) and proceeds realised by Shareholders on the redemption or sale of Shares in a Sub-Fund will be subject to the Directive and the Law if more than 25% of such Sub-Fund's assets are invested in debt claims (such Sub-Funds, hereafter "Affected Sub-Funds").

Consequently, if in relation to an Affected Sub-Fund a Luxembourg paying agent makes a payment of dividends or redemption proceeds directly to a shareholder who is an individual resident or deemed resident for tax purposes in another EU Member State

or certain of the above mentioned dependent or associated territories, such payment will, subject to the next paragraph below, be subject to withholding tax at the rate indicated above.

No withholding tax will be withheld by the Luxembourg paying agent if the relevant individual either (i) has expressly authorised the paying agent to report information to the tax authorities in accordance with the provisions of the Law or (ii) has provided the paying agent with a certificate drawn up in the format required by the Law by the competent authorities of his State of residence for tax purposes.

The Fund reserves the right to reject any application for shares if the information provided by any prospective investor does not meet the standards required by the Law as a result of the Directive.

***The foregoing is only a summary of the implications of the Directive and the Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the Directive and the Law.***

Given the structure of the Fund, it is not expected that the abovementioned dividends and proceeds will fall within the scope of Law.

## **B. THE FUND**

Under current law and practice the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax. However, the Fund is normally liable in Luxembourg to a tax of 0.05% per annum of its net assets. Such tax rate is reduced to a rate of 0.01% per annum in respect of the net assets attributable to such classes of shares which are reserved for institutional investors within the meaning of, and as provided for in the 2010 Law.

Such tax is payable quarterly and calculated on the Net Asset Value of the relevant class at the end of the relevant quarter. For the portion of the assets of the Fund invested in other UCIs which are established in Luxembourg, no such tax is payable. No stamp duty or other tax is payable in Luxembourg on the issue of shares in the Fund except a once and for all tax of euro 1,250 which was paid upon incorporation.

Under current law and practice, it is anticipated that no capital gains tax is payable on the realised or unrealised capital appreciation of the assets of the Fund.

Dividends and interest on securities issued in other countries may be subject to withholding taxes imposed by such countries.

## **C. SHAREHOLDERS**

Under current legislation shareholders are not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg (except for those domiciled, resident or having a permanent establishment in Luxembourg).

Investors should consult their professional advisers on the possible tax or other consequences of buying, holding, transferring or selling any of the Fund's shares under the laws of their countries of citizenship, residence or domicile.

## **XV. LIQUIDATION OF THE FUND**

The Fund is incorporated for an indefinite duration. It may be dissolved by decision of an extraordinary general meeting of shareholders of the Fund. Such meetings must be convened if the value of the net assets of the Fund falls below the respective levels of two thirds or one quarter of the minimum capital prescribed by Luxembourg law. At such meetings convened at such circumstances decisions to dissolve the Fund will be taken in accordance with the requirements of the 2010 Law.

If the Fund should be liquidated, its liquidation will be carried out in accordance with the provisions of the 2010 Law, which specifies the steps to be taken to enable shareholders to participate in the liquidation distribution(s) and in this connection provides for deposit in escrow at the *Caisse de Consignation* of any amounts which have not been claimed by shareholders at the close of liquidation. Amounts not claimed from escrow within the prescription period are liable to be forfeited in accordance with the provisions of Luxembourg law.

## **XVI. DISSOLUTION AND AMALGAMATION OF SUB-FUNDS**

A Sub-Fund or class may be (i) dissolved by compulsory redemption of shares of the Sub-Fund or class concerned, or (ii) merged into another Sub-Fund or class of the Fund or of another UCI upon:

- a) a decision of the Board of Directors if the net assets of the Sub-Fund or class concerned have decreased below USD 5 million or the equivalent in another currency, or if the interests of the shareholders would justify it;
- b) the decision of a meeting of holders of shares of the relevant Sub-Fund or class. There shall be no quorum requirement and decisions may be taken by a simple majority of the votes cast at the meeting.

In such event the shareholders concerned will be advised in accordance with applicable Luxembourg laws and regulations and the redemption price of the shares of the relevant Sub-Fund or class shall be paid on the date of the compulsory redemption. The relevant

meeting may also decide that assets attributable to the Sub-Fund or class concerned will be distributed on a prorata basis to the holders of shares of the relevant Sub-Fund or class which have expressed the wish to receive such assets in kind.

A meeting of holders of shares of a Sub-Fund or class may decide to amalgamate such Sub-Fund or class with another existing Sub-Fund or class or to contribute the assets (and liabilities) of the Sub-Fund or class to another European Economic Area based undertaking for collective investment offering equivalent protection against issue of shares of such undertaking for collective investments to be distributed to the holders of shares of such Sub-Fund or class. The decision shall be published upon the initiative of the Fund. The publication shall contain information about the new Sub-Fund or class or the relevant undertaking for collective investments and shall be made a month prior to the amalgamation in order to provide a possibility for the holders of such shares to request redemption, without payment of any redemption fee, prior to the implementation of the transaction. For class meetings which decide on the amalgamation of different Sub-Funds within the Fund or of different classes within one or more Sub-Funds, or the contribution of assets and liabilities of a Sub-Fund or class to another undertaking for collective investment, there shall be no quorum requirement and decisions may be taken by a simple majority of the votes cast. In case of an amalgamation with an unincorporated mutual fund (*fonds commun de placement*) or a foreign undertaking for collective investment, decisions of the class meeting of the Sub-Funds or class concerned shall be binding only for holders of shares that have voted in favour of such amalgamation.

If following a compulsory redemption of all shares of one or more Sub-Funds or classes payment of the redemption proceeds cannot be made to a former shareholder, then the amount in question shall be deposited with the Caisse de Consignation for the benefit of the person(s) entitled thereto until the expiry of the period of limitation.

## **XVII. MEETINGS**

The annual general meeting of shareholders of the Fund will be held at the registered office of the Fund in Luxembourg on the third Tuesday of April in each year at 3:00 p.m. or if any such day is not a bank business day in Luxembourg on the next following bank business day in Luxembourg. If permitted by and under the conditions set forth in Luxembourg laws and regulations, the annual general meeting of shareholders may be held at a date, time or place other than those set forth in the preceding paragraph, that date, time or place to be decided by the Board of Directors. Notices of all general meetings will be sent to the shareholders in accordance with Luxembourg law at their addresses in the register of shareholders. Such notices will include the agenda and specify the time and place of the meeting, the conditions of admission and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities required for the meeting.

Under the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the shares issued and outstanding at a certain date and time preceding the general meeting (the "Record Date"), whereas the right of a shareholder to attend a general meeting of shareholders and to exercise the voting rights attaching to his/its/her shares shall be determined by reference to the shares held by this shareholder as at the Record Date. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in the 1915 Law and in the Articles. The same provisions shall apply to the Sub-Fund and/or class meetings.

Matters regarding the Sub-Funds or classes, such as the vote on the payment of a dividend on a particular Sub-Fund or class, may be decided by a vote of the meeting of shareholders of the Sub-Fund or class concerned. Any change in the Articles affecting the rights of shareholders of a Sub-Fund or class must be approved by a resolution of both the general meeting of the Fund and the shareholders of the Sub-Fund or class concerned.

## **XVIII. REPORTS**

Audited annual reports and unaudited semi-annual reports will be made available at the registered offices of the Fund and the Management Company.

The accounting year of the Fund terminates on 31<sup>st</sup> December in each year.

The reference currency of the Fund is the USD. The aforesaid reports will comprise consolidated accounts of the Fund expressed in USD as well as individual information on each Sub-Fund expressed in the reference currency of each Sub-Fund. Unless indicated otherwise in Annex I for the relevant Sub-Fund, the reference currency of the Sub-Funds is the USD.

Investors may at any time require information concerning UCIs in which the Fund invests and historical performance information at the registered offices of the Fund and the Management Company.

As required by AIFMD, and to the extent only that such requirements are applicable, the following information shall be periodically provided to Investors by means of disclosure in the annual reports of the Fund or; if the materiality so justifies, notified to Shareholders:

- the percentage of the Fund's assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Fund;

- any changes to the maximum level of leverage which the Fund may employ on behalf of the Fund or a Sub-Fund as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement;
- the total amount of leverage employed by the Fund or a Sub-Fund.

## **XIX. MATERIAL DOCUMENTS**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into and are or may be material:

- (a) An Agreement with effect from 1<sup>st</sup> January 2014 between the Fund and the Management Company pursuant to which the Directors delegate the investment management, administration and marketing functions to the Management Company. This Agreement may be terminated by either party by giving not less than three months' written notice to the other.
- (b) An Agreement with effect from 1<sup>st</sup> January 2012 between the Fund and Pictet & Cie (Europe) S.A. pursuant to which the latter was appointed custodian of the assets of the Fund. This Agreement may be terminated by either party by giving not less than three months' written notice to the other.
- (c) Agreements with effect from 1<sup>st</sup> January 2012 between the Management Company and FundPartner Solutions (Europe) S.A. pursuant to which the latter was appointed domiciliary and corporate agent, principal paying agent and registrar and transfer agent to provide administrative services. These Agreements may be terminated by either party by giving not less than three months' written notice to the other.
- (d) An Agreement with effect from 1<sup>st</sup> January 2014 between the Management Company and the Investment Manager pursuant to which the Management Company has delegated the management of the portfolios of the Sub-Funds to the Investment Manager. This Agreement may be terminated by either party by giving not less than three months' written notice to the other.

Any such contract may be amended by mutual consent of the parties thereto.

Copies of the material contracts referred to above are available for inspection at the registered office of the Fund and of the Management Company in Luxembourg. Copies of the Articles of the Fund, of the current Prospectus and of the latest financial reports may be obtained on request at the Fund's and Management Company's registered offices.

## **XX. APPLICABLE LAW AND JURISDICTION**

The Fund is incorporated under the laws of the Grand Duchy of Luxembourg.

By applying for Shares, the relevant investor agrees to be bound by the terms and conditions of the subscription documents, the Prospectus and the Articles. This contractual relationship is governed by Luxembourg laws. The Fund, the Management Company and Shareholders will be subject to the exclusive jurisdiction of the courts of Luxembourg to settle any dispute or claim arising out of or in connection with a Shareholder's investment in the Fund or any related matter.

According to EU Regulation 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, a judgement given and enforceable in an EU Member State shall in principle be recognised in the other EU Member States without any special procedure being required and shall generally be enforceable in the other EU Member States on the application of any interested party, save in certain circumstances.

## **ANNEX I: SUB-FUNDS details**

### **MIRALT SICAV – EUROPE**

#### **I. CLASSES OF SHARES WITHIN THE SUB-FUND**

The Sub-Fund issues shares in eight different classes, class A (USD), class A (EUR), class A (JPY), class A (CHF), class I (USD), class I (EUR) class I (JPY) and class I (CHF).

Class A (USD), class A (EUR), class A (JPY) and class A (CHF) (together "classes A") shares shall be normally available in accordance with the provisions of the Prospectus and this Annex.

Class I (USD), class I (EUR), class I (JPY) and class I (CHF) (together "classes I") shares shall be reserved for investments made by Institutional Investors through any entity of the Mirabaud Group.

The reference currency for class A (USD) and class I (USD) shall be the US Dollar. The reference currency for class A (CHF) and class I (CHF) shall be the Swiss Franc. The reference currency for class A (JPY) and class I (JPY) shall be the Japanese Yen. The reference currency for class A (EUR) and class I (EUR) shall be the Euro, which shall also be the reference currency for the Sub-Fund

In order to protect shareholders of class A (USD), class I (USD), class A (JPY), class I (JPY), class A (CHF) and class I (CHF) from the impact of currency movements, the US Dollar, the Japanese Yen and the Swiss Franc will be continuously hedged back to the Euro. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of these classes.

#### **II. MINIMUM SUBSCRIPTION – MINIMUM HOLDING**

Investments in shares of the Sub-Fund shall be subject to the following minimum initial subscription and minimum holding requirements which shall be determined by reference to the Subscription Price paid in respect to the shares held in the relevant class:

Classes A:	None
Class I (USD):	1,000,000 USD or equivalent in the relevant reference currency
Class I (EUR):	1,000,000 USD or equivalent in the relevant reference currency
Class I (JPY):	1,000,000 USD or equivalent in the relevant reference currency
Class I (CHF):	1,000,000 USD or equivalent in the relevant reference currency

The Board of Directors may waive these minimum subscription and holding requirements.

### **III. INVESTMENT OBJECTIVES AND POLICY OF THE SUB-FUND**

MIRALT SICAV - Europe (the "Sub-Fund") will invest principally all of its assets in UCIs. The Sub-Fund will principally gain exposure to Europe by investing in securities of any kind issued or listed in Europe through UCIs investing in such securities. The Sub-Fund may also invest in UCIs that do not invest or only on an ancillary basis in the aforementioned securities.

To the extent permissible, the Sub-Fund may invest in UCIs organised, operated or managed by reputed hedge fund platform providers ("Hedge Fund Platforms"), such platforms to be selected from time to time by the Board of Directors. The list of thus selected Hedge Fund Platforms is available upon request from the registered office of the Fund.

Such UCIs may, from time to time, undertake both leveraged transactions and short sales. The UCI may invest either internationally or may be more specific and concentrate on a particular country or even a sector within a country. The Submanagers will normally define the market objectives of such UCIs and the methods that will be employed in an attempt to fulfil these objectives. The UCIs to be selected will be open-ended and may be closed-ended. There will be a constant monitoring of the results of such UCIs and investment companies and the techniques used by the Submanagers. Sometimes a Director or employee of the Fund may be appointed to the Board of one or several UCIs in which the Fund will invest.

**Investors should carefully read the information contained in the main part of the Prospectus, under Section VI Risk Factors.**

### **IV. INVESTMENT RESTRICTIONS OF THE SUB-FUND**

In addition to the general investment restrictions applicable to all Sub-Funds, the Sub-Fund shall be subject to the following specific restrictions:

- (1) In order to be eligible for investment, UCIs must be managed by a specialist Submanager which, in the reasonable opinion of the Investment Manager, has a proven track record.
- (2) If the Sub-Fund invests in a UCI which is not established in a country in which it is subject to permanent supervision set up by law in order to ensure the protection of investors (such as the countries of the European Union, the United States, Canada, Hong Kong, Japan and Switzerland), subject to item (3) below, the Submanager of the UCI must be subject to supervision by a regulatory

authority in the jurisdiction in which it operates or in the reasonable opinion of the Investment Manager investor protection must be sufficiently safeguarded by reason of the UCI being supervised by a first class custodian or audited by a reputable firm of auditors. The Board of Directors or the Management Company may from time to time, at its discretion, instruct the Investment Manager or any third party to identify and assess the regulatory and operational risks relating to such UCI including, but not limited to, one or more of the following areas: registration and disclosure (prospectuses, offering memoranda, filing with the regulatory authorities, etc.); portfolio management; conflicts of interest; books and records (accounting and corporate records, etc.); and custody and possession, provided that any such information is made available (see under "Due Diligence Process" above).

- (3) The Sub-Fund may invest up to 10 per cent of its net assets in UCIs the Submanager of which does not satisfy the criteria described in (1) and (2) above. If such investments are made, the protection of investors may be less efficiently safeguarded than in the event of investments made in UCIs described under (1) and (2) above. An investment in any such UCI may involve above average risk (see under "Risk Factors" above).
- (4) The Sub-Fund may invest up to 30 per cent of its net assets in short-term or medium-term debt securities, cash or other liquid investments such as bank deposits, US Treasury bills or other comparable financial instruments. In the event of extraordinary circumstances, such as a market disruption or economic or political turmoil, the Sub-Fund may invest up to 100 per cent of its net assets in such instruments.
- (5) The Sub-Fund cannot, in aggregate, invest more than 10% of its net assets in other Sub-Funds of the Fund.
- (6) The maximum level of leverage permitted in respect of the Sub-Fund is as follows:
  - (a) Under the commitment method: 110% of the Net asset Value of the Sub-Fund; and
  - (b) Under the gross method: 200% of the Net asset Value of the Sub-Fund.

## **V. ISSUE, REDEMPTION AND CONVERSION OF SHARES**

### **A. APPLICATION FOR SHARES**

Shares are issued on a monthly basis and the Subscription Day will be the last Business Day of each month (a "Subscription Day").

Offering of class I (USD), class I (CHF), class A (JPY) and class I (JPY) shares will take place upon decision of the Board of Directors.

Shares are priced as of the last Business Day of each month and/or such other day or days as the Directors may determine (each a "Valuation Day").

Shares in each class are issued at the relevant Net Asset Value plus a Subscription Adjustment (the Subscription Price), as determined as of the Valuation Day falling on the relevant Subscription Day. As at the date of this Prospectus, no Subscription Adjustment will be levied. The Board of Directors can decide to levy a Subscription Adjustment at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of Shares, E. Subscription Adjustment.

The applicable percentage shall be available at the registered offices of the Fund, the Management Company and at the offices of the Investment Manager.

A Subscription Charge of up to 3% of the relevant Subscription Price may be added to the Subscription Price of class A shares to compensate financial intermediaries and other persons who assist in the placement of shares.

Applications must be received by the Administrative Agent by 7:00 p.m. (Luxembourg time), at the latest on the Business Day falling 5 Business Day prior to the relevant Subscription Day. Any application received after such time is considered for the immediately following Subscription Day. Payment of the subscription monies must normally be received in cleared funds within 3 Business Days after the day on which the relevant Net Asset Value is available. Fractions of Shares may be issued up to four decimal places.

## **B. REDEMPTION OF SHARES**

The shares of each class are redeemable on the last Business Day of each month (a "Redemption Day").

The Shares are redeemable at the their relevant Net Asset Value, minus a Redemption Adjustment (the "Redemption Price") each calculated as of the Valuation Day falling on the relevant Redemption Day. As at the date of this Prospectus, no Redemption Adjustment will be levied. The Board of Directors can decide to levy a Redemption Adjustment at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of Shares, F. Redemption Adjustment.

The applicable percentage shall be available at the registered offices of the Fund, the Management Company and at the offices of the Investment Manager.

A written redemption request must be received by the Administrative Agent no later than 7:00 p.m. (Luxembourg time) on the Business Day falling at least 45 calendar days before the relevant Redemption Day. Orders received after such time are considered for the immediately following Redemption Day.

The proceeds of redemption will normally be paid in the currency of denomination of the Sub-Fund concerned within 5 Business Days after the calculation of the Net Asset Value of the shares which will be made as of the relevant Valuation Day normally within 10 Business Days after the applicable Valuation Day, provided that the Administrative Agent has received the relevant share certificate(s), if any.

### **C. CONVERSION OF SHARES**

Shareholders may apply for the conversion of their shares of one class into shares of another class of the Sub-Fund. Shareholders may also apply for the conversion of their shares of one class into shares of any other Sub-Fund.

Applications for conversion must be received by the Administrative Agent by 7:00 p.m. (Luxembourg time), at the latest on the Business Day falling 5 Business Days prior to the relevant common Valuation Day for the two classes concerned or the relevant Valuation Day of the class to be converted in the absence of common Valuation Day. Any application received after such time is considered for the following common Valuation Day or Valuation Day of the class to be converted, as relevant.

The number of shares issued upon conversion will be based upon the respective Net Asset Value of the two classes concerned on the common Valuation Day on which the conversion request is accepted. If there is no common Valuation Day for any two classes, the conversion will be made on the basis of the Net Asset Value calculated on the next following Valuation Day of each of the two classes concerned.

A Conversion Charge based on the Net Asset Value of the shares to be converted may be applied. As at the date of this Prospectus, no Conversion Charge will be levied. The Board of Directors can decide to levy a Conversion Charge at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of shares, G. Conversion of Shares.

### **VI. MANAGEMENT FEE**

The Management Company will receive a fee payable quarterly in arrears, calculated on the average of the net assets of the Sub-Fund attributable to each class of shares for the relevant quarter. It may not exceed 2.00% per year for class A shares and 1% per year for Class I shares.

The Investment Manager is remunerated by the Management Company, out of the management fee paid by the Sub-Fund to the Management Company.

## MIRALT SICAV – NORTH AMERICA

### I. CLASSES OF SHARES WITHIN THE SUB-FUND

The Sub-Fund issues shares in eight classes, class A (USD), class A (EUR), class A (JPY), class A (CHF), class I (USD) class I (EUR), class I (JPY) and class I (CHF).

Class A (USD), class A (EUR), class A (JPY) and class A (CHF) (together "classes A") shares shall be normally available in accordance with the provisions of the Prospectus and this Annex.

Class I (USD), class I (CHF), class I (EUR) and class I (JPY) (together "classes I") shares shall be reserved for investments made by Institutional Investors through any entity of the Mirabaud Group.

The reference currency for class A (USD) and class I (USD) shall be the US Dollar, which shall also be the reference currency for the Sub-Fund.

The reference currency for class A (EUR) and class I (EUR) shall be the Euro.

The reference currency for class A (JPY) and class I (JPY) shall be the Japanese Yen.

The reference currency for class A (CHF) and class I (CHF) shall be the Swiss Franc.

In order to protect shareholders of class A (EUR), class I (EUR), class A (JPY), class I (JPY), class A (CHF) and class I (CHF) from the impact of currency movements, the Euro, the Japanese Yen and the Swiss Franc will be continuously hedged back to the US Dollar. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of these classes.

### II. MINIMUM SUBSCRIPTION – MINIMUM HOLDING

Investments in shares of the Sub-Fund shall be subject to the following minimum initial subscription and minimum holding requirements which shall be determined by reference to the Subscription Price paid in respect to the shares held in the relevant class:

Classes A:	None
Class I (USD):	1,000,000 USD or equivalent in the relevant reference currency
Class I (EUR):	1,000,000 USD or equivalent in the relevant reference currency
Class I (JPY):	1,000,000 USD or equivalent in the relevant reference currency
Class I (CHF):	1,000,000 USD or equivalent in the relevant reference currency

The Board of Directors may waive these minimum subscription and holding requirements.

### **III. INVESTMENT OBJECTIVES AND POLICY OF THE SUB-FUND**

MIRALT SICAV - North America (the "Sub-Fund") will invest principally all of its assets in UCIs. The Sub-Fund will principally gain exposure to North America by investing in securities of any kind issued or listed in North America through UCIs investing in such securities. The Sub-Fund may also invest in UCIs that do not invest or only on an ancillary basis in the aforementioned securities.

To the extent permissible, the Sub-Fund may invest in UCIs organised, operated or managed by reputed hedge fund platform providers ("Hedge Fund Platforms"), such platforms to be selected from time to time by the Board of Directors. The list of thus selected Hedge Fund Platforms is available upon request from the registered office of the Fund.

Such UCIs may, from time to time, undertake both leveraged transactions and short sales. The UCI may invest either internationally or may be more specific and concentrate on a particular country or even a sector within a country. The Submanagers will normally define the market objectives of such UCIs and the methods that will be employed in an attempt to fulfil these objectives. The UCIs to be selected will be open-ended and may be closed-ended. There will be a constant monitoring of the results of such UCIs and investment companies and the techniques used by the Submanagers. Sometimes a Director or employee of the Fund may be appointed to the Board of one or several UCIs in which the Fund will invest.

**Investors should carefully read the information contained in the main part of the Prospectus, under Section VI Risk Factors.**

### **IV. INVESTMENT RESTRICTIONS OF THE SUB-FUND**

In addition to the general investment restrictions applicable to all Sub-Funds, the Sub-Fund shall be subject to the following specific restrictions:

- (1) In order to be eligible for investment, UCIs must be managed by a specialist Submanager which, in the reasonable opinion of the Investment Manager, has a proven track record.
- (2) If the Sub-Fund invests in a UCI which is not established in a country in which it is subject to permanent supervision set up by law in order to ensure the protection of investors (such as the countries of the European Union, the United States, Canada, Hong Kong, Japan and Switzerland), subject to item (3) below, the Submanager of the UCI must be subject to supervision by a regulatory authority in the jurisdiction in which it operates or in the reasonable opinion of the Investment Manager investor protection must be sufficiently safeguarded by reason of the UCI being supervised by a first class custodian or

audited by a reputable firm of auditors. The Board of Directors or the Management Company may from time to time, at its discretion, instruct the Investment Manager or any third party to identify and assess the regulatory and operational risks relating to such UCI including, but not limited to, one or more of the following areas: registration and disclosure (prospectuses, offering memoranda, filing with the regulatory authorities, etc.); portfolio management; conflicts of interest; books and records (accounting and corporate records, etc.); and custody and possession, provided that any such information is made available (see under "Due Diligence Process" above).

- (3) The Sub-Fund may invest up to 10 per cent of its net assets in UCIs the Submanager of which does not satisfy the criteria described in (1) and (2) above. If such investments are made, the protection of investors may be less efficiently safeguarded than in the event of investments made in UCIs described under (1) and (2) above. An investment in any such UCI may involve above average risk (see under "Risk Factors" above).
- (4) The Sub-Fund may invest up to 30 per cent of its net assets in short-term or medium-term debt securities, cash or other liquid investments such as bank deposits, US Treasury bills or other comparable financial instruments. In the event of extraordinary circumstances, such as a market disruption or economic or political turmoil, the Sub-Fund may invest up to 100 per cent of its net assets in such instruments.
- (5) The Sub-Fund cannot, in aggregate, invest more than 10% of its net assets in other Sub-Funds of the Fund.
- (6) The maximum level of leverage permitted in respect of the Sub-Fund is as follows:
  - (a) Under the commitment method: 110% of the Net asset Value of the Sub-Fund; and
  - (b) Under the gross method: 200% of the Net asset Value of the Sub-Fund.

## **V. ISSUE, REDEMPTION AND CONVERSION OF SHARES**

### **A. APPLICATION FOR SHARES**

Shares are issued on a monthly basis and the Subscription Day will be the last Business Day of each month (a "Subscription Day").

Offering of class I (EUR), class A (JPY), class I (JPY) and class I (CHF) shares will take place upon decision of the Board of Directors.

Shares are priced as of the last Business Day of each month and/or such other day or days as the Directors may determine (each a "Valuation Day").

Shares in each class are issued at the relevant Net Asset Value plus a Subscription Adjustment (the Subscription Price), as determined as of the Valuation Day falling on the relevant Subscription Day. As at the date of this Prospectus, no Subscription Adjustment will be levied. The Board of Directors can decide to levy a Subscription Adjustment at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of Shares, E. Subscription Adjustment.

The applicable percentage shall be available at the registered offices of the Fund, the Management Company and at the offices of the Investment Manager.

A Subscription Charge of up to 3% of the relevant Subscription Price may be added to the Subscription Price of class A shares to compensate financial intermediaries and other persons who assist in the placement of shares.

Applications must be received by the Administrative Agent by 7:00 p.m. (Luxembourg time), at the latest on the Business Day falling 5 Business Day prior to the relevant Subscription Day. Any application received after such time is considered for the immediately following Subscription Day. Payment of the subscription monies must normally be received in cleared funds within 3 Business Days after the day on which the relevant Net Asset Value is available. Fractions of Shares may be issued up to four decimal places.

## **B. REDEMPTION OF SHARES**

The shares of each class are redeemable on the last Business Day of each month (a "Redemption Day").

The Shares are redeemable at the their relevant Net Asset Value, minus a Redemption Adjustment (the "Redemption Price") each calculated as of the Valuation Day falling on the relevant Redemption Day. As at the date of this Prospectus, no Redemption Adjustment will be levied. The Board of Directors can decide to levy a Redemption Adjustment at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of Shares, F. Redemption Adjustment.

The applicable percentage shall be available at the registered offices of the Fund, the Management Company and at the offices of the Investment Manager.

A written redemption request must be received by the Administrative Agent no later than 7:00 p.m. (Luxembourg time) on the Business Day falling at least 45 calendar days before the relevant Redemption Day. Orders received after such time are considered for the immediately following Redemption Day.

The proceeds of redemption will normally be paid in the currency of denomination of the Sub-Fund concerned within 5 Business Days after the calculation of the Net Asset Value of the shares which will be made as of the relevant Valuation Day normally within 10 Business Days after the applicable Valuation Day, provided that the Administrative Agent has received the relevant share certificate(s), if any.

### **C. CONVERSION OF SHARES**

Shareholders may apply for the conversion of their shares of one class into shares of another class of the Sub-Fund. Shareholders may also apply for the conversion of their shares of one class into shares of any other Sub-Fund.

Applications for conversion must be received by the Administrative Agent by 7:00 p.m. (Luxembourg time), at the latest on the Business Day falling 5 Business Days prior to the relevant common Valuation Day for the two classes concerned or the relevant Valuation Day of the class to be converted in the absence of common Valuation Day. Any application received after such time is considered for the following common Valuation Day or Valuation Day of the class to be converted, as relevant.

The number of shares issued upon conversion will be based upon the respective Net Asset Value of the two classes concerned on the common Valuation Day on which the conversion request is accepted. If there is no common Valuation Day for any two classes, the conversion will be made on the basis of the Net Asset Value calculated on the next following Valuation Day of each of the two classes concerned.

A Conversion Charge based on the Net Asset Value of the shares to be converted may be applied. As at the date of this Prospectus, no Conversion Charge will be levied. The Board of Directors can decide to levy a Conversion Charge at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of shares, G. Conversion of Shares.

### **VI. MANAGEMENT FEE**

The Management Company will receive a fee payable quarterly in arrears, calculated on the average of the net assets of the Sub-Fund attributable to each class of shares for the relevant quarter. It may not exceed 2.00% per year for class A shares and 1% per year for Class I shares.

The Investment Manager is remunerated by the Management Company, out of the management fee paid by the Sub-Fund to the Management Company.

## MIRALT SICAV – DIVERSIFIED

### I. CLASSES OF SHARES WITHIN THE SUB-FUND

The Sub-Fund issues shares in eight classes, class A (USD), class A (EUR), class A (JPY), class A (CHF), class I (USD), class I (EUR), class I (JPY) and class I (CHF).

Class A (USD), class A (EUR), class A (JPY) and class A (CHF) shares shall be normally available in accordance with the provisions of the Prospectus and this Annex.

Class I (USD), class I (EUR), class I (JPY) and class I (CHF) shares shall be reserved for investments made by Institutional Investors through any entity of the Mirabaud Group.

The reference currency for class A (USD) and class I (USD) shall be the US Dollar which shall also be the reference currency for the Sub-Fund.

The reference currency for class A (EUR) and class I (EUR) shall be the Euro. The reference currency for class A (JPY) and class I (JPY) shall be the Japanese Yen. The reference currency for class A (CHF) and class I (CHF) shall be the Swiss Franc.

In order to protect shareholders of class A (EUR), class A (JPY), class A (CHF), class I (EUR), class I (JPY) and class I (CHF) from the impact of currency movements, the Euro, the Japanese Yen and the Swiss Franc will be continuously hedged back to the US Dollar. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of these classes.

### II. MINIMUM SUBSCRIPTION – MINIMUM HOLDING

Investments in shares of the Sub-Fund shall be subject to the following minimum initial subscription and minimum holding requirements which shall be determined by reference to the Subscription Price paid in respect to the shares held in the relevant class:

Classes A:	None
Class I (USD):	1,000,000 USD or equivalent in the relevant reference currency
Class I (EUR):	1,000,000 USD or equivalent in the relevant reference currency
Class I (JPY):	1,000,000 USD or equivalent in the relevant reference currency
Class I (CHF):	1,000,000 USD or equivalent in the relevant reference currency

The Board of Directors may waive these minimum subscription and holding requirements.

### **III. INVESTMENT OBJECTIVES AND POLICY OF THE SUB-FUND**

MIRALT SICAV – Diversified (the "Sub-Fund") will invest in UCIs worldwide, without specialising in a specific geographical or industrial sector. The Sub-Fund will ensure that its net assets shall be invested in UCIs which cover different alternative investment methods as defined under Section "IV. B. Hedge Fund Strategies and Definitions" of the main part of the Prospectus.

To the extent permissible, the Sub-Fund may invest in UCIs organised, operated or managed by reputed hedge fund platform providers ("Hedge Fund Platforms"), such platforms to be selected from time to time by the Board of Directors. The list of thus selected Hedge Fund Platforms is available upon request from the registered office of the Fund.

Such UCIs may undertake both leveraged transactions and short sales. The UCI may invest either internationally or may be more specific and concentrate on a particular country or even a sector within a country. The Submanagers will normally define the market objectives of such UCIs and the methods that will be employed in an attempt to fulfil these objectives. The UCIs to be selected will be open-ended and may be closed-ended. There will be a constant monitoring of the results of such UCIs and investment companies and the techniques used by the Submanagers. Sometimes a Director or employee of the Fund may be appointed to the Board of one or several UCIs in which the Fund will invest.

**The investors' attention is drawn to the fact that the Sub-Fund may borrow for investment purposes (as indicated in the following section) and will invest in UCIs which may themselves be leveraged. As a consequence, an investment in the Sub-Fund carries a higher degree of risk due to a potential higher level of volatility.**

**Investors should carefully read the information contained in the main part of the Prospectus, under Section VI. Risk Factors.**

### **IV. INVESTMENT RESTRICTIONS OF THE SUB-FUND**

**By way of derogation to the general investment restrictions applicable to all Sub-Funds mentioned in Chapter V. Investment Restrictions, item 7, the Board of Directors has decided that the Sub-Fund may borrow up to 25% of its net assets, not only to bridge short-term liabilities, but also for investment purposes.**

In addition to the general investment restrictions applicable to all Sub-Funds, the Sub-Fund shall be subject to the following specific restrictions:

- (1) In order to be eligible for investment, UCIs must be managed by a specialist Submanager which, in the reasonable opinion of the Investment Manager, has a proven track record.
- (2) If the Sub-Fund invests in a UCI which is not established in a country in which it is subject to permanent supervision set up by law in order to ensure the protection of investors (such as the countries of the European Union, the United States, Canada, Hong Kong, Japan and Switzerland), subject to item (3) below, the Submanager of the UCI must be subject to supervision by a regulatory authority in the jurisdiction in which it operates or in the reasonable opinion of the Investment Manager investor protection must be sufficiently safeguarded by reason of the UCI being supervised by a first class custodian or audited by a reputable firm of auditors. The Board of Directors or the Management Company may from time to time, at its discretion, instruct the Investment Manager or any third party to identify and assess the regulatory and operational risks relating to such UCI including, but not limited to, one or more of the following areas: registration and disclosure (prospectuses, offering memoranda, filing with the regulatory authorities, etc.); portfolio management; conflicts of interest; books and records (accounting and corporate records, etc.); and custody and possession, provided that any such information is made available (see under "Due Diligence Process" above).
- (3) The Sub-Fund may invest up to 10 per cent of its net assets in UCIs the Submanager of which does not satisfy the criteria described in (1) and (2) above. If such investments are made, the protection of investors may be less efficiently safeguarded than in the event of investments made in UCIs described under (1) and (2) above. An investment in any such UCI may involve above average risk (see under "Risk Factors" above).
- (4) The Sub-Fund may invest up to 30 per cent of its net assets in short-term or medium-term debt securities, cash or other liquid investments such as bank deposits, US Treasury bills or other comparable financial instruments. In the event of extraordinary circumstances, such as a market disruption or economic or political turmoil, the Sub-Fund may invest up to 100 per cent of its net assets in such instruments.
- (5) The Sub-Fund cannot, in aggregate, invest more than 10% of its net assets in other Sub-Funds of the Fund.
- (6) The maximum level of leverage permitted in respect of the Sub-Fund is as follows:
  - (a) Under the commitment method: 110% of the Net asset Value of the Sub-Fund; and
  - (b) Under the gross method: 200% of the Net asset Value of the Sub-Fund.

## **V. ISSUE, REDEMPTION AND CONVERSION OF SHARES**

### **A. APPLICATION FOR SHARES**

Shares are issued on a monthly basis and the Subscription Day will be the last Business Day of each month (a "Subscription Day").

Offering of class I (USD), class A (JPY), class I (JPY) and class I (EUR) shares will take place upon decision of the Board of Directors.

Shares are priced as of the last Business Day of each month and/or such other day or days as the Directors may determine (each a "Valuation Day").

Shares in each class are issued at the relevant Net Asset Value plus a Subscription Adjustment (the Subscription Price), as determined as of the Valuation Day falling on the relevant Subscription Day. As at the date of this Prospectus, no Subscription Adjustment will be levied. The Board of Directors can decide to levy a Subscription Adjustment at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of Shares, E. Subscription Adjustment.

The applicable percentage shall be available at the registered offices of the Fund, the Management Company and at the offices of the Investment Manager.

A Subscription Charge of up to 3% of the relevant Subscription Price may be added to the Subscription Price of class A shares to compensate financial intermediaries and other persons who assist in the placement of shares.

Applications must be received by the Administrative Agent by 7:00 p.m. (Luxembourg time), at the latest on the Business Day falling 5 Business Day prior to the relevant Subscription Day. Any application received after such time is considered for the immediately following Subscription Day. Payment of the subscription monies must normally be received in cleared funds within 3 Business Days after the day on which the relevant Net Asset Value is available. Fractions of Shares may be issued up to four decimal places.

### **B. REDEMPTION OF SHARES**

The shares of each class are redeemable on the last Business Day of each month (a "Redemption Day").

The Shares are redeemable at the their relevant Net Asset Value, minus a Redemption Adjustment (the "Redemption Price") each calculated as of the Valuation Day falling on the relevant Redemption Day. As at the date of this Prospectus, no Redemption

Adjustment will be levied. The Board of Directors can decide to levy a Redemption Adjustment at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of Shares, F. Redemption Adjustment.

The applicable percentage shall be available at the registered offices of the Fund, the Management Company and at the offices of the Investment Manager.

A written redemption request must be received by the Administrative Agent no later than 7:00 p.m. (Luxembourg time) on the Business Day falling at least 45 calendar days before the relevant Redemption Day. Orders received after such time are considered for the immediately following Redemption Day.

The proceeds of redemption will normally be paid in the currency of denomination of the Sub-Fund concerned within 5 Business Days after the calculation of the Net Asset Value of the shares which will be made as of the relevant Valuation Day normally within 10 Business Days after the applicable Valuation Day, provided that the Administrative Agent has received the relevant share certificate(s), if any.

#### **C. CONVERSION OF SHARES**

Shareholders may apply for the conversion of their shares of one class into shares of another class of the Sub-Fund. Shareholders may also apply for the conversion of their shares of one class into shares of any other Sub-Fund.

Applications for conversion must be received by the Administrative Agent by 7:00 p.m. (Luxembourg time), at the latest on the Business Day falling 5 Business Days prior to the relevant common Valuation Day for the two classes concerned or the relevant Valuation Day of the class to be converted in the absence of common Valuation Day. Any application received after such time is considered for the following common Valuation Day or Valuation Day of the class to be converted, as relevant.

The number of shares issued upon conversion will be based upon the respective Net Asset Value of the two classes concerned on the common Valuation Day on which the conversion request is accepted. If there is no common Valuation Day for any two classes, the conversion will be made on the basis of the Net Asset Value calculated on the next following Valuation Day of each of the two classes concerned.

A Conversion Charge based on the Net Asset Value of the shares to be converted may be applied. As at the date of this Prospectus, no Conversion Charge will be levied. The Board of Directors can decide to levy a Conversion Charge at its discretion, without advance notice, within the limits set out under Section XI Issue and Redemption of shares, G. Conversion of Shares.

## **VI. MANAGEMENT FEE**

The Management Company will receive a fee payable quarterly in arrears, calculated on the average of the net assets of the Sub-Fund attributable to each class of shares for the relevant quarter. It may not exceed 1.25% per year for class A shares and 1% per year for Class I shares. With effect from 1<sup>st</sup> October 2012, the fee payable by class A shareholders shall not exceed 2.00% per year.

The Investment Manager is remunerated by the Management Company, out of the management fee paid by the Sub-Fund to the Management Company.