



# TREETOP CONVERTIBLE INTERNATIONAL

## SIMPLIFIED PROSPECTUS – JUNE 2009

*This simplified prospectus contains the main characteristics of the TreeTop Convertible International sub-fund, a sub-fund of the TreeTop Convertible Investment Company ("the Investment Company"). The Investment Company's shares are offered on the basis of the information shown in this simplified prospectus and in the Prospectus of the Investment Company and in the documents referred to therein. This information is supplemented by the Investment Company's last annual report and any subsequent half-yearly reports. Investors are recommended to consult these documents which may be obtained free of charge from the registered office of either the Investment Company or the Management Company. These documents are also available on the Management Company's website: [www.treetopam.com](http://www.treetopam.com).*

**Investors that have any doubts concerning the risks relating to an investment in the Investment Company's shares, or about the tax or legal consequences of investing in the Investment Company's shares, are recommended to consult their financial, legal or tax adviser, as applicable, in order to determine whether it is appropriate to invest in the Investment Company in the light of their personal situation.**

### PRESENTATION OF THE INVESTMENT COMPANY

<b>Legal form</b>	→ An open-ended Investment Company with multiple sub-funds incorporated under the laws of Luxembourg, subject to Part I of the Law of 2002.
<b>Date of incorporation</b>	→ 31 March 1988 for an unlimited duration.
<b>Management Company and promoter</b>	→ TREETOP ASSET MANAGEMENT S.A. 12, Rue Eugène Ruppert, L-2453 Luxembourg
<b>Custodian bank</b>	→ BANQUE DEGROOF LUXEMBOURG S.A. 12, Rue Eugène Ruppert, L-2453 Luxembourg
<b>Paying and Administrative Agent</b>	→ BANQUE DEGROOF LUXEMBOURG S.A. 12, Rue Eugène Ruppert, L-2453 Luxembourg
<b>Corporate auditor</b>	→ PRICEWATERHOUSECOOPERS S.à r.l. 400, route d'Esch, L-1014 Luxembourg
<b>Supervisory Authority</b>	→ COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER 110, route d'Arlon, L-1150 Luxembourg <a href="http://www.cssf.lu">www.cssf.lu</a>
<b>Financial services agents</b>	→ In Luxembourg: BANQUE DEGROOF LUXEMBOURG S.A. 12, Rue Eugène Ruppert, L-2453 Luxembourg  In Belgium: BANQUE DEGROOF S.A. 44, rue de l'Industrie, B-1040 Brussels  In the United Kingdom: TREETOP ASSET MANAGEMENT L.L.P. 33, Saint James's Square, GB-London SW1Y 4JS  In France: CACEIS BANK 1-3, Place Valhubert, F-75013 Paris  In Spain: PRIVATBANK S.A. 464, Av. Diagonal, E-08006 Barcelona

## **PRESENTATION OF THE TREETOP CONVERTIBLE INTERNATIONAL SUB-FUND**

### **INVESTMENT POLICY, RISKS AND PROFILE OF INVESTORS**

<b>The sub-fund's objective</b>	→ The sub-fund's main objective is to achieve a long-term capital gain on the capital invested.
<b>Investment policy</b>	<p>→ The sub-fund will endeavour to achieve its objective by investing in a portfolio composed chiefly of convertible bonds which may be denominated in different currencies, without limitation.</p> <p>Subject to this constraint, the sub-fund's portfolio may be invested in shares, other negotiable securities considered as shares or entitling the holder to acquire shares by way of subscription or exchange, traditional bonds, money market instruments, bank deposits, derivative financial instruments and, up to not more than 10% of the sub-fund's assets, in shares in undertakings for collective investment.</p> <p>For foreign exchange risk management purposes, the sub-fund may use currency hedging techniques and derivative financial instruments (forward foreign exchange contracts, currency futures, currency options, etc.).</p>
<b>Risk profile</b>	<p>→ The sub-fund's assets are subject to market fluctuations and the risks inherent in any investment in financial assets. In particular, the risks relating to investments in shares and other negotiable securities classified as shares include price fluctuations which can sometimes be important. Investments in convertible bonds reduce the downward risk of the underlying shares without however eliminating it. As the sub-fund's objective is to achieve a long-term capital gain, it will in general hold a portfolio of convertible bonds having a substantial share content.</p> <p>On a scale of risk from 0 (the lowest) to 6 (the highest), the sub-fund's risk level is estimated at 4.</p> <p>It is possible that investors may not recover their initial investment.</p>
<b>Investor profile</b>	<p>→ The sub-fund is intended for institutional investors or well-informed retail investors wanting to take advantage of movements in share prices via a portfolio composed mainly of international convertible bonds whose composition will reflect the portfolio manager's convictions.</p> <p>Investors must have a good knowledge of the risks relating to financial markets and be ready to accept capital losses due to fluctuations in the value of the portfolio's assets.</p>
<b>Minimum investment timescale</b>	→ Given the risks inherent in the sub-fund's investment policy, the recommended timescale is not less than 5 to 7 years.

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### THE SUB-FUND'S SHARES

Class	Currency	Dividend Policy	Hedging against foreign exchange risks	Front-end load	Management fees	Performance commission	Distribution Commission	Minimum initial investment
<b>A</b>	EUR	Capitalisation	Yes	3% maximum	1.2%	12%	nil	EUR 5,000
<b>B</b>	USD	Capitalisation	Yes	3% maximum	1.2%	12%	nil	USD 5,000
<b>C</b>	GBP	Distribution	Yes	3% maximum	1.2%	12%	nil	GBP 5,000
<b>D</b>	EUR	Distribution	Yes	3% maximum	1.2%	12%	nil	EUR 5,000

**Hedging against foreign exchange risks** → For all classes of shares, the portfolio manager's objective will be to hedge the majority of the portfolio's positions in non-European currencies against the EUR provided that an efficient market exists for the currency in question and that the hedging cost is considered reasonable by the portfolio manager. As hedges are reviewed weekly, short positions may temporarily exceed the foreign currency assets to be hedged.

**Front-end load** → Shares in the sub-fund are issued at a price corresponding to the net asset value per share, increased by a front-end load fee payable to the distributor. It is for the distributor to decide the front-end load that it intends to charge.

**Exit fee and conversion fee** → Nil

**Dividend Policy** → No dividends will be paid for class A and B shares. The proportion of income and capital gains to be allocated to the capitalisation shares will be capitalised and allocated to the shares in question.

On a proposal of the Board of Directors and subject to a decision of the general meeting of shareholders, class C and D shares intend to distribute an annual dividend calculated in accordance with legal limits and any relevant provisions in the articles of association.

All dividend payment notices shall be published in the Wort in the case of the Grand-Duchy of Luxembourg and in a newspaper of the country/countries where the Investment Company is marketed whenever such publication is required in the country in question.

### COMMISSIONS AND COSTS TO BE BORNE BY THE SUB-FUND

**Management fees** → 1.20% a year, calculated on the average net value of the sub-fund during the quarter under review, payable at the end of each quarter to the Management Company.

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<b>Performance commission</b>	→ 12% of the positive increase in the NAV per share before calculation of the performance composition, in relation to the NAV per benchmark share. The reference NAV per share is the highest ever previously achieved by the sub-fund; in the case of dividend payments, these will be added to the NAV in order to calculate the highest NAV ever achieved. A provision shall be created for the performance commission every time the NAV is calculated on the basis of the number of shares of the sub-fund in circulation on the day the NAV is calculated. The amount thus calculated shall be paid to the Management Company at the end of each quarter.
<b>Commissions of the custodian bank and the transfer agent (excluding transaction costs)</b>	→ <ul style="list-style-type: none"><li>- 0.225% per annum on the tranche of the sub-fund's average net assets between 0 and 35 million EUR,</li><li>- 0.200% per annum on the tranche of the sub-fund's average net assets between 35 million and 125 million EUR,</li><li>- 0.175% per annum on the tranche of the sub-fund's average net assets in excess of 125 million EUR,</li></ul> with a minimum of EUR 25,000.00 per year.
<b>Paying agent's commission</b>	→ Flat rate amount of EUR 2,500.00 a year plus a fixed amount of EUR 1,000.00 per year per country where the sub-fund is marketed.
<b>Administration commission</b>	→ <ul style="list-style-type: none"><li>- 0.080% per annum on the tranche of the sub-fund's average net assets between 0 and 125 million EUR,</li><li>- 0.065% per annum on the tranche of the sub-fund's average net assets in excess of 125 million EUR,</li></ul> with a minimum of EUR 25,000.00 per year.
<b>Operating costs</b>	→ The Investment Company shall bear all other operating expenses as defined in section XII of the Investment Company's Full Prospectus.  The costs and charges which are not attributable to a specific sub-fund shall be charged to the various sub-funds pro rata to their respective net assets.

### **MARKETING OF SHARES**

<b>Subscription, Repurchase, Conversion of shares</b>	→ Subscription, repurchase and conversion applications received by the Investment Company on the basis of the completed application form before 13:15 (local time) on the business day preceding a Valuation Day will be executed on the basis of the net asset value ("NAV") as determined on the said Valuation Day.  The net subscription price for each share is payable three business days after the Valuation Day.  The share repurchase price shall be paid 3 working days after the Valuation Day, subject to all the documents attesting to the repurchase having been received by the Investment Company.
<b>Calculation and publication of the net asset value</b>	→ The net asset value of each class shall be determined every Thursday on which banks are open for business in Luxembourg (a Valuation Day).  The net asset values, the issue and repurchase prices shall be made public on every valuation day at the registered office of the Investment Company, as well as at the registered office of the Management Company.

### **FISCALITY**

#### **Fiscality of the Investment Company**

- No duties or taxes are payable in Luxembourg, except for a one-off capital duty payable at the time of incorporation and a subscription tax of 0.05% per annum calculated on the sub-fund's net assets at the end of every quarter.

#### **Fiscality of shareholders**

- Dividend payments and capital reimbursements to shareholders may be subject to a withholding tax in accordance with the provisions of European Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments. Where such a payment is subject to withholding tax, investors can avoid such a withholding tax by transmitting a certificate of exemption or an authorisation to exchange information, depending on the possibilities proposed by the paying agent.

Shareholders are recommended to consult their tax adviser about the laws and regulations in force in their country of origin, residence or domicile.

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### HISTORICAL PERFORMANCES OF THE SUB-FUND'S SHARES

