

## Key investor information :

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Melchior European Absolute Return Fund - I7 £ (Hedged)

(ISIN: LU0476439020)

This Fund is a sub-fund of Melchior Selected Trust the management company of which is Edmond de Rothschild Asset Management (Luxembourg).

### Objectives and investment policy

- The objective of the Fund is to achieve capital growth.
- The Fund invests primarily in shares of companies that are either based in or carry out a predominant portion of their activities in Europe (including the United Kingdom). It may invest, up to a maximum of 10% of the portfolio, in companies established and undertaking the majority of their business outside of Europe (including the United Kingdom).
- The Fund seeks to maximise returns by purchasing shares (or financial instruments giving exposure to them) of companies perceived to be undervalued. Conversely, it seeks to generate returns by “shorting” companies perceived to be overvalued. This is achieved through the use of derivatives (financial

instruments whose value is linked to the expected future price movements of the underlying assets).

- “Shorting” is a transaction which allows the investor to profit from a company’s share price dropping.
- The Fund is actively managed within its objectives and is not constrained by a benchmark.
- The Fund does not focus on a particular industry or sector.
- You can buy, sell and switch shares in the Fund on any Luxembourg business day. An instruction received before 14:00 CET will be bought/sold at the price on the next dealing day in Luxembourg.
- Any income is reinvested into the Fund.

### Risk and reward profile



The risk category is calculated using either historical volatility or the risk limit of the fund, based upon methods set by European Union rules. It may not be a reliable indicator of the fund’s future risk profile. It is not a measure of capital gain or loss is not guaranteed and may change over time. The lowest risk number does not mean risk free.

The share class is in the risk category indicated above due to rises and falls of its price or simulated data in the past. Share classes that seek to provide rewards with a low level of

volatility are indicated by a 1-2, whereas a 3-5 indicates a medium level of volatility and 6-7 a high level of volatility.

Volatility is influenced by changes in stock market prices, currencies and interest rates, which can be affected unpredictably by diverse factors including political and economic events. Please note that the value of investments and any income you receive from them may go up as well as down. This means that you may not get back your original investment.

All the risks currently identified as being applicable to the Fund are set out in the “General Risk Considerations” section of the Prospectus.

## Charges for this fund

The charges you pay are used to pay the costs of running the fund, including marketing and distributing costs. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest.

**Entry charge** 5.00%

**Exit charge** none

This is the maximum that might be taken out of your money (before it is invested / before the proceeds of your investment are paid out).

Charges taken from the fund over a year

**Ongoing charges** 1.99%

Charges taken from the fund under certain specific conditions

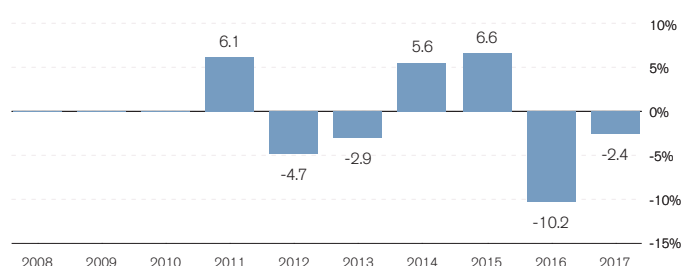
**Performance fee** 20.00%

The entry and exit charges shown are maximum figures. In some cases you might pay less - you can find this out from your financial adviser. The ongoing charges figure is based on annual expenses for the year ending 31.12.2017 and may vary from year to year. It excludes performance fees and portfolio transaction costs (unless these assets are shares of another fund). In the case of significant subscriptions or redemptions a dilution levy may be applied.

A performance fee of 20% a year of any returns achieved above the hurdle (1 month Libor in the currency of the Share Class) will be applied. In the last financial year the performance fee for this share class was 0.00%.

For more information about charges, please see the 'Charges and Expenses' section in the most recent prospectus.

## Past performance



Fund Launch Date: 02/02/2010  
Share Class launch date: 02/02/2010  
Performance figures calculated in: Pound Sterling

Past performance has been calculated after the deduction of charges, but excluding any entry/exit charges. It is not a reliable indicator of or a guide to future performance.

## Practical information

Edmond de Rothschild (Europe) is the depositary for this fund.

Edmond de Rothschild Asset Management (Luxembourg) is the management company for the fund.

For further information about this Fund, please visit [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com). By selecting "Melchior Selected Trust" in the "Institutional and Fund Services / Central Administration / NAV Centre" you can obtain a copy of the Prospectus and latest annual or interim Financial Statements. The website also provides other information such as share prices. The prospectus and annual financial statements are available free of charge in English and French. Interim financial statements are available free of charge in English.

The Luxembourg tax regime may have an impact on your personal tax position and there may be tax implications in your country of residence/origin.

Edmond de Rothschild Asset Management (Luxembourg) may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus.

The assets and liabilities of each sub-fund of Melchior Selected Trust are segregated. The assets of any particular sub-fund will only be available to satisfy the debts, liabilities and obligations which relate to that sub-fund.

More share classes are available for this fund. For information on other share classes available in your jurisdiction please refer to the website, [www.daltonsp.com](http://www.daltonsp.com).

You are entitled to switch from this share class into the same or other share class types of another sub-fund, for which there is no fee. Details on switching rules can be found in section XI of the Prospectus.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, where such a committee exists, are available on <http://www.edmond-de-rothschild.com/site/Luxembourg/en/asset-management/terms-and-conditions>. A paper copy of the summarised remuneration policy is available free of charge to the shareholders upon request.