P R O S P E C T U S

Relating to the permanent offer of Shares of the Investment Company with Variable Capital ("SICAV") under Luxembourg law and with multiple Sub-Funds

NEXT AM FUND

March 2023

The shares (each a "**Share**") of the various sub-funds (each a "**Sub-Fund**") of the investment company with variable capital NEXT AM FUND (the "**Company**") may only be subscribed on the basis of the information contained in the present prospectus, including the appendices of each Sub-Fund as they are mentioned in the present document and giving a descriptive of the different Sub-Funds of the Company (the "**Prospectus**"). The present Prospectus may only be distributed together with the latest annual report of the Company and the latest semi-annual report of the Company published after the said annual report.

No other information may be given other than that stated in the present Prospectus, in the key investor information document and in the documents mentioned therein, which are available to the public.

NEXT AM FUND
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

List of active Sub-Fund(s)

Name of the Sub-Fund(s)	Reference currency
NEXT AM FUND – TENDANCE FINANCE	EUR

TABLE OF CONTENTS

DISCLOSURE

NEXT AM FUND was created on 3 May 2012.

Prior to considering subscription to Shares, prospective investors are recommended to carefully read the present Prospectus and examine the last annual report of the Company, copies of which may be obtained from BNP Paribas S.A, Luxembourg Branch and from companies ensuring the financial services and the distribution of the Shares of the Company. Subscription applications may only be made on the basis of the conditions and methods stipulated in the Prospectus. Prior to investing in the Company, prospective investors should request appropriate advice from their own legal, tax and financial advisors.

No other information may be given other than that stated in the Prospectus and in the documents mentioned therein, which are available to the public.

The Company is authorised as an undertaking for collective investment in transferable securities (a "**UCITS**") in Luxembourg, where its Shares may be offered and sold. The Prospectus is neither an offer nor a solicitation of sale. It may not be used for such a purpose in any jurisdiction where this would not be allowed, nor may it be distributed to any persons prohibited from purchasing such Shares.

None of the Shares have been registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "**United States**"). The Company has not been registered with the US Securities and Exchange Commission under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Consequently, this document has not been approved by the above-mentioned authority.

Accordingly, no Shares may therefore be directly or indirectly offered or sold to US Persons in the United States, except in connection with transactions in compliance with applicable law.

For the purposes of this Prospectus, a US Person includes, but is not limited to, a person (including a partnership, corporation, limited liability company or similar entity) that is a citizen or a resident of the United States or is organized or incorporated under the laws of the United States or a person that meets the substantial presence test or any other person that is not a foreign person. Shares will only be offered to a US Person at the sole discretion of the board of directors of the Company (the "**Board of Directors**"). Certain restrictions also apply to any subsequent transfer of Shares in the United States or to US Persons. Should a shareholder of the Company (a "**Shareholder**") become a US Person, he may be subject to US withholding taxes and tax reporting.

Any failure to abide by these restrictions may stand as a breach of US laws on transferable securities. The Board of Directors may compulsory redeem any Shares purchased or held by US Persons inclusive any investors who would become US Persons subsequent to the purchase of Shares.

If you are in any doubt as to your status, you should consult your financial or other professional adviser. Please refer to Section IX 1. C. for general information related to the United States tax withholding and reporting under the Foreign Account Tax Compliance Act ("**FATCA**").

Shares shall also not be sold to persons and entities subject to targeted restrictive measures or sanctions issued by laws and regulations or entities or persons linked thereto either on an international basis or local basis as may be determined from time to time by the Board of Directors in its entire discretion

Considering the economic and stock exchange risks, no guarantee can be given that the Company shall achieve its investment objectives; as a consequence, the value of the Shares may decrease as well as increase.

ORGANISATION OF THE COMPANY

REGISTERED OFFICE:

60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS:

Chairman:

Pascale AUCLAIR
LA FRANCAISE ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris
France

Directors:

Antoine ROLLAND
NEW ALPHA ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris
France

Philippe PAQUET
NEW ALPHA ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris
France

MANAGEMENT COMPANY
LA FRANCAISE ASSET MANAGEMENT
128, Boulevard Raspail
F-75006 Paris
France

Supervisory Board of the Management Company *(Conseil de Surveillance)*:

Chairman:

Patrick RIVIERE
La Française Group
128, Boulevard Raspail
F-75006 Paris
France

Members:

Pascale AUCLAIR
La Française Group
128, Boulevard Raspail
F-75006 Paris
France

CAISSE FEDERALE DU CREDIT MUTUEL NORD EUROPE
4 place Richebé
59000 Lille

Management Board of the Management Company (*Directoire)*:

Chairman:

Jean-Luc HIVERT
Managing Director
La Française Asset Management
128, Boulevard Raspail
F-75006 Paris
France

Members:

Laurent JACQUIER-LAFORGE
Managing Director
La Française Asset Management
128, Boulevard Raspail
F-75006 Paris
France

Joel KONOP
La Française Asset Management
128, Boulevard Raspail
F-75006 Paris
France

Philippe LECOMTE
La Française Asset Management
128, Boulevard Raspail
F-75006 Paris
France

Franck MEYER
La Française Asset Management
128, Boulevard Raspail
F-75006 Paris
France

DEPOSITARY BANK, DOMICILIATION AND LISTING AGENT
BNP Paribas S.A, Luxembourg Branch
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

ADMINISTRATIVE AGENT
BNP Paribas S.A, Luxembourg Branch
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

AUTHORISED AUDITORS

DELOITTE AUDIT
20 Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

INVESTMENT MANAGERS - INVESTMENT ADVISORS

For the Sub-Fund: NEXT AM FUND – TENDANCE FINANCE

Investment Manager: NEW ALPHA ASSET MANAGEMENT
128, Boulevard Raspail
F-75006 Paris
France

Investment Advisor: TENDANCE FINANCE
33 rue de Miromesnil
F-75008 Paris
France

IMPORTANT INFORMATION

The Company is registered on the official list of undertakings for collective investment in accordance with the law of 17 December 2010 relating to undertakings for collective investment ("**2010 Law**") and the law of 10 August 1915 on commercial companies, as both may be amended from time to time. In particular, it is subject to the provisions of **Part I of the 2010 Law** which relates specifically to undertakings for collective investment as defined by the European Directive 2009/65/EC, as amended. However, this registration does not require an approval or disapproval of the Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority for the financial sector ("**CSSF**") as to the suitability or accuracy of this Prospectus or any key information documents for retail and insurance-based packaged investment products within the meaning of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for retail and insurance-based packaged investment products, as amended (the "**KID PRIIPS")** generally relating to the Company or specifically relating to any Sub-Fund. Any representation to the contrary would be unauthorised and unlawful.

The Company's Board of Directors has taken all possible precautions to ensure that the facts indicated in the Prospectus are accurate and that no point has been omitted which could render any information as erroneous. All of the directors accept their responsibility in this matter.

Any information or representation not contained in the Prospectus, KID PRIIPS, appendices of each Sub-Fund ("**Appendix (ces)**" and/or "**Appendix 1**") or in the periodic reports that form an integral part thereof, should be considered unauthorised. Neither the remittance of the Prospectus, KID PRIIPS, or the offer, issue or sale of Shares of the Company shall constitute a representation that the information given in the Prospectus is correct as of any time other than the date stipulated in the legal documentation. In order to take important changes such as the opening of a new Sub-Fund, new categories and/or new classes of shares ("**Classes of Shares**" or "**Classes**") into account, the Prospectus and its Appendices shall be updated at the appropriate time. Subscribers are therefore advised to contact the Company in order to establish whether any later Prospectus and/or KID PRIIPS have been published. Prospective subscribers and purchasers of Shares are thus advised to enquire as to the possible tax consequences, legal controls, foreign exchange restrictions and controls they may face in the countries of their domicile or of which they are national or resident, which may regulate the subscription, purchase, holding or sale of Shares.

Data Protection

Pursuant to data protection law applicable in Luxembourg, the Company, the Management Company, the Administrative Agent and other service providers and their affiliates may collect store, and process by electronic or other means the personal data supplied by investors, at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with their respective legal obligations, whereby a Shareholder is a holder of Share(s) entitled to an undivided co-ownership of the assets and liabilities comprising the relevant Sub-Fund and to participate and share in the gross income of the relevant Sub-Fund, registered by the Management Company, respectively the register and transfer agent appointed by the Management Company, in the Shareholder register as the owner of the Shares.

In particular, the data supplied by investors is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) carrying out the services provided by the entities mentioned above as well as (v) complying with applicable company law, anti-money laundering rules, FATCA rules, common reporting standard ("**CRS**") or similar laws and regulation (e.g. at OECD or EU level).

By subscribing for Shares of the Company, investors consent to the aforementioned processing of their personal data and in particular, the disclosure of their personal data to, and the processing of their personal data by the parties referred to above including affiliates situated in countries outside of the

European Union which may not offer a similar level of protection as the one deriving from Luxembourg data protection law. Investors acknowledge that the transfer of their personal data to these parties may occur via, and/or their personal data may be processed by, parties in countries (such as, but not limited to, the United States) which may not have data protection requirements deemed equivalent to those prevailing in the European Union.

Investors acknowledge and accept that failure to provide relevant personal data requested by the Company, the Management Company and/or the Administrative Agent in the course of their relationship with the Company may prevent them from maintaining their holdings in the Company and may be reported by the Company, the Management Company and/or the Administrative Agent to the relevant Luxembourg authorities.

Investors acknowledge and accept that the Company, the Management Company or the Administrative Agent will report any relevant information in relation to its investments in the Company to the Luxembourg tax authorities which will exchange this information on an automatic basis with the competent authorities in the United States or other permitted jurisdictions as agreed in the FATCA Law, CRS on OECD and EU levels or equivalent Luxembourg legislation.

Each Shareholder has a right to access his/her/its personal data and may ask for a rectification or deletion thereof in cases where such data is inaccurate and/or incomplete. In relation thereto, each Shareholder has the right to ask for a rectification by a letter addressed to the Company.

The Shareholder has a right of opposition regarding the use of its personal data for marketing purposes. This opposition can be made by a letter addressed to the Company.

The Shareholder has a right of opposition regarding the use of personal data for marketing purposes. This opposition can be made by a letter addressed to the Company.

Reasonable measures have been taken to ensure confidentiality of the personal data transmitted between the parties mentioned above. 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 law as currently in force in Luxembourg may not be guaranteed while the personal data is kept abroad.

The Company 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 the event of wilful negligence or gross misconduct of the Company.

Personal data shall not be held for longer than necessary with regard to the purpose of the data processing, subject always to applicable legal minimum retention periods.

Investor Responsibility

Prospective investors should review this Prospectus and each relevant KID PRIIPS carefully in its entirety and consult with their legal, tax and financial advisors in relation to (i) the legal requirements within their own countries for the subscription, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own country in relation to the subscription, holding, redemption or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, holding, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus and each KID PRIIPS.

FATCA Requirements

FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income

(including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

The basic terms of FATCA include the Company as a "Financial Institution", such that in order to comply, the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation. For further details, please refer to Section IX 1.C. of the Prospectus.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Company shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Company;
- require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority;
- withhold the payment of any dividend or redemption proceeds to a Shareholder until the Company holds sufficient information to enable it to determine the correct amount to be withheld.

Shareholder Rights

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

Sustainability-related disclosures

Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended ("SFDR") governs the transparency requirements regarding the integration of sustainability risks into investment decisions, the consideration of adverse sustainability impacts and the disclosure of environment, social, and governance ("ESG") and sustainability-related information.

Sustainability risk means the occurrence of an ESG event or condition that could potentially or actually cause a material negative impact on the value of a Sub-Fund's investment.

Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability risks may have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

In the area of climate change, the issuers are mainly subject to two types of risks: physical risks resulting from the damages directly caused by meteorological events and transition risks related to the effects of the implementation of a low-carbon economic model (i.e. legal evolutions, regulatory and political changes, changes in supply and demand, technological innovations and disruption, as well as the perception of clients and stakeholders as to their contribution to the transition. Biodiversity-related risks are not assessed due to a lack of data and an established methodology).

The Management Company and the Investment Managers integrate sustainability risks and opportunities into their research, analysis and investment decision-making processes in order to enhance their ability to manage risk more comprehensively and generate sustainable, long-term returns for investors.

The Management Company is of the view that in the short and medium term, it is mainly the transition risks that could affect investors. If, however, the rise in temperature were to be significant, the physical risks would become predominant.

The transition risks linked to the market or to the technology are latent but could materialise very quickly. The legal, economic and political risks linked, for example, to the implementation of a carbon tax or a carbon price should materialise more gradually.

The intrinsic characteristics of these risks - long-term, non-probability and without history - are often difficult to reconcile with standard investment processes that are based on probabilities established from the past.

Sustainability risks are assessed for the portfolios of each Sub-Fund and are integrated into the investment-decision process according to the probability of the occurrence of such sustainability risks. To limit the sustainability risks, the Management Company has established an exclusion policy which excludes sectors which are the most likely to create risks linked to environmental factors. In the mid-to-long term, the returns may most be affected by the transition risks.

The Investment Manager is currently not in a position to consider principal adverse impacts of its investment decisions on sustainability factors due to a lack of available and reliable data.

Further information regarding the inclusion of ESG criteria in the investment policy applied by the Investment Manager, charter on sustainable investment, climate and responsible strategy report, engagement and exclusion policy, can also be found online by visiting the corporate website at the following address:

Management Company's website: https://www.la-francaise.com/fr/nous-connaitre/nos-expertises/linvestissement-durable

New Alpha Asset Management: https://www.newalpha.com/societe/#engagement

All Sub-Funds are managed using an investment process integrating ESG factors but do not necessarily promote ESG characteristics or have specific sustainable investment objectives.

Regulation (EU) 2020/852 “Taxonomy"

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The abbreviations below denote the following currencies:
EUR Euro.

P R O S P E C T U S

relating to the permanent offer of Shares
in the Investment Company with Variable Capital
"NEXT AM FUND"

I. GENERAL DESCRIPTION

1. INTRODUCTION

NEXT AM FUND is an investment company with variable capital (*Société d'investissement à capital variable*) ("**Company**") set up as an umbrella structure. Each Sub-Fund may hold a portfolio of separate assets made up of transferable securities denominated in different currencies. The characteristics and investment policy of each Sub-Fund are listed in Appendix 1 appended to the Prospectus.

The Company's capital may be divided between several Sub-Funds each of which can offer several categories as defined for each of the Sub-Funds: some categories can offer one or more Classes of Shares as defined in Chapter IV.

The Company may create new Sub-Funds and/or new categories and/or new Classes of Shares. Whenever new Sub-Funds, categories and/or Classes of Shares are launched the Prospectus shall be updated accordingly.

The opening of any new Sub-Fund, of any category or Class of Shares of a Sub-Fund mentioned in the Prospectus shall be subject to a decision of the Board of Directors which shall in particular determine the price and period/date of initial subscription as well as the date of payment of such initial subscription.

For each Sub-Fund, the management objective shall be to combine a maximisation of growth and capital return.

The Shares of each Sub-Fund, category or Class of Shares shall be issued and redeemed at a price to be determined in accordance with the Articles of Incorporation and the Prospectus at the frequency indicated in Appendix 1 (a day set for such calculation being defined hereinafter as a "**Valuation Day**").

In relation to any Class of Shares in a Sub-Fund, the price shall be based on the net asset value per Share, i.e. the value of the net assets of the relevant Sub-Fund attributable to the relevant Class of Shares of the Sub-Fund ("**Net Asset Value**" or "**NAV**"). For the avoidance of doubt, when the content so requires, the term "Net Asset Value" shall also mean the Net Asset Value of a given Sub-Fund, being the sum of the Net Asset Value of the Shares, category or Class of Shares of such Sub-Fund.

The Net Asset Value shall be expressed in the reference currency of that Sub-Fund or in a certain number of other currencies, as indicated in Appendix 1.

As a matter of principle, switching from one Sub-Fund, category or Class of Shares to another Sub-Fund, category or Class of Shares may be done on each Valuation Day. This can be achieved by converting Shares of one Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares subject to payment of a conversion commission, as mentioned in Appendix 1.

2. THE COMPANY

The Company was incorporated in Luxembourg on 3 May 2012 and for an indefinite period under the name **"NEXT AM FUND".**

The minimum capital is set at EUR 1,250,000 (one million two hundred fifty thousand euros). The Company's capital is expressed in EUR and is at any time the equivalent of the Net Asset Value of its Sub-Funds and represented by Shares of no par value.

Variations in the capital are effected "ipso jure" and without compliance with measures regarding publication and entry in the Trade and Companies Register in Luxembourg prescribed for increases and decreases of capital of public limited companies.

The articles of incorporation of the Company were published in the *Mémorial C, Recueil des Sociétés et Associations* on 25 May 2012 (the "**Articles of Incorporation**"). The Articles of Incorporation were last amended on 25th February 2016.

The Company is registered with the Trade and Companies Register in Luxembourg under number B168.626.

The fact that the Company is registered on the official list established by the CSSF may under no circumstances be considered to represent a positive opinion on the part of the said supervisory authority as to the quality of the Shares put up for sale.

II. MANAGEMENT AND ADMINISTRATION

1. BOARD OF DIRECTORS

The Board of Directors is responsible for the administration and management of the Company and of the assets of each Sub-Fund. It may carry out all acts of management and administration on behalf of the Company; in particular it may purchase, sell, subscribe or exchange any transferable securities and exercise all rights directly or indirectly attached to the Company's assets.

The list of the members of the Board of Directors as well as of the other administrating bodies may be found in this Prospectus and in the periodic reports.

2. MANAGEMENT COMPANY

LA FRANCAISE ASSET MANAGEMENT (the "**Management Company**") has been appointed as management company of the Company. It was incorporated on 13 October 1978 as a simplified joint stock company under French law for an unlimited period and is registered with the *Registre du Commerce et des Sociétés* in Paris under the registration number 314 024 019. The Management Company was approved by the French Financial Markets Authority on 1 July 1997, under number GP 97076. Its registered office is at 128 boulevard Raspail, 75006 Paris - France. The Management Company has a fully paid up share capital of seventeen million six hundred and ninety-six thousand six hundred and seventy six euro (EUR 17,696,676). The articles of incorporation have been deposited with the Greffe du Tribunal de la Chambre de Commerce de Paris and were last amended on 25 April 2017.

The corporate purpose of the Management Company is to manage investment funds under French and Luxembourg law.

The Management Company has been appointed as management company of the Company pursuant to a novation agreement which aims to replace La Française AM International with La Française Asset Management under the terms of the management company services agreement (the "**Management Company Services Agreement**") dated on 3 May 2012, to provide investment management, administration and marketing services (the "**Services**"). The Management Company Services Agreement has been concluded for an unlimited period and can be terminated by either party upon no less than ninety (90) days written notice. The responsibilities of the Company remain unchanged further to the appointment of the Management Company.

In the provision of the Services, the Management Company is authorised, in order to conduct its duties efficiently, to delegate with the consent of the Company and the Luxembourg supervisory authority, under its responsibility and control, part or all of its functions and duties to any third party.

In particular, the management function includes the following tasks:

- to give all opinions or recommendations concerning the investments to be made,
- to conclude contracts, to purchase, sell, exchange and/or deliver all transferable securities and all other assets,
- on behalf of the Company, to exercise all voting rights attached to the transferable securities constituting the Company's assets.

In particular, the functions of administrative agent include (i) calculation and publication of the Net Asset Value of the Shares of each Sub-Fund in accordance with the 2010 Law and the Articles of Incorporation and (ii) the provision, on behalf of the Company, of all the administrative and accounting services necessary to the management.

As keeper of the registrar and transfer agent, the Management Company is responsible for processing subscription, redemption and conversion applications regarding Shares and for keeping the register of Shareholders of the Company in accordance with the provisions described in more detail in the Management Company Services Agreement.

The functions of the principal distributor include the marketing of the Shares in Luxembourg and/or abroad.

The rights and obligations of the Management Company are governed by agreements entered into for an indefinite term.

In accordance with the laws and regulations in force and with the prior consent of the Board of Directors, the Management Company is authorised, under its responsibility and control, to delegate one or more of its functions and powers or part thereof to any entities it deems appropriate, provided the Prospectus is updated in advance and the Management Company retains full liability for acts committed by its delegate/s. Any such delegate/s, with regards to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question.

The Management Company will require any such agent to which it intends to delegate its duties to comply with the provisions of the Prospectus, the Articles of Incorporation the relevant provisions of the Management Company Services Agreement and any applicable laws and regulations.

In relation to delegated duties, the Management Company will implement appropriate control mechanisms and procedures, including risk management controls, and regular reporting processes in order to ensure an effective supervision of the third parties to whom functions and duties have been delegated and that the services provided by such third party service providers are in compliance with the Articles of Incorporation, the Prospectus and the agreement entered into with the relevant third party service provider.

The Management Company will be diligent and exhaustive in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the delegated functions.

At the present time, the functions of management, administrative agent and registrar and transfer agent are delegated or further described in this Prospectus.

In accordance with the Directive 2009/65/EC, the Management Company has established a remuneration policy for those categories of staff whose professional activities have a material impact on the risk profiles of the Management Company or the Company. Those categories of staff includes any employees

who are decision takers, fund managers, risk takers and persons who take real investment decisions, control functions, persons who have the power to exercise influence on such employees or members of staff, including investment advisors and analysts, senior management and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and decision takers. The remuneration policy is compliant with and promotes a sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles of the Company or with its Articles of Incorporation, and which are in line with the business strategy, objective values and interests of the Management Company and does not interfere with the obligation of the Management Company to act in the best interests of the Company. The remuneration policy includes an assessment of performance set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the long-term performance of the Company and its investment risks. The variable remuneration component is also based on a number of the other qualitative and quantitative factors. The remuneration policy contains an appropriate balance of fixed and variable components of the total remuneration.

The La Française Group has established a remuneration committee that operates on a group-wide basis. The remuneration committee is organised in accordance with internal rules in compliance with the principles set out in the Directive 2009/65/EC and Directive 2011/61/EU. The remuneration policy has been designed to promote sound risk management and to discourage risk tracking that exceeds La Française's level of tolerated risk, having regard to the investment profiles of the funds managed and to establish measures to avoid conflicts of interest. The remuneration policy is reviewed on an annual basis.

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 persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, is made available at http://lfgrou.pe/MnDZx7. A paper copy is made available free of charge upon request at the Management Company's registered office.

3. DEPOSITARY BANK

BNP Paribas S.A., Luxembourg Branch (the "**Depositary Bank**") has been appointed as depositary by the Company.

BNP Paribas S.A, Luxembourg is a branch of BNP Paribas S.A. BNP Paribas S.A is a licensed bank incorporated in France as a *Société Anonyme (public limited company)* under No. 662 042 449, authorised by the *Autorité de Contrôle Prudentiel et de Résolution* ("**ACPR**") and supervised by the *Autorité des Marchés Financiers* ("**AMF**"), with its registered address at 16 Boulevard des Italiens, 75009 Paris, France, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register under number B23968 and supervised by the CSSF.

The Depositary Bank performs three types of functions, namely (i) the oversight duties (as defined in Article 34 (1) of the 2010 Law), (ii) the monitoring of the cash flows of the Company (as set out in Article 34 (2) of the 2010 Law) and (iii) the safekeeping of the Company's assets (as set out in Article 34 (3) of the 2010 Law).

Under its oversight duties, the Depositary Bank is required to ensure:

(1) that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the Luxembourg Law and with the Articles of Incorporation,
(2) that the value of Shares is calculated in accordance with the Luxembourg Law and the Articles of Incorporation,
(3) to carry out the instructions of the Company or the Management Company, unless they conflict with the Luxembourg Law or the Articles of Incorporation,
(4) that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits;

(5) that the Company's revenues are allocated in accordance with Luxembourg Law and its Articles of Incorporation.

The overriding objective of the Depositary Bank is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with BNP Paribas S.A, Luxembourg Branch in parallel with an appointment of BNP Paribas S.A, Luxembourg Branch acting as Depositary Bank.

Such other business relationships may cover services in relation to:

- Outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas S.A or its affiliates act as agent of the Company or the Management Company, or

- Selection of BNP Paribas S.A or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary Bank is required to ensure that any transaction relating to such business relationships between the Depositary Bank and an entity within the same group as the Depositary Bank is conducted at arm's length and is in the best interests of Shareholders.

In order to address any situations of conflicts of interest, the Depositary Bank has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:

    - Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;
    - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall (i.e. by separating functionally and hierarchically the performance of its Depositary Bank duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.
    - Implementing a deontological policy;
    - Recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or
    - Setting-up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary Bank in order to assess any situation entailing a conflict of interest.

In the event that such conflicts of interest do arise, the Depositary Bank will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

The Depositary Bank may delegate to third parties the safe-keeping of the Company's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the depositary agreement.

The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum

capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary Bank's liability shall not be affected by any such delegation.

A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationships with the Depositary Bank in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from cristalizing, the Depositary Bank has implemented and maintains an internal organisation whereby such separate commercial and / or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates' performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available on the website https://securities.cib.bnpparibas/app/uploads/sites/3/2021/11/ucitsv-list-of-delegates-sub-delegates-en.pdf.

Such list may be updated from time to time.

Updated information on the Depositary Bank's custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise may be obtained, free of charge and upon request, from the Depositary Bank.

BNP Paribas S.A, Luxembourg Branch, being part of a group providing clients with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg. More pertinently, entities located in France, Belgium, Spain, Portugal, Poland, USA, Canada, Singapore, Jersey, United Kingdom, Luxembourg, Germany, Ireland and India are involved in the support of internal organisation, banking services, central administration and transfer agency service. Further information on BNP Paribas S.A, Luxembourg Branch international operating model may be provided upon request by the Company and/or the Management Company**.**

Updated information on the Depositary Bank's duties and the conflict of interests that may arise are available to investors upon request.

The Management Company acting on behalf of the Company may release the Depositary from its duties with ninety (90) days written notice to the Depositary Bank. Likewise, the Depositary Bank may resign from its duties with ninety (90) days written notice to the Management Company. In that case, a new depositary bank must be designated to carry out the duties and assume the responsibilities of the Depositary Bank, as defined in the agreement signed to this effect. The replacement of the Depositary Bank shall happen within two months.

4. DOMICILIATION AND LISTING AGENT

The Company has appointed BNP Paribas S.A, Luxembourg Branch as its domiciliary and listing agent ("**Domiciliary and Listing Agent**"). In its capacity as such, it will be responsible for all corporate agency duties required by Luxembourg law, and in particular for providing and supervising the mailing of statements, reports, notices and other documents to the Shareholders, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

The rights and duties of the Domiciliary and Listing Agent are governed by an agreement entered into for an unlimited period of time on 3 May 2012. This agreement may be terminated by each of the parties with prior notice of ninety (90) days (as stipulated in the applicable contractual provisions).

5. ADMINISTRATIVE AGENT

BNP Paribas S.A, Luxembourg Branch, with its registered office at 60, Avenue J.F. Kennedy L-1855 Luxembourg, performs the functions of an administrative agent ("**Administrative Agent**"), including the functions of Registrar and Transfer Agent, pursuant to a novation agreement with aims to replace La Française AM International with La Française Asset Management under the administrative agreement dated 3 May 2012. This agreement may be terminated by each of the parties by means of prior notice of ninety (90) days (as stipulated in the applicable contractual provisions).

In this context, BNP Paribas S.A, Luxembourg Branch performs the administrative functions required by the 2010 Law such as the bookkeeping of the Company and calculation of the Net Asset Value per Share. The Administrative Agent supervises all submissions of declarations, reports, notices and other documents to Shareholders.

As Registrar and Transfer Agent, it takes responsibility in particular for keeping the register of registered Shares. It is also responsible for the process of subscription and applications for the redemption of Shares and, if applicable, applications for the conversion of Shares as well as acceptance of such transfers of funds. Moreover, it must deliver Share confirmations and accept Share confirmations submitted for replacement and if such should be the case for redemption or conversion.

6. INVESTMENT ADVISORS AND INVESTMENT MANAGERS

The Management Company may be assisted by one or more delegate investment advisor(s) and/or investment manager(s) as specified in Appendix 1. The control and final responsibility of the activities of the investment advisor(s) and/or investment manager(s) shall rest with the Board of Directors. The name of the investment advisor(s) and/or investment manager(s) shall be indicated in the Appendices of each Sub-Fund. The investment advisor(s) and/or investment manager(s) shall be entitled to receive the payment of an advisory and/or a management fee, the rates and methods of calculation of which are mentioned in the Appendices of each Sub-Fund.

7. DISTRIBUTORS AND NOMINEES

The Management Company may decide to appoint nominees and distributors for the purpose of assisting in the distribution of the Shares in the countries in which they shall be sold.

Distribution and nominee agreements shall be concluded between the Company, the Management Company and the various nominees/distributors.

In accordance with these distribution and nominee agreements, the name of the nominee, rather than that of the Investors investing in the Company, shall be recorded in the register of Shareholders. The terms and conditions of the distribution and nominee agreements shall stipulate, among others, that an investor who has invested in the Company via a nominee may request at any time that the Shares be re-registered under his/her own name. In this case the investor's name shall be entered in the register of Shareholders as soon as the Company receives the transfer instructions from the nominee.

Prospective Shareholders may subscribe for Shares by applying directly to the Company, without having to act through one of the nominees/distributors.

Copies of the distribution and nominee agreements may be consulted by the Shareholders at the Company's registered office as well as at the Administrative Agent's registered office and at the registered offices of the nominees/distributors during normal office hours.

8. AUDITING OF THE COMPANY'S OPERATIONS

The auditing of the Company's accounts and annual financial statements is entrusted to Deloitte Audit, having its registered office at 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, in its capacity as approved statutory auditor of the Company.

III. INVESTMENT POLICIES

The main objective of the Company is to offer Shareholders the opportunity to participate in the professional management of portfolios of transferable securities, money market instruments and other permitted assets with the purpose of spreading investment risks as further detailed in the investment policy of each Sub-Fund (see Appendix 1).

The Company can offer no guarantee that its objectives will be fully achieved. Nevertheless, diversification of the portfolios of the Sub-Funds helps limit the risks inherent to any investments, if unable to eliminate them completely.

The Company's investments shall be made under the control and authority of its Board of Directors.

INVESTMENT POLICIES - GENERAL PROVISIONS

The specific investment policy of each Sub-Fund as detailed in Appendix 1 of the Sub-Funds has been defined by the Board of Directors.

The Company allows Shareholders to modify the trend of their investments, and where applicable, to change investment currencies through the conversion of Shares held in a Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares.

The objective of each Sub-Fund is the maximum appreciation of the assets invested. The Company may take as much risk as it deems reasonable in line with its objectives; it cannot however guarantee that it shall reach such objectives due to stock exchange fluctuations and other risks incurred by investments made.

Unless otherwise specified in each Sub-Fund's investment policy, no guarantee can be given on the realisation of the investment objectives of the Sub-Funds and past performance is not an indicator of future performances.

SPECIAL REGULATIONS AND INVESTMENT RESTRICTIONS

The general provisions hereunder shall apply to all the Sub-Funds unless otherwise provided in the specific investment objectives of a Sub-Fund. In this case, Appendix 1 of that Sub-Fund shall list the specific restrictions intended to take over the present general provisions.

A. The Company's investments must comprise only one or more of the following:

(1) Transferable securities and money market instruments admitted to or dealt in a regulated market within the meaning of Directive 2014/65/EU.

(2) Transferable securities and money market instruments dealt in on another market in a member State of the European Union (the "**EU**") which is regulated, operates regularly, and is recognised and open to the public.

(3) Transferable securities or money market instruments admitted to official listing on a stock exchange in the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public in any other country in Eastern and Western Europe, the American continent, Asia, Oceania and Africa.

(4) Transferable securities and money market instrument newly issued provided that:

(i) the terms governing the issue include the provision that application shall be made for official listing on a stock exchange, or on another regulated market which operates regularly, and is recognised and open to the public; and

(ii) such listing is secured within one year of issue.

(5) Shares of UCITS and/or other UCI within the meaning of Article 1(2), first and second hyphens of Directive 2009/65/EC, whether or not established in a Member State of the EU, provided that:

(i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently guaranteed;

(ii) the level of protection of shareholders in the other UCI is equivalent to the level of protection of shareholders of a UCITS and in particular the provisions for separate management of the Company's assets, borrowing, credit allocation and short selling of securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;

(iii) the business activity of the other UCI is subject to semi-annual and annual report which permits a statement to be made on the assets and liabilities, earnings and transactions within the reporting period; and

(iv) in accordance with its articles of incorporation the UCITS or other UCI whose shares are being acquired may invest altogether a maximum 10% of its assets in the shares of other UCITS or other UCI.

(6) Sight deposits or callable deposits with a maximum term of twelve months with credit institutions, provided the credit institution in question has its registered office in an EU Member State or, if the registered office of the credit institution is in a third state, provided it is subject to supervisory provisions that the CSSF holds to be equivalent to those of EU law.

(7) Derivatives, including similar instruments giving rise to a settlement in cash, which are traded on a regulated market of the type referred to in points (1), (2) and (3) above, and/or derivatives traded over the counter (hereinafter called "**OTC derivatives**"), provided that:

(i) the underlying assets are instruments within the meaning of this section A, financial indices, interest rates, exchange rates or currencies, in which the Company may invest in accordance with its investment objectives;

(ii) with regard to transactions involving OTC derivatives, the counterparts are institutions from categories subject to official supervision which is approved by the Luxembourg supervisory authorities;

(iii) the OTC derivatives are subject to reliable and examinable valuation on a daily basis and can at an appropriate time on the initiative of the Company be disposed of, liquidated or realised by counter-transaction at any time and at their fair value.

(iv) in no case shall these transactions lead the Company to diverge from its investment objectives.

In particular, the Company may intervene in transactions relating to options, future contracts on financial instruments and options on such contracts.

(8) Money-market instruments, that are not traded on a regulated market, provided the issue or the issuer of such instruments are subject to provisions concerning deposits and investor protection, and provided they are:

(i) issued or guaranteed by a central state, regional or local body or central bank of a Member State of the EU, the European Central Bank, the European Union or the European Investment Bank, a third state or in the case of a federal state, a Member State of the federation, or an international public law institution, which at least belongs to a Member State of the EU; or

(ii) issued by a Company the securities of which are traded on the regulated markets referred to in points (1), (2) and (3) above; or

(iii) issued or guaranteed by an establishment subject to prudential surveillance according to the criteria defined by EU Law, or by an establishment which is subject to and abides by prudential rules considered by the CSSF to be at least as strict as those provided by EU legislation; or

(iv) issued by other issuers which belong to a category approved by the CSSF, provided that for investments in these instruments there are provisions for investor protection which are equivalent to the first, second or third point and provided the issuer is either a Company with equity capital and reserves of at least ten million euros (EUR 10,000,000), which draws up and publishes its annual reports in accordance with the provisions of the Directive 2013/34/EU, or a legal entity which, within a group of companies with one or more stock market listed companies, is responsible for the financing of the group, or a legal entity where the security backing of liabilities will be financed by use of a line of credit granted by a bank.

B. Moreover, the Company may for each Sub-Fund:

(1) Invest up to 10% of the net assets of the Sub-Fund in transferable securities or money market instruments other than those referred to in A (1) to (4) and (8).

(2) Hold up to 20% of its net assets in bank deposits at sight (such as cash held in current accounts with a bank accessible at any time) for ancillary liquidity purposes, (i) in order to cover current or exceptional payments, or (ii) for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law of 2010 or (iii) for a period of time strictly necessary in case of unfavourable market conditions.

The 20% limit may be exceeded only in exceptionally unfavourable market conditions (such as the 9/11 attacks or the collapse of Lehman Brothers in 2008) on a temporary basis and for a period of time strictly necessary and if justified in the interest of the investors.

(3) Borrow up to 10% of the net assets of the Sub-Fund, insofar as these are temporary borrowings. Commitments in relation to option contracts, purchases and sales of future contracts are not considered borrowings for calculation of the investment limit.

(4) Acquire currencies through a type of face-to-face loan.

C. Furthermore, as regards the net assets of each Sub-Fund, the Company shall observe the following investment restrictions per issuer:

(1) **Rules as to distribution of risks**

For calculation of the limits described in points (1) to (5) and (8) above, companies included in the same group of companies shall be considered a single issuer.

To the extent that an issuer is a legal entity with multiple Sub-Funds where the assets of one Sub-Fund respond exclusively to the rights of investors in relation to that Sub-Fund and those of the creditors whose claims arise out of the incorporation, operation or liquidation of that Sub-Fund, each Sub-Fund shall be considered a separate issuer for application of the rules as to the distribution of risks.

- **Transferable Securities and Money Market Instruments**

(1) A Sub-Fund may not acquire additional transferable securities and money market instruments from one and the same issuer if, as a consequence of that acquisition:

a. more than 10% of its net assets correspond to transferable securities or money market instruments issued by that entity;

b. the total value of the transferable securities and money market instruments held of issuers in each of which it invests more than 5% exceeds 40% of the value of its net assets. That limit is not applicable to deposits with financial establishments subject to prudential surveillance and to OTC transactions on derivatives with those establishments.

(2) The limit of 10% fixed in point (1)(a) is raised to 20% if the transferable securities and money market instruments are issued by the same group of companies.

(3) The maximum limit of 10% indicated in section (1) (a) may be increased to a maximum 35% if the securities or money market instruments are issued or guaranteed by a Member State of the EU or its regional bodies, by a third state or by international public law institutions which at least belong to an EU Member State.

(4) The maximum limit of 10% indicated in section (1) (a) may be increased to a maximum 25% for covered bond as defined under article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (hereafter "Directive (EU 2019/2162"), and for specific bonds, if these are issued before 8 July 2022 by a credit institution with registered office in a Member State of the EU, and which is subject to specific official supervision on the basis of the legal provisions for the protection of holder of those bonds. In particular, the proceeds from the issue of these bonds issued before 8 July 2022 must in accordance with legal provisions be invested in assets which during the entire term of the bonds adequately cover the liabilities arising therefrom and which are allocated for the due repayment of capital and the payment of interest in the event of the default of the issuer. If a Sub-Fund invests more than 5% of its net assets in such bonds that are issued by one and the same issuer, then the total value of those investments may not exceed 80% of the value of the net assets of the Sub-Fund.

(5) The securities and money-market instruments mentioned in sections (3) and (4) above are not included when applying the investment limit of 40% provided in section (1) (b).

(6) **Where any Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities or by an OECD member state or Brazil, Singapore or any G20 member state, or by public international bodies of which one or more EU member states are members, the Company may invest 100% of the Net Asset Value of any Sub-Fund in such securities provided that such Sub-Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the Net Asset Value of the Sub-Fund.**

(7) Notwithstanding the limits imposed in section (2) hereinafter, the limits mentioned under point (1) are increased to a maximum 20% for investments in shares and/or bonds issued by the same entity, when the Company's investment policy aims to reproduce the composition of a specific share or bond index recognised by the CSSF, on the following bases:

(i) the composition of the index is sufficiently diversified,
(ii) the index constitutes a representative benchmark for the market to which it relates,
(iii) it is subject to the appropriate publication.

The limit of 20% amounts to 35% provided this is justified on the basis of extraordinary market circumstances, in particular on regulated markets on which certain securities or money market instruments are extremely dominant. An investment up to this maximum limit is only possible with a single issuer.

- **Bank deposits**

(8) The Company may not invest more than 20% of the net assets of each Sub-Fund in deposits placed with the same entity.

- **Derivatives**

(9) The default risk of the counterparty in transactions with OTC derivatives may not exceed 10% of the net assets of the Sub-Fund, if the counterparty is a credit institution as described in A (6) above. For other cases, the limit is up to a maximum of 5% of the net assets.

(10) Investments may be made in derivatives insofar as, globally, the risks to which the underlying assets are exposed do not exceed the investment limits fixed in points (1) to (5), (8), (9), (13) and (14). When the Company invests in derivatives based on an index, those investments are not necessarily combined to the limits fixed in points (1) to (5), (8), (9), (13) and (14).

(11) When a transferable security or money market instrument contains a derivative, the latter must be taken into account in applying the provisions of Section C, point (14) and Section D, point (1) as well as for assessing the risks associated with derivatives transactions, insofar as the overall risk associated with derivatives does not exceed the total Net Asset Value of the assets.

- **Shares in open-ended funds**

(12) The Company may not invest more than 20% of the net assets of each Sub-Fund in the shares of the same UCITS or other UCI, as defined in Section A point (5).

- **Combined limits**

(13) Notwithstanding the individual limits fixed in points (1), (8) and (9) above, a Sub-Fund may not combine:

- investments in transferable securities or money market instruments issued by the same entity,
- deposits made with the same entity, and/or
- risks arising from OTC derivatives transactions with a single entity which are greater than 20% of its net assets.

(14) The limits provided in points (1), (3), (4), (8), (9) and (13) above may not be combined. As a consequence, the investments of each Sub-Fund in transferable securities or money market instruments issued by the same entity, in deposits with that entity or in derivatives traded with that entity in accordance with points (1), (3), (4), (8), (9) and (13) may not exceed a total 35% of the net assets of that Sub-Fund.

(2) **Limitations as to control**

(15) The Company may not acquire any voting shares that would enable it to exercise a considerable influence on the management of the issuer.

(16) A Sub-Fund may not acquire (i) more than 10% of non-voting equities of one and the same issuer; (ii) more than 10% of the bonds of one and the same issuer; (iii) more than 10% of the money market instruments of one and the same issuer; or (iv) more than 25% of the shares of the same UCITS and/or other UCI.

The limits provided under points (ii) to (iv) need not to be respected on acquisition if the gross amount of the bonds or money market instruments, or the net amount of the issued securities cannot be calculated at the time of acquisition.

The provisions under points (15) and (16) are not applicable to:

- securities and money market instruments issued or guaranteed by an EU Member State or its regional bodies;
- securities and money market instruments issued or guaranteed by a third state;
- securities and money market instruments issued or guaranteed by international public law organisations, to which belong one or more EU Member States;
- shares held in the capital of a company from a third state, under the provisions that (i) the company invests its assets essentially in securities of issuers who are residents in said third state, (ii) owing to the legal regulations of that third state, such a stake represents the only possibility to invest in securities of issuers of that third state, and (iii) in its investment policy the company observes the rules of diversification of risk and limitations as to control indicated in Section C, point (1), (3), (4), (8), (9), (12), (13), (14), (15) and (16) and in Section D, point (2);
- shares held in the capital of subsidiaries carrying on any management, advisory or marketing activities solely for the exclusive benefit of the Company in the country where the subsidiary is located as regards the redemption of Shares or the application of Shareholders.

D. Moreover, the Company must observe the investment restrictions for the following instruments:

(1) Each Sub-Fund shall ensure that the overall risk associated with derivatives does not exceed the total net value of its portfolio.

Risks are calculated taking account of the current value of the underlying assets, counterparty risk, foreseeable market evolution and the time available to liquidate positions.

(2) Investments in the shares of UCI other than UCITS may not in total exceed 30% of the net assets of the Company.

E. Furthermore, the Company shall ensure that the investments of each Sub-Fund comply with the following rules:

(1) The Company may not acquire commodities, precious metals or even certificates representing them, it being understood that transactions relating to currencies, financial instruments, indices or securities and likewise future contracts, option contracts and swap contracts relating thereto are not considered transactions relating to merchandise within the meaning of this restriction.

(2) The Company may not acquire real estate, unless such acquisitions are indispensable in the direct exercise of its activity.

(3) The Company may not use its assets to guarantee securities.

(4) The Company may not issue warrants or other instruments conferring a right to acquire Shares of the Sub-Fund.

(5) Without prejudice to the possibility for the Company to acquire bonds and other debt securities and to hold bank deposits, the Company may not grant loans or act as guarantor on behalf of third parties. This restriction is not an obstacle to the acquisition of transferable securities, money market instruments or other financial instruments not fully paid up.

(6) The Company may not make short sales of transferable securities, money market instruments or other financial instruments mentioned in Section A points (5), (7) and (8).

F. Notwithstanding all the aforementioned provisions:

(1) The limits fixed previously may not be respected in the exercise of subscription rights relating to transferable securities or money market instruments which are part of the assets of the Sub-Fund concerned.

(2) If limits are exceeded irrespectively of the desire of the Company or as a consequence of the exercise of subscription rights, the Company must, in its sale transactions, regularise the situation in the best interests of the Shareholders.

The Board of Directors shall be entitled to determine other investment restrictions to the extent that those limits are necessary to comply with the 2010 Law and regulations of the country in which the Shares shall be offered or sold.

G. Cross-Investments

Finally, a Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more other Sub-Funds (the "**Target Sub-Fund**"), provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund investing in the Target Sub-Fund;
- the Target Sub-Fund may not, according to its investment policy, invest more than 10% of its net assets in other UCITS or UCIs;
- voting rights, attaching to the Shares of the Target Sub-Fund are suspended for as long as they are held by the Sub-Fund;
- in any event, for as long as the Shares are held by the Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the

purpose of verifying the minimum threshold of the net assets imposed by the 2010 Law;
- subscription, redemption or conversion fees may only be charged either at the level of the Sub-Fund investing in the Target Sub-Fund or at the level of the Target Sub-Fund;

H. Master-Feeder structures

Under the conditions set forth in Luxembourg laws and regulations, the Board of Directors may, at any time it deems appropriate and to the widest extent permitted by applicable Luxembourg laws and regulations:

- create any Sub-Fund and/or Class of Shares qualifying either as a feeder UCITS or as a master UCITS,
- convert any existing Sub-Fund and/or Class of Shares into a feeder UCITS sub-fund and/or class of shares or change the master UCITS of any of its feeder UCITS Sub-Fund and/or Class of Shares.

By way of derogation from Article 46 of the 2010 Law, the Company or any of its Sub-Funds which acts as a feeder (the "**Feeder**") of a master-fund shall invest at least 85% of its assets in another UCITS or in a sub-fund of such UCITS (the "**Master**"). In the event that a Sub-Fund qualifies as a Feeder, it will be indicated in Appendix 1 of the relevant Sub-Fund.

The Feeder may not invest more than 15% of its assets in the following elements:

1) ancillary liquid assets in accordance with Article 41, paragraph (2), second sub-paragraph of the 2010 Law;
2) financial derivative instruments which may be used only for hedging purposes, in accordance with Article 41 first paragraph, point g) and Article 42 second and third paragraphs of the 2010 Law;
3) movable and immovable property which is essential for the direct pursuit of the Company's business.

FINANCIAL TECHNIQUES AND INSTRUMENTS

A. General provisions

For efficient management of the portfolio and/or with the aim of protecting its assets and liabilities, in each Sub-Fund the Company may use techniques and instruments which relate to transferable securities or money market instruments.

To that end, each Sub-Fund or category is authorised in particular to carry out transactions which have as their object the sale or purchase of future foreign exchange contracts, the sale or purchase of future contracts on currencies and the sale of call options and the purchase of put options on currencies, with the aim of protecting its assets against exchange rate fluctuations or of optimising its return, for efficient management of the portfolio.

Where a Sub-Fund uses such techniques and instruments, the relevant Appendix for such Sub-Fund shall disclose such fact, as well as a detailed description of the risks involved in these activities, including counterparty risk and potential conflicts of interest (to the extent not covered in this general part of the Prospectus), and the impact they will have on the performance of the relevant Sub-Fund. The use of these techniques and instruments shall be in line with the best interests of the relevant Sub-Fund.

The policy regarding direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the relevant Sub-Fund are disclosed in the relevant Appendix. These costs and fees shall not include hidden revenue. The identity of the entity(ies) to which the direct and indirect costs and fees are paid are also set out in

the relevant Appendix for each Sub-Fund, as well as the indication as to whether these are related parties to the Management Company or the Depositary Bank.

The techniques and instruments used for the purposes of efficient management of the portfolio and/or with the aim of protecting its assets and liabilities shall fulfil the following criteria:

a) they are economically appropriate in that they are realised in a cost-effective way;

b) they are entered into for one or more of the following specific aims:

(i) reduction of risk;

(ii) reduction of cost;

(iii) generation of additional capital or income for the relevant Sub-Fund with a level of risk which is consistent with the risk profile of the relevant Sub-Fund and the applicable risk diversification rules, as set out in the 2010 Law;

c) their risks are adequately captured by the risk management process of the Management Company.

Techniques and instruments which comply with the criteria set out here above and which relate to money market instruments shall be regarded as techniques and instruments relating to money market instruments for the purpose of efficient portfolio management as referred to in the 2010 Law.

In applying techniques and instruments for the purposes of efficient management of the portfolio and/or with the aim of protecting its assets and liabilities, the Company shall at all times comply with the 2010 Law as well as any present or future related Luxembourg law or implementing regulations, circulars, CSSF positions and ESMA guidelines, in particular the provisions of article 11 of the Grand-Ducal regulation of 8 February 2008[1], of CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investment when they use certain techniques and instruments relating to transferred securities and money market instruments (as these pieces of regulations may be amended or replaced from time to time) and CSSF Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS issues, as amended from time to time (the "**Regulations**").

In particular, techniques and instruments relating to transferable securities and money market instruments should not:

a) result in a change of the declared investment objective of the Company, respectively the Sub-Fund concerned; or
b) add substantial risks in comparison to the original risk policy as described herein and/or the relevant Appendix of the Sub-Fund concerned.

All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, shall be returned to the relevant Sub-Fund.

The Company, in entering into efficient portfolio management transactions, shall take into account these operations when developing its liquidity risk management process in order to ensure it is able to comply at any time with its redemption obligations.

When these transactions relate to the use of derivatives, the conditions and limits fixed previously in section A, point (7), in Section C, points (1), (9), (10), (11), (13) and (14) and in Section D, point (1) must be respected.

[1] Grand-ducal Regulation of 8 February 2008 relating to certain definitions of the amended Law of 20 December 2002 on undertakings for collective investment and implementing Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

In no case the use of financial derivatives instruments or other financial techniques and financial instruments may lead the Company to diverge from its investment objectives as expressed in this Prospectus.

The Company's annual report shall contain details of the following:

a) the exposure obtained through efficient portfolio management techniques;
b) the identity of the counterparty(ies) to these efficient portfolio management techniques;
c) the type and amount of collateral received by the Company, respectively the relevant Sub-Fund, to reduce counterparty exposure; and
d) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

All assets received in the context of efficient portfolio management techniques should be considered as collateral and should comply with the following criteria:

(1) Any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing

(2) Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral

(3) Collateral received should be of high quality

(4) Collateral received by the Sub-Fund should be issued by an entity that is independent from the counterparty

(5) Collateral should be sufficiently diversified in terms of country, markets and issuers

(6) Non-cash collateral received should not be sold, re-invested or pledged

(7) Cash collateral received should only be:

(i) placed on deposit with entities prescribed in Article 50(f) of Directive 2009/65/EC,
(ii) invested in high-quality government bonds,
(iii) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Sub-Fund is able to recall at any time the full amount of cash on accrued basis,
invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

B. Risks - Warning

With a view to optimising the return on their portfolio, all the Sub-Funds are authorised to use the derivative techniques and instruments described above (in particular swap contracts on rates, currencies and other financial instruments, future contracts, options on transferable securities, on rates or on future contracts), observing the conditions mentioned above.

Investors' attention is drawn to the fact that market conditions and the regulations in force may restrict the use to these instruments. No guarantee may be given as to the success of these strategies. The Sub-Funds using these techniques and instruments bear risks and costs associated with such investments which they might not have been borne if they had not followed such strategies. Investors' attention is further drawn to the increased risk of volatility arising from Sub-Funds using these techniques and instruments other than for hedging purposes. If the forecasts of managers and delegate managers as to the movements of markets in securities, currencies and interest rates prove to be inaccurate, the Sub-Fund affected might find itself in a worse situation than if those strategies had not been followed.

When using derivatives, each Sub-Fund may carry out over-the-counter transactions on future and cash contracts on indices or other financial instruments as well as on swaps on indices or other financial instruments with first-class banks or stockbrokers specialising in this matter acting as counterparts. Although the corresponding markets are not necessarily deemed more volatile than other futures markets, operators are less well protected against insolvency in their transactions on these markets since the contracts traded there are not guaranteed by a clearing house.

C. Securities lending operations

To the extent permitted by applicable Regulations, the Company may enter into securities lending transactions provided it complies with the following rules:

(1) The Company may lend the securities included in its portfolio to a borrower either directly or through a standardised lending system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions. In all cases, the counterparty to the securities lending agreement (i.e. the borrower) must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending agreement. If the Company lends its securities to entities that are linked to the Company by common management or control, specific attention has to be paid to the conflicts of interest which may result therefrom.

(2) The Company must receive, previously or simultaneously to the transfer of the securities lent, a guarantee which the value at conclusion of the contract and during the life of the contract must be at least equal to the total value of the securities lent. At maturity of the securities lending transaction, the guarantee will be remitted simultaneously or subsequently to the restitution of the securities lent.

In case of a standardised securities lending system organised by a recognised clearing institution or in case of a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions, securities lent may be transferred before the receipt of the guarantee if the intermediary in question assures the proper completion of the transaction. Such intermediary may, instead of the borrower, provide to the Company a guarantee which the value at conclusion of the contract must be at least equal to the total value of the securities lent.

(3) The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of Company's assets in accordance with its investment policy.

(4) The Company should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

(5) In its financial reports, the Company must disclose the global valuation of the securities of the date of reference of these reports.

D. Repurchase agreements

To the extent permitted by applicable Regulations, the Company may enter into repurchase agreement transactions, which consist of a forward transaction at the maturity of which the Company has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

However, its involvement in such transactions is subject to the following rules:

(1) The Company may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

(2) At the maturity of the contract, the Company must ensure that it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution of the Company. The Company must take care to ensure that the volume of the repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligation towards Shareholders.

(3) In its financial reports, the Company must provide separate information on securities sold under repurchase agreements, disclosing the total amount of the open transactions on the date of reference of these reports.

(4) When entering into a repurchase agreement the Company shall ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

(5) Fixed-term repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

E. Reverse repurchase agreements

(1) When entering into a reverse repurchase agreement in the context of a given Sub-Fund the Company shall ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the calculation of the Net Asset Value of the relevant Sub-Fund.

(2) Fixed-term reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

F. Financial Derivative Instruments

(1) Where a Sub-Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by it shall comply with the investment limits set out in the 2010 Law and herein. For example, when a Sub-Fund enters into an unfunded swap, the Sub-Fund's investment portfolio that is swapped out shall comply with such investment limits.

(2) In accordance with the 2010 Law and Article 43(5) of Directive 2010/43/EU, where a Sub-Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the underlying exposures of the financial derivative instruments shall be taken into account to calculate the investment limits laid down in 2010 Law.

(3) The Appendix of a relevant Sub-Fund using total return swaps or other financial derivative instruments with the same characteristics shall include the following:
   a) information on the underlying strategy and composition of the investment portfolio or index;
   b) information on the counterparty(ies) of the transactions;
   c) a description of the risk of counterparty default and the effect on investor returns;
   d) the extent to which the counterparty assumes any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of

the financial derivative instruments, and whether the approval of the counterparty is required in relation to any Sub-Fund investment portfolio transaction; and

e) subject to the provisions set out in item (4) below, identification of the counterparty as an investment manager.

(4) Where the counterparty has discretion over the composition or management of the relevant Sub-Fund's investment portfolio or of the underlying of the financial derivative instrument, the agreement between the Company in relation to such Sub-Fund and the counterparty shall be considered as an investment management delegation arrangement and shall comply with the applicable requirements on delegation.

(5) The Company's annual report shall contain for each relevant Sub-Fund, to the extent applicable, details of the following:

a) the underlying exposure obtained through financial derivative instruments;
b) the identity of the counterparty(ies) to these financial derivative transactions; and
c) the type and amount of collateral received by the relevant Sub-Fund to reduce counterparty exposure.

Notwithstanding the provisions stated under C. to F. above, it is currently not intended that any of the Sub-Funds enters into total return swaps, repurchase transactions or reverse repurchase transactions or any other securities financing transactions as defined by the EU Regulation 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse (the "SFT Regulation"). Should this change, this Prospectus will be amended accordingly in order to disclose all relevant information required by the SFT Regulation.

G. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques

(1) All assets received by a relevant Sub-Fund in the context of efficient portfolio management techniques are considered as collateral for the purpose of these provisions and shall comply with the criteria laid down in the paragraph below.

(2) Where the Company, in relation to a Sub-Fund, enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

a) **Liquidity** – any collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of the 2010 Law.

b) **Valuation** – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place. Where a Sub-Fund uses this possibility, the relevant Appendix shall indicate such haircuts.

c) **Issuer credit quality** – collateral received shall be of high quality.

d) **Correlation** – the collateral received by the Company in relation to a Sub-Fund shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

e) **Collateral diversification (asset concentration)** – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if

the Company in relation to a Sub-Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When the Company in relation to a Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, the Company may be fully collaterised in different transferable securities and money market instruments issued or guaranteed by a EU member state, by its local authorities or by an OECD member state or Brazil, Singapore or any G20 member state, or public international bodies to which one or more member state belong. In such a case, the Company, on behalf of the relevant Sub-Fund, should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the relevant Sub-Fund's Net Asset Value.

f) **Risks linked to the management of collateral**, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process.

g) **Where there is a title transfer**, the collateral received shall be held by the Depositary Bank. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

h) **Collateral received shall be capable of being fully enforced** by the Company at any time without reference to or approval from the counterparty.

i) **Non-cash collateral** received shall not be sold, re-invested or pledged.

j) **Cash collateral** received shall only be:

- placed on deposit with entities prescribed in the 2010 Law;
- invested in high-quality government bonds;
- used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in the CESR Guidelines on a Common Definition of European Money Market Funds (Ref. CESR/10-049).

(3) Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

(4) Where the Company receives, in relation to a Sub-Fund, collateral for at least 30% of the Sub-Fund's assets, the Company shall have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Company to assess the liquidity risk attached to the collateral. The liquidity stress testing policy shall at least prescribe the following:

a) design of stress test scenario analysis including calibration, certification & sensitivity analysis;
b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
c) reporting frequency and limit/loss tolerance threshold/s; and
d) mitigation actions to reduce loss including haircut policy and gap risk protection.

(5) The Company shall have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, the Company shall take into account

the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with paragraph (4) hereabove. This policy shall be documented and shall justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

(6) This Prospectus shall be updated prior to the Company implementing the provisions hereabove in order to clearly inform investors of its collateral policy. This shall include permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, re-investment policy (including the risks arising from the re-investment policy).

(7) The Company's annual report shall contain details of the following in the context of OTC financial derivative transactions and efficient portfolio management techniques:

a) where collateral received from an issuer has exceeded 20% of the Net Asset Value of the relevant sub-fund, the identity of the issuer; and
b) whether the Company/the Sub-Fund has been fully collateralized in securities issued or guaranteed by a EU member state.

RISKS WARNINGS

A. Custody Risk

The Depositary Bank's liability only extends to its own negligence and wilful default and to that caused by the negligence or wilful misconduct of its local agent, and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar agent. In the event of such losses, the Company will have to pursue its rights against the issuer and/or the appointed registrar agent of the securities.

Securities held with a local agent or clearing/settlement system or securities correspondent ("**Securities System**") may not be as well protected as those held within the Depositary Bank in Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

B. Conflicts of interest

The Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Depositary Bank and the Administrative Agent may, in the course of their business, have potential conflicts of interest with the Company. Each of the Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Depositary Bank and the Administrative Agent will have regard to their respective duties to the Company and other persons when undertaking any transactions where conflicts or potential conflicts of interest may arise. In the event that such conflicts do arise, each of such persons has undertaken or will be requested by the Company to undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

C. Interested dealings

The Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Depositary Bank and the Administrative Agent and any of their respective subsidiaries, affiliates, associates, agents, directors, officers, employees or delegates (together the Interested Parties and, each, an Interested Party) may:

• contract or enter into any financial, banking or other transaction with one another or with the Company including, without limitation, investment by the Company, in securities in any company or body any of whose investments or obligations form part of the assets of the Company or any Sub-Fund, or be interested in any such contracts or transactions;
• invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and
• deal as agent or principal in the sale, issue or purchase of securities and other investments to, or from, the Company through, or with, the Investment Manager or the Depositary Bank or any subsidiary, affiliate, associate, agent or delegate thereof.

Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Interested Party. Banking or similar transactions may also be undertaken with or through an Interested Party (provided it is licensed to carry out this type of activities).

There will be no obligation on the part of any Interested Party to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party. Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

D. Conflicts of interest of the Investment Manager in case of securities lending

The Investment Manager may also be appointed as the lending agent of the Company under the terms of a securities lending management agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Company's securities lending activities and is entitled to receive a fee which is in addition to its fee as investment manager. The income earned from stock lending will be allocated between the Company and the Investment Manager and the fee paid to the Investment Manager will be at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to stock lending for the Company, including fees paid or payable, will be included in the annual and semi-annual financial statements. The Management Company will, at least annually, review the stock lending arrangements and associated costs.

The Investment Manager may execute trades through their affiliates on both a principal and agency basis, as may be permitted under applicable law. As a result of these business relationships, the Investment Manager's affiliates will receive, among other benefits, commissions and mark-ups/mark-downs, and revenues associated with providing prime brokerage and other services.

Certain conflicts of interest may arise from the fact that affiliates of the Investment Manager and/or the Investment Advisor or the Management Company may act as sub-distributors of interests in respect of the Company or certain Sub-Funds. Such entities may also enter into arrangements under which they or their affiliates will issue and distribute notes or other securities the performance of which will be linked to the relevant Sub-Fund.

Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

E. Conflicts of interest in the case of securities lending

The Depositary Bank may also be appointed as the lending agent of the Company under the terms of a securities lending agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Company's securities lending activities and is entitled to receive a fee which is in addition to its fee as Depositary Bank. The income earned from stock lending will be allocated between the Company and the Depositary Bank and the fee paid to the Depositary Bank will be at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to stock lending for the Company, including fees paid or payable, will be included in the annual and semi-annual financial statements. The Management Company will, at least annually, review the stock lending arrangements and associated costs.

The Depositary Bank may execute trades through its affiliates on both a principal and agency basis, as may be permitted under applicable law. As a result of these business relationships, the Depositary Bank's affiliates will receive, among other benefits, commissions and mark-ups/mark-downs, and revenues associated with providing prime brokerage and other services.

Certain conflicts of interest may arise from the fact that affiliates of the Depositary Bank or the Management Company may act as sub-distributors of interests in respect of the Company or certain Sub-Funds. Such entities may also enter into arrangements under which they or their affiliates will issue and distribute notes or other securities the performance of which will be linked to the relevant Sub-Fund.

Where a commission (including a rebated commission) is received by the Depositary Bank by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

F. Emerging Markets

(a) In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of the Sub-Funds.

(b) Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

(c) Settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities of the Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment will be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the Counterparty) through whom the relevant transaction is effected might result in a loss being suffered by Sub-Funds investing in emerging market securities.

(d) The Company will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

(e) There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

(f) In some Eastern European countries there are uncertainties with regard to the ownership of properties. As a result, investing in Transferable Securities issued by companies holding ownership of such Eastern European properties may be subject to increased risk.

G. Not in Bank Assets

The Depositary Bank for the Company may provide, reporting services for a variety of investments that are not held in safekeeping at the Depositary Bank, classified as "Not In Bank" (NIB) assets. The counterparty which holds these NIB assets is chosen by the Company which is fully responsible for this choice and cannot liaise with the Depositary Bank's responsibility. The Depositary Bank remains responsible for these NIB assets' supervision, but cannot offer the same protection as required if the assets are held at the Depositary Bank or its representative, particularly in case of the counterparty's bankruptcy. Therefore, these NIB assets are not as well protected as the assets held by the Depositary Bank or its representative. Moreover, reports are the sources of these records, which are periodically provided by the relevant counterparties or their agents to the Depositary Bank. Due to the nature of these investments, the responsibility of servicing and maintaining these assets falls under the jurisdiction of the counterparties with which the investments are placed and not the Depositary Bank. Similarly, the reporting of investment information and the accuracy of the same is the responsibility of the same counterparties and their agents. The Depositary Bank has no liability for any errors, mistakes or inaccuracies in the information provided by these sources.

H. FATCA

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all Shareholders may be materially affected.

The Company and/or its Shareholders may also be indirectly affected by the fact that a non-U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

Please refer to Section IX 1. C. for general information related to the United States tax withholding and reporting under the Foreign Account Tax Compliance Act.

GLOBAL EXPOSURE

The relevant Sub-Funds will employ the commitment approach to calculate their global exposure as mentioned on a case-by-case basis in their appendix.

The global exposure of the Sub-Funds may also be measured by the Value at Risk (the "**VaR**") methodology as and if mentioned in the relevant appendices.

In financial mathematics and financial risk management, VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR measures the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The calculation of VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of twenty (20) days. The exposure of the Sub-Funds is subject to periodic stress tests.

The exposure of a Sub-Fund may further be increased by transitory borrowings not exceeding 10% of the assets of this Sub-Fund.

The method used to calculate the global exposure and the expected level of leverage as calculated in accordance with the applicable regulations for each Sub-Fund are set out in Appendix 1.

BENCHMARK REGULATION

Regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation") came into full effect on 1 January 2018. The Benchmark Regulation introduces a new requirement for all benchmark administrators providing indices which are used or intended to be used as benchmarks in the EU to be authorized or registered by the competent authority. In respect of the Sub-Funds, the Benchmark Regulation prohibits the use of benchmarks unless they are produced by an EU administrator authorized or registered by the European Securities and Markets Authority ("ESMA") or are non-EU benchmarks that are included in ESMA's public register under the Benchmark Regulation's third country regime. The Benchmarks used by the Sub-Fund are, as at the date of this Prospectus, provided by benchmark administrators who benefit from the transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear yet on the public register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. EU benchmark administrators should apply for authorization or registration as an administrator under Benchmark Regulation before 1 January 2020. Updated information on the public register maintained by the ESMA should be available by 1 January 2020 at the latest.

Benchmark administrators located in a third country must comply with the third country regime provided for in the Benchmark Regulation. The Management Company makes available a written plan setting out the actions that will be taken in the event of the benchmarks materially changing or ceasing to be provided, on request and free of charges at its registered office in Luxembourg.

IV. SHARES OF THE COMPANY

1. THE SHARES

The Company's capital is represented by the assets of its various Sub-Funds. Subscriptions are invested in the assets of the respective Sub-Fund.

Within a Sub-Fund, the Board of Directors may establish categories and/or Classes of Shares corresponding (i) to a specific distribution policy, for instance giving a right to distributions ("**Distribution Shares**") or not giving a right to distributions ("**Capitalisation Shares**"), and/or (ii) to a specific structure for issue or redemption costs, a specific structure for costs payable to distributors or to the Company, and/or (iii) to a specific structure for management costs or those for investment advice, and/or (iv) to a particular reference currency as well as a hedge policy or not regarding exchange risks; and/or (v) to any other specific feature applicable to a category/Class of Shares.
In the event of the Company's dissolution as further described in Article 28 of the Articles of Incorporation, the liquidation thereof shall be carried out by one or more liquidators appointed by the general Shareholders' meeting, in accordance with the Luxembourg 2010 Law and with the Articles of Incorporation. The net result of the liquidation of each Sub-Fund shall be distributed to the Shareholders of the Class of Shares in question, in proportion to the number of Shares which they hold in this Class of Shares. Any amounts which remain unclaimed by Shareholders upon the completion of the liquidation process shall be deposited with the public trust office, the *Caisse de Consignation* in Luxembourg to be held for the benefit of the person(s) entitled thereto and shall be forfeited after 30 days.

Shareholders may request the conversion of all or part of their Shares into Shares of one or more different Sub-Funds, categories or Classes of Shares (see item 4 of this Section).

Subject to the provisions set out in Appendix 1, any individual or corporate entity may acquire Shares in the various Sub-Funds, categories or Classes of Shares by subscribing to Shares and paying the subscription price determined in accordance with item 2 of this Section.

The Shares of each Sub-Fund are of no par value and convey no preferential or pre-emptive rights of subscription upon the issue of new Shares. Each Share is entitled to one vote at the general meetings of Shareholders, regardless of its Net Asset Value.

All Shares must be fully paid-up.

The Shares shall at the option of the Shareholder be issued as bearer or registered Shares, regardless of the respective Sub-Fund. Fractions of Shares up to three decimal points may be issued for registered or bearer Shares. Registered Shares may be converted into bearer Shares and vice versa, at the request and expense of the Shareholder.

Bearer Shares will only be accounted to the credit of the Shareholder's securities account with the Registrar and Transfer Agent. There will be no material issue of certificates for bearer Shares.

Share transfer forms for the transfer of registered Shares are available at the registered office of the Company and from the Depositary Bank.

2. ISSUE AND SUBSCRIPTION PRICE OF SHARES

Applications for Shares may be submitted on any business day on which banks are normally open in Luxembourg and France, unless otherwise defined in Appendix 1 ("**Business Day**"), to the Transfer Agent offices or to the offices of other establishments designated by it, where Prospectuses containing application forms are available.

Unless otherwise specified in Appendix 1 for a specific Sub-Fund, subscription orders received in Luxembourg before 11 a.m. (Luxembourg time) on a Business Day prior to a Valuation Day will be treated on the basis of the Net Asset Value of the relevant Valuation Day. Subscriptions requests registered after the deadline shall automatically be considered as requests received for the next following Valuation Day.

The subscription price corresponds to the Net Asset Value per Share determined in accordance with Chapter V, increased by a commission the rate of which may differ depending of the Sub-Fund, category or Class of Shares in which the subscription is made, as indicated in Appendix 1. Payment for Shares subscribed is made in the reference currency of each Sub-Fund, category or Class of Shares or in a certain number of other currencies and within the deadlines as specified in Appendix 1.

The Company may agree to issue Shares in consideration of a contribution in kind of securities, for example in the case of a merger with an external Sub-Fund, to the extent that those securities are in accordance with the objectives and the investment policy of the Sub-Fund concerned and in accordance with the provisions of the 2010 Law. Such contribution in kind will be subject to a valuation report drawn up by an approved statutory auditor, which may be consulted at the Company's registered office. All the costs associated with the contribution in kind of securities shall be borne by the Shareholders concerned.

Any changes in the maximum rate of the fees listed in Appendix 1 of the relevant Sub-Fund shall require the approval of the Company's Board of Directors. In case of any increase of the maximum rate of these fees, the Prospectus will be updated accordingly after a one month prior notice sent to the Shareholders. These changes will be further communicated in the annual report.

Any taxes or brokerage fees which may be payable in relation to the subscription to Shares are paid by the subscriber. Under no circumstances may these costs exceed the maximum authorised by the laws, ordinances or general banking practices of the countries in which the Shares are acquired.

The Board of Directors may suspend or interrupt the issue of Shares of a Sub-Funds, category or Class of Shares at any time. Moreover, without having to justify its actions, it also has the right to:

- reject any subscription of Shares;
- proceed at any time to the compulsory redemption of Shares in the Company which have been wrongfully subscribed or held or where the Shareholder does not provide necessary information requested by the Board of Directors in order to comply with the applicable law and/or regulatory rules, such as, but not limited to, the FATCA and CRS provisions.

For the avoidance of doubt, in the event that a minimum subscription amount is provided for with regards to a Sub-Fund, a category or a Class of Shares, the Company may waive such minimum amount in its sole discretion.

When, following suspension of the issue of Shares of one or more Sub-Funds, the Board of Directors decides to resume the issue, all pending subscriptions shall be processed on the basis of the Net Asset Value determined once the issue has been resumed.

Prevention of money laundering and terrorist financing

In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the amended Law of 12 November 2004 on the fight against money laundering and financing of terrorism), the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012, CSSF Circulars 13/556 and 15/609 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector in order to prevent undertakings for collective investment from money laundering and financing of terrorism purposes. As result of such provisions, the register and transfer agent of a Luxembourg UCI must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Register and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the Register and Transfer Agent, as delegate of the Company, may require any other information that the Company may require in order to comply with its legal and regulatory obligations, including but not limited to the CRS Law (as defined in Section IX).

Within the framework of the fight against money laundering, all physical persons must attach a copy of the subscriber's passport which has been legally certified for example by an Embassy, Consulate, notary's office or police commissioner, to the subscription form; in the case of legal entities, a copy of the articles of incorporation of such entity must be attached. This applies in the following instances:

1. direct subscriptions with the Company;
2. subscriptions through a provider of financial services who is resident in a country in which there is no identification obligation which fulfils the Luxembourg specifications intended to combat the use of the financial system for money laundering purposes;
3. subscriptions through a subsidiary or branch office of a parent company which is subject to an identification obligation which fulfils the provisions of Luxembourg law, if the law which applies to the parent company does not require it to ensure that its subsidiaries and branch offices also comply with the legal stipulations.

This obligation is mandatory, unless:

a) the subscription form is submitted to the Company by one of its Distributor Agents situated in a country which has ratified the conclusions of the report of the Financial Action Task Force ("**FATF**") on money laundering, or

b) the subscription form is sent directly to the Company and the subscription is settled either by:
   - a bank transfer from a financial institution residing in an FATF country, or
   - a cheque drawn on the personal account of the subscriber with a bank residing in a FATF country or a bank cheque issued by a bank residing in a FATF country.

In case of delay or failure by an applicant to provide the required documentation, the subscription request will not be accepted and in case of redemption, payment of redemption proceeds delayed.

Neither the Company nor the Register and Transfer Agent will be held responsible for said delay or failure to process deals resulting from the failure of the applicant to provide documentation or incomplete documentation.

From time to time, shareholders may be asked to supply additional or updated identification documents in accordance with clients' on-going due diligence obligations according to the relevant laws and regulations.

In addition, the Company has to identify the provenance of money from financial institutions that are not subject to an obligation of identification that fulfils the provisions of Luxembourg law. Subscriptions may be temporarily blocked until the provenance of the monies has been identified.

Market timing and late trading

The Board of Directors shall not, knowingly, authorise any practice associated with market timing and late trading and shall reserve the right to reject orders for subscription or conversion of Shares originating from investors which the Board of Directors might suspect of employing such practices or associated practices and if necessary to take the measures necessary to protect the other investors in the Company.

Market timing is understood to be the technique of arbitrage by which an Investor subscribes to and systematically repurchases or redeems Shares of the Company within a short lapse of time by exploiting discrepancies of timing and/or imperfections or deficiencies in the system for determining the Net Asset Value of Shares.

Late trading is understood to be the acceptance of an order for subscription, redemption or conversion of Shares received after the deadline for acceptance of orders on Valuation Day and its execution at the price based on the Net Asset Value applicable on the Valuation Day.

3. REPURCHASE OF SHARES

Shareholders may request the redemption in cash of all or a portion of their shareholdings at any time. Redemption requests, considered as irrevocable, may be sent to the Transfer Agent or to the other offices designated by the Company, or to the registered office of the Company. Such applications shall include the following information: the exact identity and exact address of the person applying for the redemption together with the number of Shares to be redeemed, the Sub-Fund, category or Class of Shares of which such Shares are part, whether they are registered or bearer Shares, as well as the reference currency of the Sub-Fund.

Unless otherwise specified in Appendix 1 for a specific Sub-Fund, redemption orders received in Luxembourg before 11 a.m. (Luxembourg time) on a Business Day prior to a Valuation Day will be treated on the basis of the Net Asset Value of the relevant Valuation Day. Redemption applications registered after the deadline shall automatically be considered as redemption applications received for the next following Valuation Day. The redemption price of the Shares shall be paid out in the currency as indicated in Appendix 1.

For each Share presented, the amount reimbursed to the Shareholder is equal to the Net Asset Value per Shares, determined on the relevant Valuation Day after deduction of a commission in favour of the Company and/or financial intermediaries, the rate of which appears in Appendix 1 (if any).

The redemption value may be equal to, higher than, or lower than the acquisition price paid.

Redemption proceeds shall be paid within such time limits as are indicated in Appendix 1.

Redemption proceeds shall only be paid out after receipt of the confirmation representing the Shares to be redeemed, and of the statement of transfer for registered Shares.

With the express written agreement of the Shareholders concerned, and if the principle of the equal treatment is observed, the Company may proceed with total or partial redemptions of Shares, by way of payment in kind in accordance with the conditions established by the Company (including, and without limitation, the presentation of an independent valuation report from the Company's approved statutory auditor).

Suspension of the calculation of the Net Asset Value of the Company's Shares automatically leads not only to the suspension of Share issues but also of redemption and conversion operations. Notification of any suspension of redemption operations shall be made in accordance with section V.2. of the Prospectus, by all appropriate means, to Shareholders who have presented requests for the redemption of their Shares, whereby the processing of these requests shall be delayed or suspended accordingly.

If the Board of Directors is unable to process the settlement of redemption applications made if the net total of the redemption applications received relates to more than 10% of a Sub-Fund's assets, it may decide that all the redemption applications presented are reduced and deferred on a pro rata basis, so as to reduce the number of Shares redeemed that day to 10% of the relevant Sub-Fund's assets during a period of time which it shall determine and not exceeding thirty (30) calendar days.

Neither the Company's Board of Directors nor the Depositary Bank may be held responsible for any default of payment resulting from possible exchange restrictions, or other circumstances beyond their control which may limit or render impossible the transfer to other countries of the redemption proceeds.

4. CONVERSION OF SHARES INTO SHARES OF OTHER SUB-FUNDS, CATEGORIES OR CLASSES OF SHARES

Shareholders may request the conversion of all or part of their Shares into Shares of another Sub-Fund, category or Class of Shares by notifying the Transfer Agent or other offices designated by the Company, in writing or by telex or fax, giving the name of the Sub-Fund into which the Shares should be converted and specifying whether the Shares to be converted and the Shares of the new Sub-Fund, category or Class of Shares to be issued should be registered or bearer Shares. Failure to specify the required Class of Shares shall lead to conversion into Shares of the same category and/or Class of Shares. Conversion lists shall be closed at the same time as issue and redemption lists, as defined in Appendix 1 of each Sub-Fund.

Exceptionally, only Shareholders who can be qualified as institutional investors (the "**Institutional Investors**") may apply for conversion of the Shares into Shares of the "Institutional" category as the Shares of that category are exclusively reserved for Institutional Investors.

Conversion requests are to be accompanied, as the case may be, by the bearer Share confirmation(s), or by the confirmation(s) representing registered Shares. Subject to a suspension of the calculation of the Net Asset Value, the conversion of Shares may be carried out on every Valuation Day.

Unless otherwise specified in Appendix 1 for a specific Sub-Fund, conversion orders received in Luxembourg before 11 a.m. (Luxembourg time) on a Business Day prior to a Valuation Day will be treated on the basis of the Net Asset Value of the relevant Valuation Day. Conversion requests registered after the deadline shall automatically be considered as requests received for the next following Valuation Day.
The conversion may not take place if the calculation of Net Asset Value of one of the Sub-Funds, categories or Classes of Shares concerned is suspended. In the case of significant applications (i.e. more than 10% of the Sub-Fund's assets) it may also be delayed under the same conditions which may be applied to redemptions. The number of Shares allocated in the new Sub-Fund, the new category or the new Class of Shares shall be established according to the following formula:

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

where:

A is the number of Shares allocated in the new Sub-Fund, the new category or the new Class of Shares;

B is the number of Shares presented for conversion;

C is the Net Asset Value of a Share in the Sub-Fund, category or Class of Shares in which the Shares are presented for conversion on transaction day;

D is the Net Asset Value of a Share in the new Sub-Fund, the new category or the new Class of Shares on transaction day.

Following conversion, the Transfer Agent shall inform the Shareholder as to the number of Shares held in the new Sub-Fund and the corresponding price.

If actual registered and un-certificated or dematerialised bearer Share confirmations have been issued, fractional Shares that may result from the conversion shall not be allocated and the Shareholder shall be deemed to have requested their redemption. In that case the Shareholder shall be repaid the amount of any possible difference between the Net Asset Values of the Shares thus exchanged unless such difference is lower than EUR 10.- or as the case may be their equivalent in another currency. Undistributed fractions shall be aggregated and shall be paid back into the concerned Sub-Fund.

Conversions of Shares of one Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares (a "**switch**") are subject to the commissions or fees if any, as listed in Appendix 1.

5. STOCK EXCHANGE LISTING

As set forth in Appendix 1 of each Sub-Fund, the Shares may, upon decision of the Board of Directors be admitted to official listing on the *Bourse de Luxembourg* (Luxembourg Stock Exchange).

V. NET ASSET VALUE

1. GENERAL

A. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The Net Asset Value per Share of each Sub-Fund, category or Class of Shares is calculated in Luxembourg by the Administrative Agent, under the ultimate responsibility of the Board of Directors, according to the frequency indicated in Appendix 1of each Sub-Fund. The minimum frequency shall be at least twice a month.

The accounts of each Sub-Fund or category or Class of Shares shall be kept separately. The Net Asset Value shall be calculated for each Sub-Fund or category or Class of Shares and shall be expressed in the reference currency, as specified in Appendix 1.

The Net Asset Value of the Shares in each Sub-Fund or category or Class of Shares shall be determined by dividing the Net Asset Value of each Sub-Fund or category or Class of Shares by the total number of Shares of each Sub-Fund or category or Class of Shares in circulation.
The Net Asset Value of each Sub-Fund or category or Class of Shares correspond to the difference between the assets and the liabilities of each of the Sub-Funds or categories or Classes of Shares.

2. DEFINITION OF THE POOL OF ASSETS

The Board of Directors shall form a separate pool of net assets for each Sub-Fund. Amongst the Shareholders, this pool of assets shall be attributed only to the Shares issued by the respective Sub-

Fund, although the possibility of allocation of such a pool between the various categories and/or Classes of Shares of the Sub-Fund as defined in the present section must be taken into consideration.

For the purpose of establishing separate pools of assets corresponding to a Sub-Fund or to two or more categories and/or Classes of Shares of a given Sub-Fund, the following rules apply:

a) if two or more categories/Classes of Shares relate to a specific Sub-Fund, the assets attributed to those categories and/or Classes of Shares shall be invested together according to the investment policy of the Sub-Fund concerned subject to the specific features associated with those categories and/or Classes of Shares;

b) the proceeds resulting from the issue of Shares relating to one category and/or one Class of Shares shall be attributed in the Company's books to the Sub-Fund which offers that category and/or Class of Shares given that, if several categories and/or Classes of Shares are issued for that Sub-Fund, the corresponding amount will increase the proportion of the net assets of that Sub-Fund attributable to the category and/or Class of Shares to be issued;

c) the assets, liabilities, income and costs relating to a Sub-Fund shall be attributed to the category or categories and/or Class or Classes of Shares corresponding to that Sub-Fund;

d) when one asset arises out of another asset, that asset shall be attributed, in the Company's books, to the same Sub-Fund or to the same category and/or Class of Shares to which the asset belongs from which it arises, and to each new valuation of an asset, the increase or reduction of value shall be attributed to the Sub-Fund or to the category and/or Class of Shares which corresponds;

e) when the Company bears a liability which is attributable to an asset of a specific Sub-Fund or a category and/or Class of Shares or to a transaction carried out in relation to an asset of a specific Sub-Fund or a category and/or Class of Shares, that liability shall be attributed to that Sub-Fund or that category and/or Class of Shares;

f) in the case where an asset or a liability of the Company cannot be attributed to a specific Sub-Fund, that asset or liability shall be attributed to all the Sub-Funds, in proportion to the Net Asset Value of the categories and/or Classes of Shares concerned or in such a way that the Board of Directors shall determine in good faith;

g) as a consequence of distributions made to the holders of Shares of a category and/or Class of Shares, the Net Asset Value of that category and/or Class of Shares shall be reduced by the amount of those distributions.

B. VALUATION OF ASSETS

Unless otherwise provided in Appendix 1, the assets and liabilities of each of the Company's individual Sub-Funds shall be valued on the basis of the following principles:

1. The value of cash in hand or on deposit, notes and bills payable on demand and all accounts receivable, prepaid costs, dividends and interest due but not yet received shall correspond to the full par value, unless it proves to be unlikely that the full value shall be received; in which case the value shall be calculated by subtracting a certain amount which appears to be appropriate in order to reflect the true value of such assets;

2. The valuation of transferable securities and money market instruments listed or traded on an official stock market or other regulated market which operates regularly and is recognised and open to the public, shall be based on the last known price and if that transferable security/money market instrument is traded on several markets, on the basis of the last known price on the principal market for that security or instrument. If the last known price is not representative, the valuation shall be based on the probable realisation value estimated with prudence and in good faith;

3. Securities and money market instruments not listed or traded on an official stock exchange or on another regulated market which operates regularly and is recognised and open to the public shall be valued on the basis of their probable sale price as estimated prudently and in accordance with the principle of prudence and good faith;

4. Prices of securities denominated in currencies other than the currency of account of the respective Sub-Funds shall be converted at the last available exchange rate;

5. The settlement value of future contracts and option contracts which are not traded on regulated markets shall be equivalent to their net settlement value determined in accordance with the policies established by the Board of Directors, on a basis applied consistently to each type of contract. The settlement value of future contracts or option contracts traded on regulated markets shall be based on the last price available for settlement of those contracts on the regulated markets on which those future contracts or those option contracts are traded by the Company; insofar as if a future contract or an option contract cannot be settled on the day on which the net assets are valued, the basis which shall serve to determine the settlement value of that contract shall be determined by the Board of Directors in a fair and reasonable manner;

6. The Board of Directors may authorise the use of amortised cost method of valuation for short-term transferable debt securities in certain Sub-Funds. This method involves valuing a security at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the Sub-Fund would receive if it sold the securities. This method of valuation will only be used in accordance with ESMA guidelines concerning eligible assets for investments by UCITS and only with respect to securities with a maturity at issuance or residual term to maturity of 397 days or less or securities that undergo regular yield adjustments at least every 397 days;

7. The shares of UCITS and/or other UCI shall be valued at their last known net asset value per share;

8. Interest rate swaps shall be valued at their market value established by reference to the applicable rate curve. Swaps on indices or financial instruments shall be valued at their market value established by reference to the index of the financial instrument concerned. The valuation of swap contracts relating to those indices or financial instruments shall be based on the market value of those swap transactions in accordance with the procedures established by the Board of Directors;

9. All other securities and assets shall be valued at their market value determined in good faith, in accordance with the procedures established by the Board of Directors;

10. All other asset balances shall be valued on the basis of their probable realisation price, as estimated prudently and in accordance with the principle of prudence and good faith.

3. SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE AND OF THE ISSUE, CONVERSION AND REDEMPTION OF SHARES

1. Irrespective of the legal causes of suspension, the Board of Directors may at any moment suspend the valuation of the net value of the Shares as well as the issue and redemption and conversion of these Shares in the following cases:

   (a) during any period when any of the principal stock exchanges or any other regulated market on which any substantial portion of the Company's investments of the relevant Class of Shares for the time being are quoted is closed or during which dealings are restricted or suspended;

(b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Class of Shares by the Company is impracticable;

(c) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange;

(d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange;

(e) further to the publication of a convening notice to a general meeting of Shareholders in order to resolve the winding up or the liquidation of the Company;

(f) if the Board of Directors has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular Class of Shares in the preparation or use of a valuation or the carrying out of a later or subsequent valuation;

(g) during any other circumstance or circumstances where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Company or its Shareholders might so otherwise have suffered;

(h) when a Sub-Fund merges with another Sub-Fund or with another UCITS (or a sub-fund of such other UCITS) provided any such suspension is justified by the protection of the Shareholders; and/or

(i) when a Sub-Fund is a Feeder of another UCITS, if the net asset value calculation of the said Master UCITS or sub-fund or class of shares is suspended.

2. The suspension of the calculation of the Net Asset Value of the Shares of one or more Sub-Funds shall be announced by any appropriate means, and in particular by publication of a notice of suspension in the newspapers in which the Net Asset Values are normally published. Appropriate notice that the Net Asset Value calculation has been suspended shall also be given to Shareholders who have requested the conversion or redemption of the Shares of this or these Sub-Fund(s).

3. In exceptional circumstances which might adversely affect the interests of Shareholders or in the case of significant applications for redemption of Shares or conversion of Shares, the Board of Directors reserves the right to fix the value of the Shares of the Sub-Fund only after having carried the sales of the relevant transferable securities out on behalf of the Company.

In such a case, subscriptions, applications for redemption and conversions of Shares simultaneously in the process of execution shall be satisfied on the basis of the first Net Asset Value thus calculated.

VI. DIVIDENDS

1. DIVIDEND DISTRIBUTION POLICY

Further to the proposition of the Board of Directors, the annual general meeting of Shareholders shall decide on the use to be made of the annual net profits as shown in the accounts as at 31 December of each calendar year.

The general meeting of Shareholders reserves the right, within the limits of applicable law, to distribute the net assets of each of the Company's Sub-Funds. The nature of the distribution (net investment income or capital) shall be recorded in the Company's financial statements.

Any decision of the general meeting of Shareholders to distribute dividends to the Shareholders of a particular Sub-Fund, category or Class of Shares requires the prior approval of the Shareholders of that Sub-Fund, category or Class of Shares, voting at the same majority requirement as indicated in the Articles of Incorporation.

The Board of Directors may decide to pay interim dividends.

2. PAYMENT

Dividends and interim dividends attributed to a Class of Shares shall be paid on the date and at the place determined by the Board of Directors.

Dividends and interim dividends to be paid out and which fail to be collected by the Shareholders entitled thereto within five years from the payment date may no longer be claimed and shall revert to the Sub-Fund, category and/or Class of Shares concerned.

No interest shall be paid on unclaimed dividends or interim dividends that are held by the Company, up to the expiry date, in the name of the Shareholders to whom these amounts are due.

Income distribution payments are due only to the extent that the applicable foreign exchange regulations permit such distribution in the beneficiary's country of residence.

VII. COSTS BORNE BY THE COMPANY

The Company assumes liability for the following costs:

- the costs incurred in connection with the formation of the Company, including the cost of services rendered in the formation of the Company, in obtaining official listing on the stock exchange and in obtaining the approval of the competent authorities;
- all compensation, fees and expenses to be paid to the Management Company, the Depositary Bank (including remuneration for the Depositary Bank's function as Registrar Agent of the Company), to the distributors and to the Investment Advisors and Managers and, where appropriate, to the correspondent banks;
- the fees and commissions of the Administrative Agent;
- the costs and fees of the authorised Auditors;
- the registration costs;
- the directors' percentage of profits and reimbursement of their costs;
- the costs of printing and publishing information intended for the Shareholders and, in particular, the costs of printing and distributing periodical reports as well as Prospectuses and brochures;
- brokerage fees and any other fees and commissions arising from transactions involving securities and investment instruments in the portfolio;
- taxes and deductions which may be payable on the Company's income;
- the fixed registration duty (see Point IX 1A) as well as the duties to be paid to supervisory authorities and the costs relating to the distribution of dividends;
- the costs of advisory services and other expenses in connection with extraordinary measures, in particular those arising from the consultation of experts and other such procedures intended to protect the Shareholders' interests;
- membership fees paid to professional associations and stock market organisations which the Company decides to join in its own interest and in the interest of its Shareholders;
- the costs of preparation and/or deposit of statutory documents and all other documents concerning the Company including any registration declaration, prospectus and

explanatory note for any authorities (assimilated to those authorities are official associations of exchange agents) with competence over the Company and offers to issue Shares; the costs of preparation, in the languages required in the interest of the Shareholders, of sending and distributing annual and semi-annual reports, and all other reports and documents necessary under the applicable laws or regulations of the authorities indicated above (with the exception of the costs of advertising and all other costs incurred directly by the offer or distribution of the Shares including the costs of printing, of copying the documents listed above or the reports used by distributors of the Shares within the context of their commercial activity);

- the costs of preparation, publication and sending of notices for the attention of Shareholders; the fees, costs and expenses of local representatives appointed in accordance with the regulations of those authorities, the cost of amending statutory documents, the cost incurred to enable the Company to conform with the legislation and official regulations and in order to obtain and to maintain a stock market listing for the Shares, provided that those expenses are incurred principally in the interest of the Shareholders.

These costs and expenses shall be paid out of the assets of the different Sub-Funds pro rata to their net assets. Fixed costs shall be divided between each Sub-Fund in proportion to the assets of that Sub-Fund, and costs specific to each Sub-Fund, category or Class of Shares shall be taken from that Sub-Fund, category or Class of Shares which incurred them. All general recurrent costs shall be deducted in the first instance from current income and, if that is insufficient, from realised capital gains.

As remuneration for its activity as depositary bank to the Company, the Depositary Bank shall receive a quarterly commission from the Company, calculated on the average Net Asset Values of the assets of the different Sub-Funds for the quarter considered, as stipulated in Appendix 1.

In addition, any reasonable disbursements and expenses incurred by the Depositary Bank within the framework of its mandate, including (without this list being exhaustive) telephone, telex, fax, electronic transmission and postage expenses as well as correspondents' costs, shall be borne by the relevant Sub-Fund of the Company. The Depositary Bank may charge the customary fee in the Grand Duchy of Luxembourg for services rendered in its capacity as Paying Agent.

As remuneration for its activity as administrative agent and the administrative services (accounts, bookkeeping, calculation of Net Asset Value, registrar functions, secretariat) it provides the Company with, the Administrative Agent shall receive a commission from the Company calculated, as stipulated in Appendix 1.

Moreover, all reasonable expenses and costs advanced, including but without the list being limitative, the costs of telephone, telex, fax, electronic transmissions and postage incurred by the Administrative Agent within the context of its functions as well as the costs of correspondents, shall be borne by the Sub-Fund concerned.

Under the terms of the agreements entered into by the Management Company with the Investment Advisor(s) and/or Manager(s), the Company shall pay the relevant advisory and/or management and/or performance fee, to be calculated as stipulated in Appendix 1.

All recurring general costs will be charged first against investment income, then, should this not be sufficient, against realised capital gains.

Costs related to the establishment of any new Sub-Fund will be borne by such new Sub-Fund and amortised over a period of one (1) year from the date of establishment of such Sub-Fund or over any other period as the Board of Directors may determine, with a maximum of five (5) years starting on the date of the Sub-Fund's establishment.

When a Sub-Fund is liquidated, any setting-up costs that have not yet been amortised will be charged to the Sub-Fund being liquidated.

VIII. COSTS BORNE BY THE SHAREHOLDER

a) **Current subscription**: Shares are issued at a price corresponding to the Net Asset Value per Share, without subscription fees, unless otherwise stipulated in each Sub-Fund's descriptive Appendix 1.

b) **Redemption procedure**: the redemption price of Shares may be higher or lower than the purchase price paid by the Shareholder at the time of subscription, depending upon whether the Net Asset Value has risen or fallen, without redemption fees, unless otherwise stipulated in each Sub-Fund descriptive Appendix 1.

c) **Conversion of Shares**: the basis for conversion is linked to the respective Net Asset Value per Share of the two Sub-Funds or categories or Classes of Shares concerned, without conversion fees, unless otherwise stipulated in each Sub-Fund descriptive Appendix 1.

IX. TAXATION – LEGAL REGIME - OFFICIAL LANGUAGE

1. TAX REGIME

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

A. TAXATION OF THE COMPANY

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

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

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

The Sub-Funds are, nevertheless, in principle, subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on their net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rule of 0.01% per annum is however applicable to:

- Any Sub-fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- Any Sub-Fund or Classes of Shares provided that their Shares are only held by one or more Institutional Investors.

A subscription tax exemption applies to:

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

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

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

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

B. TAXATION OF THE SHAREHOLDERS

Luxembourg resident individuals

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

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

Distributions made by the Company will be subject to Luxembourg personal income tax. Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*) giving an effective marginal tax rate of 45.78%.

Luxembourg resident corporate

Luxembourg resident corporate investors will be subject to corporate taxation on capital gains realised upon disposal of Shares and on the distributions received from the Company.

Luxembourg corporate resident investors who benefit from a special tax regime, such as, for example, (i) an UCI subject to the 2010 Law, as amended, (ii) reserved alternative investment funds subject to the Law of 23 July 2016 on reserved alternative investment funds (to the extent they have not opted to be subject to general corporation taxes), (iii) specialised investment funds subject to the amended law of 13 February 2007 on specialised investment funds, or (iv) family wealth management companies subject to the amended law of 11 May 2007 related to family wealth management

companies, are exempt from income tax in Luxembourg, but instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realised thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate investors except if the holder of the Shares is (i) a UCI subject to the 2010 Law, (ii) a vehicle governed by the amended law of 22 March 2004 on securitisation, (iii) an investment company governed by the amended law of 15 June 2004 on the investment company in risk capital, (iv) a specialised investment fund subject to the amended law of 13 February 2007 on specialised investment funds or (v) a family wealth management company subject to the amended law of 11 May 2007 related to family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth tax exceeding EUR 500 million.

Non-Luxembourg residents

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

Automatic Exchange of Information

The OECD has developed a CRS to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "**Euro-CRS Directive**") was adopted in order to implement the CRS among the Member States. For Austria, the Euro-CRS Directive applies the first time by 30 September 2018 for the calendar year 2017, i.e. the Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments of 3 June 2003, as amended will apply one year longer.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("**CRS Law**"). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company will require its investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status. Responding to CRS-related questions is mandatory. The personal data obtained will be used for the purpose of the CRS Law or such other purposes indicated by the Company in the data protection section of the Prospectus in compliance with Luxembourg data protection law. Information regarding an Investor and his/her/its account will be reported to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis, if such account is deemed a CRS reportable account under the CRS Law.

Under the CRS Law, the first exchange of information will be applied by 30 September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.

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

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

Prospective Shareholders should seek information, and if need be to request advice, on the laws and regulations (such as those concerning taxation and foreign exchange controls) which apply to the subscription, purchase, holding and disposal of Shares in their country of origin, residence and/or domicile.

C. FATCA

The Foreign Account Tax Compliance Act ("**FATCA**"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("**foreign financial institutions**" or "**FFIs**") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("**IRS**") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes ("**FATCA reportable accounts**"). Any such information on FATCA reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company, the Management Company, in its capacity as the Company's management company, may:

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

e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company shall communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will only be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to FATCA-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

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

2. LEGAL REGIME

Any dispute arising between Shareholders and the Company shall be by through arbitration proceedings. The arbitration shall be subject to the laws of Luxembourg and their decision shall be final.

3. OFFICIAL LANGUAGE

The official language of the Prospectus and of the Articles of Incorporation is the English language; the Board of Directors and the Depositary Bank however may for their own account and that of the Company consider that translation into the languages of the countries where the Shares of the Company are offered and sold shall be mandatory. In the case of any discrepancy between the English original and a foreign language version into which the Prospectus is translated, the English version shall prevail.

X. FINANCIAL YEAR – MEETINGS – PERIODICAL REPORTS

1. FINANCIAL YEAR

The Company's financial year starts on 1 January and ends on 31 December of each calendar year.

2. MEETINGS

The annual general meeting shall take place in the Grand Duchy of Luxembourg at the registered office of the Company at 3.00 P.M. on the third Tuesday of May.

If that day falls on an official public holiday in Luxembourg, the annual general meeting shall be held on the next following Business Day.

In order to be admitted to the general meeting, all securities holders must deposit their securities five Business Days before the date set for the general meeting, either at the registered office of the Company or at the offices indicated in the convening notice.

Holders of registered Shares must within the same deadline inform the Board of Directors in writing (by letter or power of attorney) of their intention to participate in the general meeting and indicate the number of Shares for which they intend to participate in the vote.

The written notices convening annual general meetings, indicating the date and time of the meeting and setting out the quorum and majority vote requirements, shall be sent at least eight (8) days prior to the meeting to all holders of registered Shares at their address listed in the register of Shareholders. The notice of the meeting, which shall contain the meeting's agenda, shall be published in accordance with the Luxembourg law on commercial companies.

Resolutions passed at these annual general meetings of Shareholders shall be binding on all Shareholders, irrespective of the Sub-Fund in which their Shares are held. However, resolutions taken by the annual general meeting of Shareholders to distribute dividends to the Shareholders of a Sub-Fund shall require the prior approval of the Shareholders holding Shares in that Sub-Fund, category or Class of Shares except in such conditions as are set forth in section VI (I) of the Prospectus.

The Shareholders of a category or Class of Shares issued for a Sub-Fund may at any time hold general meetings with the aim of deliberating on matters relating solely to that Sub-Fund.

Moreover, the Shareholders of any category or Class of Shares may at any time hold general meetings with the aim of deliberating on matters relating solely to that category or Class of Shares.

The resolutions passed at such meetings shall be applied respectively to the Sub-Fund and/or the category or Class of Shares concerned.

3. PERIODIC REPORTS

Annual reports as of 31 December, certified by the approved statutory auditors, together with uncertified semi-annual reports as at 30 June, shall be available free of charge to Shareholders at the office of the Depositary Bank, at other offices designated by it, and at the registered office of the Company. The Company is authorised to publish summary financial reports bearing the mention that the Shareholders may obtain a full version of the same from the same offices as above. A full version of these financial reports may however be obtained free of charge from the registered office of the Company, from the Depositary Bank as well as from offices designated by the Company. These reports shall contain information on each Sub-Fund as well as on the assets of the Company as a whole.

The financial statements of each Sub-Fund shall be drawn up in the reference currency of the respective Sub-Fund, while the consolidated accounts shall be expressed in EUR.

The annual reports shall be made available to Shareholders within four (4) months after the end of the financial year. The semi-annual reports shall be made available to Shareholders within two (2) months after the end of the semester.

XI. LIQUIDATION - MERGING OF SUB-FUNDS

1. LIQUIDATION OF THE COMPANY

The Liquidation of the Company is governed by the provisions and conditions of the Luxembourg law.

A. MINIMUM ASSETS

In the event that the Company's corporate capital falls below two-thirds of the legally required minimum, the Board of Directors must submit the question of the Company's liquidation to a general meeting of Shareholders for which no quorum shall be prescribed and which shall take its decisions by a simple majority of the Shares represented at the meeting.

In the event that the Company's corporate capital falls below one quarter of the required minimum, the Board of Directors must submit the question of the Company's liquidation to a general meeting of Shareholders for which no quorum shall be prescribed. Liquidation may be resolved by Shareholders holding one quarter of the Shares represented at the meeting.

Such meeting must be convened so as to be held within forty (40) days after determining that the net assets have fallen below either two thirds or one quarter of the legal minimum capital. Moreover, the

Company may be dissolved by a resolution of a general meeting of Shareholders ruling in accordance with the relevant provisions of the Articles of Incorporation.

The decisions of the general meeting of Shareholders or of the law court on the liquidation and winding-up of the Company shall be published in the *Receuil Electronique des Sociétés et Associations* ("**RESA**") and in two newspapers with reasonably wide circulation, of which at least one must be a Luxembourg newspaper. The liquidator(s) shall be responsible for arranging publication.

B. VOLUNTARY LIQUIDATION

In the event that the Company is wound-up, the liquidation shall be carried out by one or more liquidators appointed in accordance with the Articles of Incorporation and the provisions of the Luxembourg laws, whereby the net proceeds of liquidation are to be distributed among the Shareholders after deduction of liquidation expenses.

Amounts which have not been distributed at the close of the liquidation procedure shall be deposited in the name of the entitled person with the *Caisse de Consignation* in Luxembourg until the respective expiry date.

Shares shall cease to be issued, redeemed or converted as soon as the resolution to wind-up the Company has been taken.

2. CLOSURE AND MERGER OF SUB-FUNDS

A. CLOSURE OF A SUB-FUND, CATEGORIES OR CLASSES

In the event that the assets in any Sub-Fund, categories or Classes of Shares should fall below a threshold considered by the Board of Directors as a minimum below which the management of that Sub-Fund, categories or Classes of Shares would become too problematic, the Board of Directors may decide to close the Sub-Fund, categories or Classes of Shares. The same may also apply within the framework of a rationalisation of the range of products offered to the Company's clients.

The decision and methods applying to the closing of the Sub-Fund, categories or Classes of Shares shall be brought to the knowledge of Shareholders of the concerned Sub-Fund by way of the publication of notices to that effect in such newspapers as are mentioned in section XII below.

A notice relating to the closing of the Sub-Fund, categories or Classes of Shares shall also be communicated to all the registered Shareholders of that Sub-Fund.

In such event, the net assets of the concerned Sub-Fund, categories or Classes of Shares shall be divided among the remaining Shareholders of the Sub-Fund, categories or Classes of Shares. Amounts which have not been claimed by Shareholders at the time of the closure of the liquidation operations of the Sub-Fund shall be deposited with the *Caisse de Consignation* in Luxembourg, for the profits of their rightful assignees, until the prescribed date of limitation.

B. MERGER OF SUB-FUNDS, CATEGORIES OR CLASSES

The Board of Directors may decide, in the interest of the Shareholders, to transfer or merge the assets of one Sub-Fund, category or Class of Shares to those of another Sub-Fund, category or Class of Shares within the Company in accordance with the provisions on mergers of UCITS set forth in the 2010 Law and any implementing regulation (relating in particular to the notification to Shareholders concerned. Such mergers may be performed for reasons of various economic reasons justifying a merger of Sub-Funds, categories or Classes of Shares. The merger decision shall be published and be sent to all registered Shareholders of the Sub-Fund, category or of the concerned Class of Shares. The publication in question shall indicate, in addition, the characteristics of the new Sub-Fund, the new category or Class of Shares. Every Shareholder of the relevant Sub-Funds, categories or Classes of Shares shall have the opportunity of requesting the redemption or the conversion of his own Shares

without any cost (other than the cost of disinvestment) during a period of at least thirty (30) days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) Business Days after the expiry of such notice period.

In the same circumstances as described in the previous paragraph and in the interest of the Shareholders, the transfer of assets and liabilities attributable to a Sub-Fund, category or Class of Shares to another UCITS or to a sub-fund, category or class of shares within such other UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund), may be decided by the Board of Directors, in accordance with the provisions of the 2010 Law and Directive 2009/65/EC, as amended.
In the case of a contribution in a different undertaking for collective investment, of the type "investment or mutual fund", the contribution shall only involve the Shareholders of the Sub-Fund, the category or the Class of Shares in question who have expressly approved the contribution. Otherwise, the Shares belonging to the other Shareholders who have not made a statement regarding that merger shall be reimbursed without any cost. Such mergers may be carried out in various economic circumstances that justify a merger of Sub-Funds.

In case of a merger of a Sub-Fund, category or Class of Shares where, as a result, the Company ceases to exist, the merger needs to be decided by a meeting of Shareholders of the Sub-Fund, category or Class of Shares concerned, for which no quorum is required and decisions are taken by the simple majority of the votes cast.

XII. INFORMATION AND DOCUMENTS AVAILABLE TO THE PUBLIC

1. INFORMATION FOR SHAREHOLDERS

A. NET ASSET VALUE

The Net Asset Values of the Shares in each Sub-Fund, category or Class of Shares shall be available on each Business Day at the registered office of the Company. The Board of Directors may subsequently decide to publish such net assets in newspapers of the countries where the Shares of the Company are offered or sold. They shall moreover be posted each Business Day on Finesti and Bloomberg screens.

They may also be obtained at the registered office of the Depositary Bank as well as from the banks ensuring financial services.

B. ISSUE AND REDEMPTION PRICES

The issue and redemption prices of the S, category or Class of Shares shall be made public daily at the Depositary Bank and from the banks ensuring financial services.

C. NOTICES TO SHAREHOLDERS

Any other information intended for the Shareholders shall be published in the RESA in Luxembourg, if such publication is prescribed by applicable Luxembourg law. Information may also be published in Luxembourg newspapers.

2. DOCUMENTS AVAILABLE TO THE PUBLIC

The Management Company will ensure that information intended for the Shareholders is either published or communicated to them in an appropriate manner.

The following documents will be available for inspection during ordinary business hours at the registered office of the Company and/or Management Company:

- Prospectus;

- Articles of Incorporation;
- KID PRIIPS;
- Depositary Bank, domiciliation, administration agent, investment advisor and investment manager agreements; and
- latest annual and semi-annual reports of the Company.

The Prospectus and the KID PRIIPS may be delivered in durable medium or by means of a website. A hard copy shall, in any case, be supplied to Investors on request and free of charge. This also includes the publication of the Share prices in those countries in which Shares are offered for sale to the public. The issue and redemption prices can also be obtained from the Management Company and the Depositary Bank.
The annual and semi-annual reports as well as the Prospectus, the KID PRIIPS and the Articles of Incorporation are also available free of charge from these parties, upon request by the Investor.

In addition, the material contracts referred to above are available for inspection during normal business hours at the registered office of the Company and/or Management Company.

APPENDIX 1
SUB-FUND(S)

The Sub-Funds aim to achieve reasonably high performances whilst maintaining a prudent policy of preserving capital. The Company takes the risks it deems reasonable in order to achieve the objective set. Nevertheless, it cannot guarantee achieving it in view of the stock market fluctuations and other risks to which investments in transferable securities are exposed.

No guarantee can be given on the realisation of the investment objectives of the Sub-Funds and past performance is not an indicator of future performances

At present the Company may issue the following Classes of Shares:

(i) **Class D Distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made;

(ii) **Class A Capitalisation Shares**, which do not receive a dividend, and of which the Net Asset Value remains unchanged (resulting in a percentage increase of the global Net Asset Value attributable to the Capitalisation Shares). The Shares are reserved for institutional investors within the meaning of article 174 of the 2010 Law; and

(iii) **Class B Capitalisation Shares**, which do not receive a dividend, and of which the Net Asset Value remains unchanged (resulting in a percentage increase of the global Net Asset Value attributable to the Capitalisation Shares).

(iv) **Class C Capitalisation Shares**, which do not receive a dividend, and of which the Net Asset Value remains unchanged (resulting in a percentage increase of the global Net Asset Value attributable to the Capitalisation Shares). The Shares are reserved for institutional investors within the meaning of article 174 of the 2010 Law and differ from the "A" category by a higher minimum initial subscription and/or minimum holding amount.

(v) **Class P Capitalisation Shares,** which do not receive a dividend. The Shares of Class P are distinct by a different fee structure as specified in the particulars of the Sub-Funds. The Shares of Class P are reserved for Employees of Tendance Finance.

The particulars of the Sub-Funds in Appendix 1 may specify a minimum initial subscription amount. The Board of Directors reserves the right to waiver this amount in the interest of the equal treatment of Shareholders.

SUB-FUND: NEXT AM FUND – TENDANCE FINANCE

1. OVERVIEW OF THE SUB-FUND

Investment Manager: New Alpha Asset Management.

Pursuant to an Investment Management Agreement, New Alpha Asset Management has been appointed by the Management Company to manage the Sub-Fund, in a capacity as Investment Manager, with regard to its choice of investments and the trend of its investment policy.

New Alpha Asset Management is a company incorporated under the laws of France and having its registered office in 128 Boulevard Raspail, F-75006 Paris (France). The company was incorporated for an unlimited period on 21 October 2003 in the form of a *société par actions simplifiée*. The Company is registered with the Trade and Companies Register in Paris under number 450 500 012 and has been approved by the AMF as portfolio management company under the number GP-05000001.

Investment Advisor: Tendance Finance, France.

Pursuant to an agreement entered into for an indeterminate period, with at least three months prior notice to termination, Tendance Finance acts in the capacity of Investment Advisor, and as a consequence is in charge of the investment advisory of New Alpha Asset Management.

Tendance Finance is a company incorporated under the laws of France and having its registered office in 128 Boulevard Raspail, F-75006. The company was incorporated for an unlimited period on 3 October 2011 in the form of a *société par actions simplifiée.*

ISIN codes

LU0778101708 (Class A Institutional Capitalisation)
LU1375840771 (Class A GBP Institutional Capitalisation)
LU0778102185 (Class B Retail Capitalisation)
LU1823203408 (Class C Institutional Capitalisation)
LU1375840854 (Class P Employees Capitalisation)

Official listing on the Luxembourg Stock Exchange

The Shares of the Sub-Fund shall not be listed on the Luxembourg Stock Exchange.

2. INVESTMENT POLICY

The objective of the Sub-Fund is to achieve medium-term capital growth.

The Sub-Fund is mainly exposed to equity indices and interest-rate and foreign-exchange derivatives in the main international financial centres. The Sub-Fund may be exposed simultaneously to equity, interest-rate and currency products.

The Sub-Fund is authorized to invest in accordance with the principle of risk spreading up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by an OECD Member State, provided that (i) such securities are part of at least six different issues and (ii) the securities from a single issue do not account for more than 30% of the total assets of the Sub-Fund.

The Sub-Fund invests in asset classes targeted by means of the following instruments:

- Index and interest rate futures
- Foreign exchange forwards
- Negotiable debt securities (index-linked EMTN, FTB, bonds, etc.)
- Swaps

- ETFs (with a maximum of 10% of the net assets of the Sub-Fund)
- Listed derivatives.

The Sub-Fund applies a long / short strategy (buying or selling positions). Thus, the strategies aim to generate returns both from rising as well as from falling prices of the underlying assets.

The Sub-Fund can also invest in shares or units of UCITS and/or other UCIs but the combined exposure with ETFs exposure cannot exceed 10% of its net assets.

The Sub-Fund may hold ancillary liquid assets. For treasury purposes or for achieving its investment goals, the Sub-Fund may invest up to 20% of its net assets in term deposits, debt securities and money market instruments dealt in on a Regulated Market and whose maturity does not exceed 12 months, and monetary UCITS and UCIs invested in:

1) debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or
2) debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

The Sub-Fund may be exposed to the indices of all countries (e.g. Dax, CAC 40, Footsie, Nasdaq 100, Ibovespa) without geographical limits or predominant areas.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, use techniques and instruments of financial futures markets (listed, non-listed, closed or optional, share indices, interest rate indices, etc.) for the purposes of proper portfolio management or hedging, given that these techniques and instruments will only be used to the extent that they do not negatively affect the integrity of the Sub-Fund's investment policy.

The indices listed above comply with the provisions of Article 9 of the Grand Ducal Regulation of 8 February 2008.

Direct and indirect operational costs/fees payable to BNP Paribas S.A, Luxembourg Branch arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Sub-Fund are agreed between the Company and BNP Paribas S.A, Luxembourg Branch and are available to investors at the registered office of the Company and of the Management Company upon request. They are also disclosed in the annual and semi-annual report.

These costs and fees shall not include hidden revenue.

For the avoidance of doubt, the Sub-Fund will not receive any assets as collateral in the context of these efficient portfolio management techniques.

Reference currency of the Sub-Fund: EUR

Risk profile

Derivative risk: the Sub-Fund uses derivatives. These are financial instruments whose values depend on the value of an underlying asset. Small price fluctuations in the underlying asset can result in large price changes in the derivative.
Credit risk: The Sub-Fund can invest in debt securities. There is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer.

Counterparty risk: The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Operational risk: The risk of loss for the Sub-Fund resulting from inadequate internal processes or system breakdowns, human errors or from external events.
Selection risk: the Investment Manager's judgment about the attractiveness, value and potential appreciation of a particular security could be incorrect.

Risk management method

Approach using the absolute VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF Circular 11/512 and CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (CESR/10-788), this Sub-Fund will implement the Absolute Value-at-Risk to measure the global exposure and the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of overall exposure
Within the context of the risk management procedure, the Sub-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund's VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund's Net Asset Value and does not exceed a maximum VaR limit determined by the Management Company, while taking into account the Sub-Fund's investment policy and risk profile. The maximum limit is set at 20%.

Leverage effect

The Sub-Fund may use financial futures instruments (derivatives) to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The expected level of leverage is calculated in accordance with the CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (CESR/10-788).

The derivatives commitment approach is the method used to determine the Sub-Fund's rate of leverage. The expected leverage rate is less than 900% of the Sub-Fund's Net Asset Value. This leverage rate includes the cumulated gross exposure resulting from buying or selling positions.

The leverage is the sum of the exposure calculated with the commitment approach without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

The figure 900% is made up of a sum of non-adjusted gross values which significantly increase the financial risks associated with management.

These derivatives may be used for various asset classes, which may perform differently.

Investor profile

Investment horizon: 3 years

Investor profile: The Sub-Fund's investment policy is suitable for investors seeking medium-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when the markets are in a downturn for prolonged periods.

The reasonable amount to invest in the UCITS depends on your personal financial situation. It is strongly recommended to diversify your investments so as not to expose them only to the risks of the UCITS.

3. SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees:
Classes A and B: maximum 2% of the NAV applicable per Share.
Classes P and C: None

Redemption fee: 0%

Conversion fee: 0%

4. COSTS PAYABLE BY THE SUB-FUND

Management Fee: As remuneration for its services, the Investment Manager will receive a fixed fee, calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter as follows:

Class A: maximum 2% p.a.
Class B: maximum 3% p.a.
Class C: maximum 1,5% p.a.
Class P: maximum 1% p.a.

Performance Fee:
In addition, the Investment Manager is entitled to receive an annual performance fee equal to:

Class A: 20% of the performance with high-water mark
Class B: 20% of the performance over 5% with high-water mark
Class C: 20% of the performance with high-water mark
Class P: None

There is a performance of the Net Asset Value per Share of a considered Class of the Sub-Fund if and only if there is an increase of the Net Asset Value per Share of this Class of the Sub-Fund compared to its reference Net Asset Value at the beginning of the calculation period which is the highest Net Asset Value end of period ever registered ("Reference Net Asset Value").The first Reference Net Asset Value of the Sub-Fund was on the last Net Asset Value in December 2013.

The reference period for the performance of the Fund is from the 1st trading day of January to the last trading day of December, for each calendar year.

Sampling frequency:

The performance fee is collected for the benefit of the Investment Manager at each calendar year. Under no circumstances, may the reference period of the Sub-Fund can be less than one year.

Performance fee calculation method:

• During the reference period:

- If the Sub-Fund's Net Asset Value is greater than the Reference Net Asset Value, the variable portion of performance fees will represent:
Class A: 20% of the performance with high-water mark

Class B: 20% of the performance over 5% with high-water mark
Class C: 20% of the performance with high-water mark
Class P: None

For each calendar year, a provision for performance fees will be passed on a daily basis, based on the difference between the daily Net Asset Value of the Sub-Fund and the high water mark - This provision is either increased or decreased for each daily calculation of the Net Asset Value depending of its daily level toward the Reference Net Asset Value. In case, the daily Sub-Fund's Net Asset Value is above the high-water mark, the provision will be increased and oppositely in case the daily Sub-Fund's Net Asset Value is below the high-water mark, the provision will be decreased Reversals of provisions are capped at the level of previous provisions.

In the event of redemption, during the reference period, the portion of the variable provision for performance fees, corresponding to the number of units redeemed, is definitively acquired by the Investment Manager.

The performance fee will be calculated net of all costs but without deducting the performance fee itself

• At the end of the reference period:

- If the Sub-Fund's Net Asset Value is greater than Reference Net Asset Value, the variable provision of the performance fees during the reference period is definitively acquired by the Investment Manager.

- If the Sub-Fund's Net Asset Value is lower than Reference Net Asset Value, the variable provision of the performance fees will be equal to zero (excluding the shares acquired by the Investment Manager upon redemption(s) during the reference period).

The performance fee may only be claimed if the outperformance exceeds any underperformances during the previous five years. Consequently, any underperformance of the Sub-Fund's Net Asset Value during the reference period must be caught up before any new provision for performance fees can be passed.
For example:

Reference period	**Performance**			
	Reference Net Asset Value	Net Asset Value	Increase of Reference Net Asset Value	Performance fees
D 1 (first trading day of Year 1)	100	100	0,000%	NO
End of Year 1	100	100	0,000%	NO
End of Year 2	100	105	5,000%	YES
End of Year 3	105	100	- 4,762%	NO (Extension of the reference period for 5 additional rolling years) (*)
End of Year 4	100	102	2,000%	NO
End of Year 5	102	103	0,980%	NO (as the underperformance of Year 3 has not been fully compensated)
End of Year 6	103	104	0,971%	NO (as the underperformance of Year 3 has not been fully compensated)
End of Year 7	104	104	0,000%	NO (as the underperformance

				of Year 3 has not been fully compensated)
End of Year 8	104	106	1,923%	YES (as the underperformance of Year 3 has been fully compensated)
End of Year 9	106	107	0,943%	YES

(*) The underperformance of the Sub-Fund over the reference period must be compensated within 5 years (up to Year 8 maximum) before the variable management fees become due.

Operating costs, including the Management Company fee:

The operating costs will be charged on a degressive basis based on the net assets of the Sub-Fund during the respective quarter and payable in the month following the end of the quarter. The following fees will apply, depending on the NAV of the Sub-Fund:

- NAV below 25 million: 0.50% p.a.
- NAV between 25 and 50 million: 0.40% p.a.
- NAV between 50 and 75 million: 0.35% p.a.
- NAV between 75 and 100 million: 0.30% p.a.
- NAV beyond 100 million: 0.25% p.a.

Other costs: In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

5. TAXATION SYSTEM

In Luxembourg, the Sub-Fund is subject to an annual tax calculated on the net assets of the Sub-Fund at the end of each quarter. The rate of this tax (which is payable quarterly) is equal to 0.05% per annum to the exception of the Share Classes which can only be held by institutional investors which benefit from the lower 0.01% rate per annum.

For further information, please refer to Section IX in the main part of the Prospectus.

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

6. SALE OF SHARES

Subscription /Redemption /Conversion

Subscription/redemption/conversion orders received in Luxembourg before 11 a.m. (Luxembourg time) on a Business Day prior to a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than three (3) Business Days following the applicable Valuation Day.

Shares must be fully paid up and are issued with no par value. Fractions of Shares, up to one thousandth of a Share, may be issued.

Share types/Class:

The Shares are Capitalisation Shares (Classes A, B and P). A minimum initial subscription amount is applicable to the following Shares:

Class A: EUR 100,000
GBP 100,000

Class B: EUR 1,000
Class C: EUR 5,000,000
Class P: EUR 1,000

For this Sub-Fund, the Company will issue dematerialised registered Shares.

Valuation Day (D): is every Business Day in Luxembourg and France.

Publication of the NAV: The Net Asset Value will be published on D+1 from its calculation date and can be consulted at the registered office of the Company.

7. CONTACTS

Subscriptions, redemptions and conversions

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Documentation requests

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The Prospectus, KID PRIIPS, Articles of Incorporation and annual and half-yearly reports are available free of charge at the Company's registered office.