VISA 2024/175256-7630-0-PC
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Luxembourg, le 2024-01-05
Commission de Surveillance du Secteur Financier

KITE FUND SICAV

PROSPECTUS

12 JANUARY 2024

KITE FUND SICAV

PROSPECTUS

Important notice

Subscriptions to KITE FUND SICAV (hereinafter "the Fund" or "the SICAV") are only valid if they are made in accordance with the provisions of the current prospectus accompanied by the Key Information Document (KID), by the most recent annual report available and, in addition, by the most recent semi-annual report if this was published after the most recent annual report. All the offering documents as well as the financial reports will be available for inspection on the website of the Fund.

No one may use information other than that appearing in the present prospectus or KID and in the documents mentioned therein as being available for consultation by the public. This prospectus provides details of the general framework applicable to the Fund and must be read in conjunction with the appendices relating to each Sub-Fund. These appendices are issued upon the launch of each Sub-Fund and constitute an integral part of the prospectus. The prospectus and the KID will be updated regularly to incorporate significant amendments. Investors are advised to check with the Fund that the prospectus in their possession is the most recent one.

The Fund is established in Luxembourg and has obtained the authorisation of the competent Luxembourg supervisory authority. This authorisation should in no way be interpreted as approval by the Luxembourg supervisory authority of either the contents of the prospectus or the quality of the shares of the Fund or of the quality of the investments that it holds.

This prospectus may not be used to offer and promote sales in any Country or under any circumstances where such offers or promotions are not authorised by the competent authorities.

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

US investors

THE SHARES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 AND THE FUND IS NOT REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940. ACCORDINGLY, the Shares may not be offered, sold, transferred or delivered, directly or indirectly, in the United States of America, its territories or possessions or to "U.S. PERSONS", AS THAT TERM IS DEFINED IN RULE 902(k) OF REGULATION S OF THE U.S. SECURITIES AND EXCHANGE COMMISSION. BY SUBSCRIBING ANY OF THESE SHARES, THE INVESTOR AND/OR ANY PERSONS ACTING ON BEHALF OF THE INVESTOR REPRESENT(S) THAT THE BENEFICIAL OWNER IS NOT SUCH A U.S. PERSON.

FINRA RULES 5130 and 5131

The Fund may either subscribe to classes of shares of target funds likely to participate in offerings of US new issue equity securities ("US IPOs") or directly participate in US IPOs. The Financial Industry Regulatory Authority ("FINRA"), pursuant to FINRA rules 5130 and 5131 (the "Rules"), has established prohibitions concerning the eligibility of certain persons to participate in US IPOs where the beneficial owner(s) of such accounts are financial services industry professionals (including, among other things, an owner or employee of a FINRA member firm or money manager) (a "restricted person"), or an executive officer or director of a U.S. or non-U.S. company potentially doing business with a FINRA member firm (a "covered person"). Accordingly, investors considered as restricted persons or covered persons under the Rules are not eligible to invest in the Fund. In case of doubts regarding its status, the investor should seek the advice of its legal adviser.

Data protection

In compliance with the Luxembourg applicable data protection laws and regulations, including but not limited to the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("GDPR"), as such applicable laws and regulations may be amended from time to time (collectively hereinafter referred to as the Data Protection Laws), the Company, acting as data controller (the "Data Controller") processes personal data in the context of the investments in the Company. The term "processing" in this section has the meaning ascribed to it in the Data Protection Laws.

1. CATEGORIES OF PERSONAL DATA PROCESSED

Any personal data as defined by the Data Protection Laws (including but not limited to the name, e-mail address, postal address, date and/or place of birth, marital status, country of residence, identity card or

passport, tax identification number and tax status, contact and banking details including account number and account balance, resume, invested amount and the origin of the funds) relating to (prospective) investors who are individuals and any other natural persons involved in or concerned by the Company's professional relationship with investors, as the case may be, including but not limited to any representatives, contact persons, agents, service providers, persons holding a power of attorney, beneficial owners and/or any other related persons (each a "Data Subject") provided in connection with (an) investment(s) in the Company (hereinafter referred to as the "Personal Data") may be processed by the Data Controller.

2. PURPOSES OF THE PROCESSING

The processing of Personal Data may be made for the following purposes (the "Purposes"):

a) For the performance of the contract to which the investor is a party or in order to take steps at the investor's request before entering into a contract

This includes, without limitation, the provision of investor-related services, administration of the shareholdings in the Company, handling of subscription, redemption and conversion orders, maintaining the register of shareholders, management of distributions, sending of notices, information and communications and more generally performance of service requests from and operations in accordance with the instructions of the investor.

The provision of Personal Data for this purpose:

- has a contractual nature or is a requirement necessary for the Company to enter into a contractual relationship with the investor; and
- is mandatory;

b) For compliance with legal and/or regulatory obligations

This includes (without limitation) compliance:

- with legal and/or regulatory obligations such as obligations on anti-money laundering and fight against terrorism financing, obligations on protection against late trading and market timing practices, accounting obligations;
- with identification and reporting obligations under foreign account tax compliance act ("FATCA") and other comparable requirements under domestic or international exchange tax information mechanism such as the Organisation for Economic Co-operation and Development ("OECD") and EU standards for transparency and automatic exchange of financial account information in tax

matters ("AEOI") and the common reporting standard ("CRS") (hereinafter collectively referred to as "Comparable Tax Regulations"). In the context of FATCA and/or Comparable Tax Regulations, the Personal Data may be processed and transferred to the Luxembourg tax authorities who, in turn and under their control, may transfer such Personal Data to the competent foreign tax authorities, including, but not limited to, the competent authorities of the United States of America;

- with requests from, and requirements of, local or foreign authorities.

The provision of Personal Data for this purpose has a statutory/regulatory nature and is mandatory. In addition to the consequences mentioned in last paragraph of item 2 hereunder, not providing Personal Data in this context may also result in incorrect reporting and/or tax consequences for the investor;

c) For the purposes of the legitimate interests pursued by the Company

This includes the processing of Personal Data for risk management and for fraud prevention purposes, improvement of the Company's services, disclosure of Personal Data to Processors (as defined in item 3 hereunder) for the purpose of effecting the processing on the Company's behalf. The Company may also use Personal Data to the extent required for preventing or facilitating the settlement of any claims, disputes or litigations, for the exercise of its rights in case of claims, disputes or litigations or for the protection of rights of another natural or legal person.

The provision of Personal Data for this purpose:

- has a contractual nature or is a requirement necessary for the Company to enter into a contractual relationship with the investor; and

- is mandatory;

and/or

d) For any other specific purpose to which the Data Subject has consented

This covers the use and further processing of Personal Data where the Data Subject has given his/her explicit consent thereto, which consent may be withdrawn at any time, without affecting the lawfulness of processing based on consent before its withdrawal.

Not providing Personal Data for the Purposes under items a) to c) hereabove or the withdrawal of consent under item d) hereabove may result in the impossibility for the Company to accept the investment in the Company and/or to perform investor-related services, or ultimately in termination of the contractual relationship with the investor.

3. DISCLOSURE OF PERSONAL DATA TO THIRD PARTIES

The Personal Data may be transferred by the Company, in compliance with and within the limits of the Data Protection Laws, to its delegates, service providers or agents, such as (but not limited to) the Management Company, the Domiciliary Agent, the Auditor, other entities directly or indirectly affiliated with the Company and any other third parties who process the Personal Data for providing their services to the Company, acting as data processors (collectively hereinafter referred to as "Processors").

Such Processors may in turn transfer Personal Data to their respective agents, delegates, service providers, affiliates, such as (but not limited to) the Administrative Agent, the Registrar and Transfer Agent, the Global Distributor, acting as sub-processors (collectively hereinafter referred to as "Sub-Processors").

Such Sub-Processors may also in turn transfer Personal Data to their respective agents, delegates, service providers, affiliates, etc (the "Subsequent Sub-Processors").

Personal Data may also be shared with service providers processing them on their own behalf as data controllers and third parties as may be required by applicable laws and regulations (including but not limited to administrations, local or foreign authorities (such as competent regulator, tax authorities, judicial authorities, etc)).

Further details regarding these recipients may be obtained from the Data Controller, upon request.

These recipients may be located inside or outside of the European Economic Area ("EEA"). The transfer of Personal Data outside of the EEA may be made to countries ensuring (based on the European Commission's decision) an adequate level of protection or to other countries not ensuring such adequate level of protection. In the latter case, the transfer of Personal Data may, in certain cases, not be protected by appropriate or suitable safeguards. The Data Subject is informed that such transfers may involve Personal Data security risks due to the absence of an adequacy decision and appropriate or suitable safeguards. If appropriate or suitable safeguards (such as standard contractual clauses as approved by the European Commission) are put in place, the Data Subject may obtain a copy thereof by contacting the Data Controller.

4. RIGHTS OF THE DATA SUBJECTS IN RELATION TO THE PERSONAL DATA

Under certain conditions set out by the Data Protection Laws and/or by applicable guidelines, regulations, recommendations, circulars or requirements issued by any local or European competent authority, such as the Luxembourg data protection authority (the Commission Nationale pour la Protection des Données – "CNPD") or the European Data Protection Board, each Data Subject has the rights:

- to access his/her Personal Data and to know, as the case may be, the source from which his/her Personal Data originate and whether they came from publicly accessible sources;
- to ask for a rectification of his/her Personal Data in cases where they are inaccurate and/or incomplete,
- to ask for a restriction of processing of his/her Personal Data,
- to object to the processing of his/her Personal Data,
- to ask for erasure of his/her Personal Data, and
- to data portability with respect to his/her Personal Data.

Further details regarding the above rights are provided for in Chapter III of GDPR and in particular articles 15 to 21 of GDPR.

No automated decision-making is conducted.

To exercise the above rights and/or withdraw his/her consent regarding any specific processing to which he/she has consented, the Data Subject may contact the Company's data protection officer at the following address: info@pharusmanco.lu.

In addition to the rights listed above, should a Data Subject consider that the Company does not comply with the Data Protection Laws, or has concerns with regard to the protection of his/her Personal Data, the Data Subject is entitled to lodge a complaint with a supervisory authority (within the meaning of GDPR). In Luxembourg, the competent supervisory authority is the CNPD.

5. INFORMATION ON DATA SUBJECTS RELATED TO THE INVESTOR

To the extent the investor provides Personal Data regarding Data Subjects related to him/her/it (e.g. representatives, beneficial owners, contact persons, agents, service providers, persons holding a power of attorney, etc.), the investor acknowledges and agrees that: (i) such Personal Data has been obtained, processed and disclosed in compliance with any applicable laws and regulations and its/his/her contractual obligations; (ii) the investor shall not do or omit to do anything in effecting this disclosure or otherwise that would cause the Company, the Processors and/or Sub-Processors to be in breach of any applicable laws and regulations (including Data Protection Laws); (iii) the processing and transferring of the Personal Data as described herein shall not cause the Company, the Processors and/or Sub-Processors to be in breach of any applicable laws and regulations (including Data Protection Laws); and (iv) without limiting the foregoing, the investor shall provide, before the Personal Data is processed by the Company, the Processors and/or Sub-Processors, all necessary information and notices to such Data Subjects concerned, in each case as

required by applicable laws and regulations (including Data Protection Laws) and/or its/his/her contractual obligations, including information on the processing of their Personal Data as described in this data protection section. The investor will indemnify and hold the Company, the Processors and/or Sub-Processors harmless for and against all financial consequences that may arise as a consequence of a failure to comply with the above requirements.

6. DATA RETENTION PERIOD

Personal Data shall not be retained for periods longer than those required for the purpose of its processing, subject to statutory periods of limitation.

7. RECORDING OF TELEPHONE CONVERSATIONS

Investors, including the Data Subjects related to him/her/it (who will be individually informed by the investors in turn) are also informed that for the purpose of serving as evidence of commercial transactions and/or any other commercial communications and then preventing or facilitating the settlement of any disputes or litigations, their telephone conversations with and/or instructions given to the Company, the Management Company, the Depositary Bank, the Domiciliary Agent, the Administrative Agent, the Registrar and Transfer Agent, and/or any other agent of the Company may be recorded in accordance with applicable laws and regulations. These recordings are kept as long as necessary for the purpose of their processing, subject to statutory periods of limitation. These recordings shall not be disclosed to any third parties, unless the Company, the Management Company, the Depositary Bank, the Domiciliary Agent, the Administrative Agent, the Registrar and Transfer Agent and/or any other agent of the Company is/are compelled or has/have the right to do so under applicable laws and/or regulations in order to achieve the purpose as described in this paragraph.

1. GENERAL INFORMATION

1.1 DESCRIPTION OF THE FUND

KITE FUND SICAV is a "*société d'investissement à capital variable*" with an umbrella structure, organized under Part I of the Law of December 17, 2010 relating to Undertakings for Collective Investment ("Law of 2010") and the Law of August 10, 1915 on the Commercial Companies ("Law of 1915") as may be amended from time to time with registered office at **4, Rue Robert Stumper, L-2557 Luxembourg**.

The Fund was created on September 11, 2012 for an unlimited period and it is managed by PHARUS MANAGEMENT LUX S.A., a management company governed by Chapter 15 of the Law of 2010. The Articles of incorporation of the Fund ("the Articles") are published in the "Mémorial C. Recueil des Sociétés et Associations" (the "Mémorial") of September 18, 2012 and have been filed with the Luxembourg "Registre de Commerce et des Sociétés". Any interested person may inspect the Articles at the "Registre de Commerce et des Sociétés" of Luxembourg, website www.rcsl.lu.

The Articles authorise the board of directors of the Fund ("the Board of Directors") to issue Shares, at any time, in different Sub-Funds (each, a "Sub-Fund"). Proceeds from the issue of Shares within each Sub-Fund may be invested in transferable securities and other eligible assets corresponding to a particular geographical area, industrial sector or monetary zone, and/or particular types of equity, equity-related or transferable debt securities as the Board of Directors may from time to time determine.

The Board of Directors may further decide to issue within each Sub-Fund two or more classes of Shares, the assets of which may be commonly invested pursuant to the specific investment policy for the particular Sub-Fund concerned, although a separate sales and redemption mechanism, fee structure, category of targeted investors and other such characteristics may be designated to a particular class of Shares within each such Sub-Fund.

The Sub-Funds in issue at the date of the present prospectus and their specific features are fully described in the Appendix I - "Description of the Sub-Funds" to the present prospectus. Should the Board of Directors decide to create additional Sub-Funds, or issue different classes of Shares, Appendix I to this prospectus will be updated accordingly.

The value of the Shares may fluctuate and an investor (individually also the "Shareholder" and collectively the "Shareholders"), upon redemption of Shares may not get back the amount he initially invested. The levels and basis of, and relief from, taxation may change. There can be no assurance that the investment objectives of the Fund will be achieved.

The Fund reserves the right to reject any application in whole or in part, in which event the application monies or any balance thereof will be returned to the applicant as soon as practicable.

All references in the prospectus to "EUR" and to "Euro" are to the legal currency of the European Monetary Union (currency in which the Shares are denominated).

1.2 OVERVIEW

Board of Directors	**MASSIMO PAOLO GENTILI** (Chairman) Independent Director Gentili & Partners 26, Boulevard Royal L-2449 Luxembourg Luxembourg
	DAVIDE PASQUALI (Director) Pharus Asset Management S.A. Via Pollini, 7 CH-6850 Mendrisio Switzerland
	NICOLA MAINO (Director) Valori Asset Management S.A. Viale Alessandro Volta 16, CH-6830 Chiasso Switzerland
	ROBERTO FACCHINI (Director) Valori Asset Management S.A. Viale Alessandro Volta 16, CH-6830 Chiasso Switzerland
	MICHELE DI TUCCIO (Director) Valori Asset Management S.A. Viale Alessandro Volta 16, CH-6830 Chiasso Switzerland
Management Company	**PHARUS MANAGEMENT LUX S.A.** 16, Avenue de la Gare L-1610 Luxembourg
	Board of Directors of the Management Company: Davide BERRA (Chairman) Davide PASQUALI

	Luigi VITELLI Sebastiano MUSUMECI **Conducting Person of the Management Company** Luigi VITELLI Marco PETRONIO
Depositary Bank, Domiciliary Agent	**Edmond de Rothschild (Europe)** 4, Rue Robert Stumper, L-2557 Luxembourg L-2535 Luxembourg
Central Administration (Administrative, Paying Agent, Registrar and Transfer Agent)	**Edmond de Rothschild Asset Management (Luxembourg)** 4, Rue Robert Stumper, L-2557 Luxembourg L-2535 Luxembourg
Auditor	**ERNST & YOUNG S.A.** 35 E Avenue John F. Kennedy L-1855 Luxembourg

2. MANAGEMENT, ADMINISTRATION, CUSTODY, DISTRIBUTION

2.1 THE BOARD OF DIRECTORS OF THE FUND

The Board of Directors is responsible for all commitments of the Fund and for the overall management and control of the Fund. It may carry out all acts of management of the assets of each Sub-Fund and in particular it may purchase, sell, subscribe or exchange any transferable securities and exercise all rights directly or indirectly attached to the Fund's assets. The Board of Directors shall be in charge of determining the investment policy of each Sub-Fund.

2.2 THE MANAGEMENT COMPANY

The Board of Directors has appointed PHARUS MANAGEMENT LUX S.A. ("The Management Company"), having its registered office at 16, Avenue de la Gare, L- 1610 Luxembourg as its management company registered under Chapter 15 of the Law of 2010, according to a "Management Company Services Agreement" made with effect as of 08.05.2014.

The Management Company is a company incorporated in Luxembourg as a "société anonyme" on July 3, 2012 for an indefinite duration and registered in the Luxembourg Commercial Register under Number B169798. Its registered capital is set at seven hundred and fifty thousand euros (EUR 750,000) divided into seven hundred and fifty (750) registered shares, with a nominal value of one thousand euros (EUR 1,000), each fully paid up.

The Management Company shall be in charge of the tasks set in Annex II to the Law of 2010:

A) Investment management;

B) Administration, which encompasses:

a) legal services and accounts management for the Fund,

b) follow-up of requests for information from clients,

c) valuation of portfolios and calculation of the value of Fund Shares (including all tax issues),

d) verifying compliance with regulations,

e) keeping the Fund's Register of Shareholders,

f) allocating Fund income,

g) issue and redemption of Fund's Shares (Transfer Agent's duties),

h) winding-up of contracts (including sending certificates),

i) recording and keeping records of transactions.

C) Marketing the Fund's Shares.

The Management Company is entitled to delegate to third parties, for the purpose of a more efficient conduct of its business, the power to carry out, under its control and responsibility, one or more of the above mentioned tasks. In that case, pursuant to the article 110 (1) g) of the Law of 2010, the mandate will set the possibility of allowing the persons who conduct the business of the Management Company to give at any time further instructions to the undertaking to which functions are delegated or to withdraw the mandate with immediate effect when this is in the interests of Shareholders.

D) Conflicts of Interest

The Board of the Fund and/or of the Management Company will (in the event that any conflict of interest actually arises) endeavour to ensure that such conflict is resolved fairly and in the best interests of the Fund and its shareholders.

E) Remuneration policy of the Management Company

The Management Company has in place a remuneration policy which is consistent with, and promotes, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles of the sub-funds, the Prospectus and the Articles of Incorporation nor impair compliance with the Management Company's duty to act in the best interest of the Fund and of its Shareholders.

The remuneration policy of the Management Company is in line with the business strategy, objectives, values and interests of the Management Company and of the other UCITS that it managed and of the interest of the Fund, and includes measures to avoid conflicts of interest.

The assessment of performance is set in a multiyear framework appropriate to the holding period recommended to the investors of the UCITS managed by the Management Company in order to ensure that the assessment process is based on the longer team performance of the Fund and its investment risks and that the actual payment of performance based components of remuneration is spread over the same period.

Due to the Management Company`s remuneration policy it is ensured the fixed and variable components of total remuneration are appropriately balanced and the fixed remuneration component represents a

sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable components, including the possibility to pay no variable remuneration component.

The remuneration policy of the Management Company has been adopted by its board of directors of the Management Company and is reviewed at least annually.

Details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available on: https://www.pharusmanagement.com/lu/en/legal-documents/

A paper copy of such document is available free of charge from the Management Company upon request.

2.3 THE INVESTMENT MANAGER, THE SUB-INVESTMENT MANAGER, THE INVESTMENT ADVISOR

In the management of the assets, the Management Company, with the consent of the Board of Directors may, under its control and responsibility, delegate the execution of the day to day management of the assets of the Sub-Funds to third entities (individually, the "Investment Manager"), duly authorised by the competent supervisory authorities.

In case an Investment Manager is appointed by the Management Company, the relevant details shall be found in the Appendix to this prospectus.

The Investment Manager, at its own expenses, may be assisted by one or several sub-investment managers (individually, the "Sub-Investment manager") or by one or several investment advisors (individually the "Investment Advisor").

2.4 BANK AND DOMICILIARY AGENT

Edmond de Rothschild (Europe) has been appointed to act as depositary bank of the Fund (the "**Depositary Bank**") pursuant to a depositary bank agreement effective since the 29th of July 2016 (the "Depositary Bank Agreement").

Edmond de Rothschild (Europe) has also been appointed to act as domiciliary agent of the Fund pursuant to the Domiciliation Agreement.

Edmond de Rothschild (Europe) is a bank organized as a société anonyme, regulated by the CSSF and incorporated under the laws of the Grand Duchy of Luxembourg. Its registered office and administrative offices are at 4, Rue Robert Stumper, L-2557 Luxembourg.

The Depositary Bank Agreement provides that it will remain in force for an unlimited period and that it may be terminated by either party at any time upon 90 days' written notice.

The Depositary Bank Agreement is governed by the laws of Luxembourg and the courts of Luxembourg shall have exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depositary Bank Agreement.

In consideration of the services rendered the Depository Bank receives a fee as detailed in section 8.3 of this Prospectus.

The Depositary Bank shall assume its functions and responsibilities in accordance with the Luxembourg applicable laws and regulations and the Depositary Bank Agreement. With respect to its duties under the 2010 Law, the Depositary Bank shall ensure the safekeeping of the Fund's assets. The Depositary has also to ensure that the Fund's cash flows are properly monitored in accordance with the 2010 Law.

In addition, the Depositary Bank shall also ensure:

- that the sale, issue, repurchase, redemption and cancellation of the Shares of the Fund are carried out in accordance with Luxembourg law and the Articles of Incorporation of the Fund;
- that the value of the Shares of the Fund is calculated in accordance with Luxembourg law and the Articles of Incorporation of the Fund;
- to carry out the instructions of the Fund and the Management Company, unless they conflict with Luxembourg law or the Articles of Incorporation of the Fund;
- that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
- that the Fund's incomes are applied in accordance with Luxembourg law and the Articles of Incorporation of the Fund.

The Depositary Bank shall be liable to the Fund or to the Shareholders for the loss of the Fund's financial Instruments held in custody by the Depositary Bank or its delegates to which it has delegated its custody functions. A loss of a financial instrument held in custody by the Depositary Bank or its delegate shall be deemed to have taken place when the conditions of article 18 of the Commission Delegated Regulation (EU) of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and the Council with regard to obligations of depositories (the "UCITS Delegated Regulation) are met. The liability of the Depositary Bank for losses other than the loss of the Fund's financial Instruments held in custody shall be incurred pursuant to the provisions of the Depositary Bank Agreement.

In case of loss of the Fund's financial instruments held in custody by the Depositary Bank or any of its

delegates, the Depositary Bank shall return financials instruments of identical type or the corresponding amount to the Fund without undue delay. However, the Depositary Bank's liability shall not be triggered provided the Depositary can prove that all the following conditions are met:

(i) the event which led to the loss is not the result of any act or omission of the Depositary or of any of its delegates;

(ii) the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice;

(iii) the Depositary could not have prevented the loss despite rigorous and comprehensive due diligence as documented in accordance with point (c) of article 19 (1) of the UCITS-CDR.

The requirements referred to in points (i) and (ii) in this paragraph may be deemed to be fulfilled in the following circumstances:

(a) natural events beyond human control or influence;

(b) the adoption of any law, decree, regulation, decision or order by any government or governmental body, including any court or tribunal, which impacts the Company's financial instruments held in custody;

(c) war, riots or other major upheavals.

The requirements referred to in points (i) and (ii) in the previous paragraph shall not be deemed to be fulfilled in cases such as an accounting error, operational failure, fraud, failure to apply the segregation requirements at the level of the Depositary or any of its delegates.

The Depositary Bank's liability shall not be affected by any delegation of its custody functions.

An up-to-date list of the third-party delegates (including the global sub-custodian) appointed by the Depositary Bank and of the delegates of these third-party delegates (including the global sub-custodian) is available on the on the website www.edmond-de-rothschild.eu in the LEGAL INFORMATION section (in the footer of this website) - LUXEMBOURG sub-section.

In carrying out its functions, the Depositary Bank shall act honestly, fairly, professionally,

independently and solely in the interest of the Fund and the shareholders of the Fund.

Potential conflicts of interest may nevertheless arise from time to time from the provision by the Depositary Bank and/or its affiliates and/or sub-custodians of other services to the Fund, the Management Company and/or other parties. For example, the Depositary Bank may act as depositary bank of other funds. It is therefore possible that the Depositary Bank (or any of its affiliates and/or sub-custodians) may in the course of its business have conflicts or potential conflicts of interest with those of the Fund and/or other funds for which the Depositary Bank (or any of its affiliates and/or sub-custodians) acts.

Where a conflict or potential conflict of interest arises, the Depositary Bank will have regard to its obligations to the Fund and will treat the Fund and the other funds for which it acts fairly and such that, so far as is reasonably practicable, any transactions are effected on terms which are not materially less favourable to the Fund than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary Bank's functions from its other potentially conflicting tasks and by the Depositary Bank adhering to its own conflicts of interest policy.

A description of the conflicts of interest that may arise in relation to the Depositary Bank services, if any, including the identification of the conflicts of interest in relation to the appointment of third-party delegates (including the global sub-custodian) will be made available to the Fund's shareholders on request at the Fund's registered office.

Under no circumstances shall the Depositary Bank be liable to the Fund, the Management Company or any other person for indirect or consequential damages and the Depositary Bank shall not in any event be liable for the following direct losses: loss of profits, loss of contracts, loss of goodwill, whether or not foreseeable, even if the Depositary Bank has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.

The Depositary Bank is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Fund and is not responsible for the preparation of this document and accepts no responsibility for any information contained in this document other than the above

description. The Depositary Bank shall not have any investment decision-making role in relation to Fund. Decisions in respect of the purchase and sale of assets for the Fund, the selection of investment professionals and the negotiation of commission rates are made by the Fund and/or the Management Company and/or their delegates. Shareholders may ask to review the Depositary Bank Agreement at the registered office of the Fund should they wish to obtain additional information as regards the precise contractual obligations and limitations of liability of the Depositary Bank.

The fees and charges of the Depositary Bank in connection with its services are borne by the Fund in accordance with common practice in Luxembourg.

Edmond de Rothschild (Europe) may also act as independent data controller and process personal data in the context of its activities. The conditions under which such data is processed are detailed in the personal data protection charter of Edmond de Rothschild (Europe) which is available in several languages on the website www.edmond-de-rothschild.eu in the «your personal data» section. Further information thereon may also be obtained at the following email address: DPO-eu@edr.com. The investors are kindly requested to transmit this charter to any relevant natural persons whose personal data could be processed by Edmond de Rothschild (Europe) as independent data controller, such as (where applicable) their board members, representatives, signatories, employees, officers, attorneys, contact persons, agents, service providers, controlling persons, beneficial owners and/or any other related persons.

In order to improve the efficiency and quality of its services, the Depositary Bank may sub-contract/outsource certain of its functions/duties to service providers (located in jurisdictions inside or outside of the EEA, such as Switzerland) which, in view of functions/duties to be sub-contracted/outsourced, have to be qualified and competent for performing them (the "Sub-Contractors"). The Depositary Bank's liability shall not be affected by such sub-contracting/outsourcing arrangements. In this context, the Depositary Bank may be required to disclose and transfer to the Sub-Contractors personal and confidential information about or related to the shareholders, such as (where applicable) identification data and/or contact details (e.g. name, address, gender, country of residence, etc.), tax identification number and/or tax status, banking details (including the account number and/or the account balance), type of relationship, title or function, invested amount and/or origin of the funds, transaction information, contractual or other information/documentation, etc., (all together hereinafter referred to as the "Confidential Information"). Confidential Information may be transferred to Sub-Contractors established in

countries where professional secrecy or confidentiality obligations are not equivalent to the professional secrecy/confidentiality obligations imposed by Luxembourg law. In any event, the Sub-Contractors are either subject to a professional secrecy obligation by application of law or contractually bound to comply with confidentiality rules. Further specific details regarding the sub-contracted/outsourced services, the type of Confidential Information transmitted in this context and the Sub-Contractors (including their country of establishment) may be obtained upon written request to the Fund or the Depositary Bank.

2.5 THE ADMINISTRATIVE, PAYING, AND REGISTRAR AND TRANSFER AGENT

Pursuant to a Central Administration Agreement dated 25.07.2016, the Fund and the Management Company have appointed Edmond de Rothschild Asset Management (Luxembourg) as administrative, registrar and transfer agent of the Fund (the "Administrative Agent").

Edmond de Rothschild Asset Management (Luxembourg) is in charge of processing of the issue, redemption and conversion of the Shares and settlement arrangements thereof, keeping the register of the Fund's Shareholders, calculating the Net Asset Value, maintaining the records, and other general functions as more fully described in the Central Administration Agreement.

The Administrative Agent will not be liable for the investment decisions regarding the Fund nor the consequences of such investment decisions on the Fund's performance and they are not responsible for the monitoring of the compliance of the Fund's investments with the rules contained in its Articles and/or its Prospectus and/or in any investment management agreement(s) concluded between the Fund/the Management Company and any investment manager(s).

The Central Administration Agreement provides that it will remain in force for an unlimited period and that it may be terminated by either party at any time upon 90 days' written notice.

In consideration of the services rendered, the Administrative Agent receives a fee as detailed in section 8 of this Prospectus.

The Administrative Agent may delegate all or part of its functions to one or more sub-contractor(s) which, in view of functions to be delegated, has/have to be qualified and competent for performing them. The Administrative Agent's liability shall not be affected by such delegation to one or more sub-contractor(s)".

In order to improve the efficiency and quality of its services, the Administrative Agent may delegate/outsource all or part of its functions/duties to service providers (located in jurisdictions

inside or outside of the EEA, such as Switzerland) which, in view of functions/duties to be delegated/outsourced, have to be qualified and competent for performing them. The Administrative Agent's liability shall not be affected by such delegation/outsourcing arrangements. In this context, the Administrative Agent may be required to disclose and transfer to the Service Providers personal and confidential information about or related to the Investors, such as (where applicable) identification data and/or contact details (e.g. name, address, gender, marital status, date and/or place of birth, country of residence, etc.), tax identification number and/or tax status, banking details (including the account number and/or the account balance), type of relationship, title or function, profession, curriculum vitae, knowledge, experience, skills, wealth, risk rating, invested amount and/or origin of the funds, transaction information, contractual or other information/documentation, etc.. Such personal and confidential information may be transferred to Service Providers established in countries where professional secrecy or confidentiality obligations are not equivalent to the professional secrecy/confidentiality obligations imposed by Luxembourg law. In any event, the Service Providers are either subject to a professional secrecy obligation by application of law or contractually bound to comply with confidentiality rules. Further specific details regarding the delegated/outsourced services, the type of personal and confidential information transmitted in this context and the Service Providers (including their country of establishment) may be obtained upon written request to the Fund or the Administrative Agent

The Administrative Agent shall not be liable for the contents of this Prospectus and will not be liable for any insufficient, misleading or unfair information contained in this Prospectus.

Edmond de Rothschild Asset Management (Luxembourg) may also act as independent data controller and process personal data in the context of its activities. The conditions under which such data is processed are detailed in the personal data protection charter of Edmond de Rothschild Asset Management (Luxembourg) which is available in several languages on the website www.edmond-de-rothschild.eu in the «your personal data» section. Further information thereon may also be obtained at the following email address: DPO-eu@edr.com. The investors are kindly requested to transmit this charter to any relevant natural persons whose personal data could be processed by Edmond de Rothschild Asset Management (Luxembourg) as independent data controller, such as (where applicable) their board members, representatives, signatories, employees, officers, attorneys, contact persons, agents, service providers, controlling persons, beneficial owners and/or any other related persons.

2.6 THE DISTRIBUTION AGENTS AND NOMINEES

The Management Company may designate banks and/or financial institutions to act as distribution agents or intermediaries who may be involved in investment and redemption transactions.

Such Distributors/Nominees may be appointed for the purpose of assisting it in the distribution of the shares of the Fund in the countries in which they are marketed. Certain Distributors/Nominees may not offer all of the Sub-Funds/categories/classes of shares or all of the subscription/redemption currencies to their customers. Customers are invited to consult their Distributor/Nominee for further details.

Distribution and Nominee agreements will be signed between the Management Company and the various Distributors/Nominees.

Shareholders may subscribe for shares by applying directly to the Fund without having to act through one of the Distributors/Nominees.

In accordance with the Distribution and Nominee agreements and, as the case may be, on the basis of a specific mandate given by the client when subscribing the Shares[1], the Nominee will be recorded in the Register of Shareholders in its own name, on behalf of the Shareholders. The terms and conditions of the Nominee agreements will stipulate, amongst other things, that a Shareholder who has invested in the Fund via a Nominee may at all times revoke the Nominee's mandate and require that the Shares subscribed shall be transferred to his/her name, as a result of which the Shareholder will be registered under his/her own name in the Register of Shareholders with effect from the date on which the transfer instructions are received by the Registrar and Transfer Agent from the Nominee. Copies of the various Distribution and Nominee contracts are available to Shareholders during normal office hours at the Fund's registered office and may also be required to the Distributor/Nominee.

Distributors and Nominees are Banks or financial intermediaries that pertain to a regulated group headquartered in a FATF (Financial Action Task Force on Money Laundering) Country. Such groups applying FATF provisions regarding money laundering issues to all its subsidiaries and affiliates.

A list of the Distributors and Nominees shall be at disposal at the Fund's registered office.

3. INVESTMENT POLICIES AND OBJECTIVES

[1] Upon subscription of the Shares, investors residing in Italy may grant a mandate to the Italian Paying Agent to act as Nominee in relation to the transactions concerning the participation in the Fund. On the basis of such a mandate, the Nominee, among other things, will send to the Fund the investors' requests for subscription, redemption and conversion on a cumulative basis, will be recorded in the register of shareholders in its own name with the words "on behalf of third parties" and will fulfil the duties relating to the exercise of voting rights on instructions of the investors. For any further detail Investors are invited to consult local documentation. The Nominee shall keep and update an electronic book with details of the investors and the relevant shareholdings; the status of shareholder shall be evidenced through the confirmation letter sent to the investor by the Nominee.

The object of the Fund is the collective investment of its assets in transferable securities and such other eligible financial assets permitted by the Law of 2010, in order to spread the investment risks and to provide to the investors the benefit of the result of the management of its assets.

Furthermore, the Fund will, on a regular basis, (a) use financial derivative instruments for investment, hedging and efficient portfolio management purposes, and (b) exploit the techniques and instruments relating to transferable securities and money market instruments for the purpose of efficient portfolio management, under the conditions and within the limits set forth by law, regulation and administrative practice.

With respect to currency risks, the Fund intends to use financial derivative instruments for hedging purposes. In any case the Fund is also allowed to take net short position in currency derivatives up to 10% of the assets of the Sub-Fund for the purpose of efficient portfolio management.

Details on such investment policies and restrictions as well as risk factors are outlined in the chapter 3.1-3.5 as well as in the Appendix I "*Description of the Sub-Funds*".

The Board of Directors has adopted the following restrictions, as well as those outlined in Appendix I, relating to the investment of the Fund's assets and its activities. These restrictions and policies may be amended from time to time by the Board of Directors in the interest of the Fund in which case this prospectus will be updated.

The investment restrictions imposed by Luxembourg law shall be complied with by each Sub-Fund. Those restrictions in paragraph 3.1 D. and E. iv) below are applicable to the Fund as a whole.

3.1 Investment in Transferable Securities and Liquid Assets

A.1 The Fund will invest in:

i. transferable securities and money market instruments admitted to an official listing on a stock exchange in any Member State of the European Union (EU), any Member State of the Organisation for the Economic Cooperation and Development (OECD), and any other State which the Board of Directors deems appropriate with regards to the investment objective of each Sub-Fund (each an "Eligible State"); and/or

ii. transferable securities and money market instruments dealt on another market which is regulated, operates regularly and is recognised and open to the public in an Eligible State (a "Regulated Market");

and/or

iii. recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an official stock exchange or another Regulated Market (an "Eligible Market") and such admission is achieved within one year of the issue; and/or

iv. units of undertakings for collective investment in transferable securities (a "UCITS") and/or of other undertakings for collective investment within the meaning of the first and second indent of Article 1(2) of Council Directive 2009/65/CE whether situated in an EU Member State or not, provided that:

- such other UCIs have been authorised under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in Community law and that a cooperation between authorities is sufficiently ensured,
- the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EU,
- the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs; and/or

v. deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union, or if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in Community law and/or

vi. financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs **i), ii) and iii)** above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of securities covered by this section **3.1 (A.1)**, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest according to their investment objective;
- the counterparties to OTC derivative transactions are credit institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Unless specifically provided otherwise in Appendix I "*Description of the Sub-Funds*" for any specific Sub-Fund, the Fund will invest in financial derivative instruments for hedging, efficient portfolio management, as well as for investment purposes, as more fully described in the section **3.4** "Financial Derivatives Instruments, Techniques and Other Instruments" below;-and/or

vii. money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the European Union or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members of the federation, or by a public international body one or more EU Member States belong to, or
- issued by an undertaking any securities of which are dealt in on Regulated Markets, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by Community law, or

- issued by other bodies belonging to categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, and is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

A.2 In addition, the Fund may invest a maximum of 10% of the net assets of any Sub-Fund in transferable securities and money market instruments other than those referred to under **3.1** above.

B. Each Sub-Fund may hold ancillary liquid assets.

The holding of ancillary liquid assets which is limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, is limited to 20% of the net assets a UCITS, except temporarily exceedances due to exceptionally unfavourable market conditions.

C.

i) Each Sub-Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same issuing body (and in the case of credit-linked securities both the issuer of the credit-linked securities and the issuer of the underlying securities). Each Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Sub-Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in **3.1 A.1 v)** above or 5% of its net assets in other cases.

ii) Furthermore, where any Sub-Fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the net assets of such Sub-Fund, the total value of all such investments must not account for more than 40% of the net assets of such Sub-Fund. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph **C. i)**, a Sub-Fund may not combine: investments in transferable securities or money market instruments issued by a single body; deposits made with a single body and/or exposures arising from OTC derivative transactions undertaken with a single body in excess of 20% of its net assets.

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

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

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

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

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

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph **C.**

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

Without prejudice to the limits in paragraph **D.**, the limits laid down in this paragraph **C.** shall be 20% for investments in shares and/or bonds issued by the same body when the aim of a Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Luxembourg supervisory authority, provided the composition of the index is sufficiently diversified; the index represents an adequate benchmark for the market to which it refers; it is published in an appropriate manner. The limit laid down in the sub-paragraph above is raised to 35% where it proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

vi) Where any Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities and money market instruments issued or guaranteed by an EU Member State, by its local authorities or by an Eligible State which is an OECD Member State, or by public international bodies of which one or more EU Member States are members, the Fund may invest 100% of the net assets of any Sub-Fund in such securities and money market instruments 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 assets of the Sub-Fund.

Subject to having due regard to the principle of risk spreading, a Sub-Fund is not required to comply with the limits set out in this paragraph **C.** for a period of 6 months following the date of its authorisation.

D.

i) The Fund may not acquire shares carrying voting rights which would enable the Fund to exercise significant influence over the management of the issuing body.

ii) The Fund may acquire no more than **a)** 10% of the nonvoting shares of any single issuing body, **b)** 10% of the value of debt securities of any single issuing body, **c)** 10% of the money market instruments of the same issuing body, and/or **d)** 25% of the units of the same UCI. However, the limits laid down in **b)**, **c)** and **d)** above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of securities in issue cannot be calculated.

The limits set out in paragraph **D. i)** and **ii)** above shall not apply to: transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities; transferable

securities and money market instruments issued or guaranteed by any other Eligible State; transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members; or shares held in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies having their registered office in that state where, under the legislation of that State, such holding represents the only way in which such Sub-Fund's assets may invest in the securities of the issuing bodies of that State, provided, however, that such company in its investment policy complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the Law of 2010; shares held by one or more investment companies in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice, or marketing in the Country where the subsidiary is located, with regard to the redemption of shares at the request of the shareholders.

E.

Each Sub-Fund may invest more than 10% of its net assets in units of UCITS or other UCIs. The following limits shall apply:

i) Each Sub-Fund may acquire units of the UCITS and/or other UCIs referred to in paragraph A.1 iv), provided that no more than 20% of a Sub-Fund's net assets be invested in the units of a single UCITS or other UCI.

ii) For the purpose of the application of this limit, each compartment of a UCITS or of a UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

iii) Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Sub-Fund.

iv) When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

In respect of a Sub-Fund's substantial investments in UCITS and other UCIs linked to the Fund as described in the preceding paragraph, the total management fee (including any performance and/or advisory fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed 5% of the

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

v) The Fund may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple Sub-Funds, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all Sub-Funds combined.

vi) The underlying investments held by the UCITS or other UCIs in which the Sub-Funds invest do not have to be considered for the purpose of the investment restrictions set forth under 3.1. C. above.

3.2 INVESTMENT RESTRICTIONS

A. The Fund will not make investments in precious metals or certificates representing these.

B. The Fund may not enter into transactions involving commodities or commodity contracts.

C. The Fund will not purchase or sell real estate properties or any option, right or interest therein, provided the Fund may invest in securities secured by real estate properties or interests therein or issued by companies which invest in real estate properties or interests therein.

D. The Fund may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in **3.1. A.1 iv)**, **vi)** and **vii)**.

E. The Fund may not borrow for the account of any Sub-Fund, other than amounts which do not in aggregate exceed 10% of the net assets of the Sub-Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.

The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business.

3.3 OTHER INVESTMENT RESTRICTIONS

A. The Fund may not make loans to other persons or act as a guarantor on behalf of third parties provided that this restriction shall not prevent the Fund from acquiring transferable securities or money market instruments or other financial instruments referred to in paragraph **3.1. A.1 iv)**, **vi)** and **vii)** which are not fully paid.

B. The Fund needs not comply with the limits laid down in this chapter 3 when exercising subscription rights attached to transferable securities or money market instruments which form part of its assets.

If the limits referred to in paragraph (B) are exceeded for reasons beyond the control of the Fund, or as a result of the exercise of subscription rights, the Fund must, as a priority, take all steps as necessary within a reasonable period of time to rectify that situation, taking due account of the interests of its Shareholders.

3.4 Financial Derivative Instruments, Techniques and Other Instruments

3.4.1 Financial derivative instruments

A. General provisions

For the purpose of efficient portfolio management of its assets and for hedging purposes, as well as for investment purposes to meet the Fund's investment objectives, the Fund may use financial derivative instruments involving transferable securities and money market instruments, under the conditions and within the limits set forth by law, regulation and administrative practice.

B. Use of financial derivative instruments

i) Under no circumstances these operations may cause the Fund to diverge from its investment objectives as set forth in the Fund's management regulations, its constitutional documents or prospectus.

ii) The Fund shall ensure that the global exposure of each Sub-Fund relating to financial derivative instruments does not exceed the total net assets of that Sub-Fund. The Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings (as referred in paragraph 3.2 D., above) so that it may not exceed 210% of any Fund's total net assets under any circumstances.

iii) The global exposure relating to the financial derivative instruments is calculated as indicated in the Appendix I "Description of the Sub-Funds"

iv) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10 % of the Sub-Fund's net assets when the counterparty is a credit institution referred to in section **3.1 A.1 v)** above or 5 % of its net assets in other cases.

In the context of OTC financial derivatives transactions and efficient portfolio management techniques, the Fund may receive collateral with a view to reduce its counterparty risk.

This section sets out the collateral policy applied by the Fund in such case. All assets received by the Fund in the context of efficient portfolio management techniques (securities lending, repurchase or reverse repurchase agreements) shall be considered as collateral for the purposes of this section.

Eligible collateral

Collateral received by the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability.

In particular, collateral should meet the following conditions:

Liquidity: Any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation,

Valuation: The collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place,

Issuer credit quality: The collateral received should be of high quality,

Correlation: The collateral received by the Fund should 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,

Collateral diversification: (asset concentration) – The collateral should 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 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 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.

The risks linked to the management of collateral such as operational and legal risks, should be identified, managed and mitigated by the risk management process.

Where there is a title transfer, the collateral received should be held by the depositary of the Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

v) Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in i) to vi) of section 3.1 C. above. When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in i) to vi) of section 3.1 C.

vi) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of these restrictions.

Where a Sub-Fund should enter into a total return swap or invest in other derivatives with similar characteristics:

i) The assets held by the Sub-Funds should comply with the investment limits set forth in **i)** to **vi)** of section **3.1 C**; and

ii) The underlying exposures of such derivatives must be taken into account to calculate the investment limits laid down above.

Before entering into any total return swap transaction or investing in any other financial derivative instruments having similar characteristics, the relevant Sub-Fund's investment objective and policy set out in Appendix I "*Description of the Sub-Funds*" of this Prospectus shall be updated to provide:

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(ies) default and the effect on investor returns;

It is nonetheless clarified that the SICAV will never enter into any total return swap transaction, or investing in any other financial derivative instruments having similar characteristics, with a counterparty that may assume a discretion over the composition or management of the Fund' investment portfolio or over the underlying of the financial derivative instruments.

The Annual Reports, in respect of each Sub-Fund that has entered into any total return swap transaction or investing in any other financial derivative instruments having similar characteristics over the relevant reporting period, shall furthermore contain details of:

i) The underlying exposure obtained through such financial derivative instruments;

ii) The identity of the counterparty(ies) to these financial derivative instruments;

iii) The type and amount of collateral received to reduce counterparty risk exposure.

3.4.2 Other Special Investment Techniques and Instruments

General principle

The Fund must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio; it must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.

The Fund may employ derivative instruments relating to transferable securities and money market instruments amongst others for hedging purposes, efficient portfolio management, duration management or other risk management of the portfolio as described here below.

When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in section "Investment Restrictions".

However, the overall risk exposure related to financial derivative instruments will not exceed the total net asset value of the Fund.

This means that the global exposure relating to the use of financial derivative instruments may not exceed 100% of the net asset value of the Fund and, therefore, the overall risk exposure of the Fund may not exceed 200% of its net asset value on a permanent basis.

Each Sub-Fund will employ the commitment or VAR approach to calculate their global exposure accordingly to the risk profile of the Sub-Fund.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives.

A Sub-Fund may also invest in OTC financial derivative instruments including but not limited to non-deliverable forwards, total return swaps, interest rate swaps, currency swaps, swaptions, credit default swaps, and credit linked note for either investment or for hedging purposes.

In doing so, the Sub-Fund shall comply with applicable restrictions and in particular with ESMA guidelines on exchange traded funds ("ETFs") and other UCITS issues as described in CSSF circular 14/592 and with EU Regulation 2015/2365 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ("SFTR") and CSSF Circulars CSSF 08/356, 11/512 CSSF 14/592, as from time to time amended or supplemented.

The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits of Article 52 of Directive 2009/65/EC.

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

When entering into Total Return Swaps ("TRS") arrangements, which for sake of clarity, also need to comply with the provisions applicable to TRS under the SFTR, or investing in other derivative financial instruments having similar characteristics to TRS, the Fund must respect the limits of diversification referred to in Articles 43, 44, 45, 46 and 48 of the 2010 Law.

Likewise, in accordance with Article 42 (3) of the 2010 Law and Article 48 (5) of CSSF Regulation 10-4, the Fund must ensure that the underlying exposures of the TRS (respectively other similar financial instrument) are taken into account in the calculation of the investment limits laid down in Article 43 of the 2010 Law.

The Management Company may not enter into swap transactions unless it ensures that the level of its exposure to the swaps is such that it is able, at all times, to have sufficient liquid assets available to meet its

redemption obligations and the commitments arising out of such transactions.

The counterparties will be leading financial institutions specialized in this type of transaction and subject to prudential supervision. These counterparties do not have discretionary power over the composition or management of the investment portfolio of the Sub-Fund or over the underlying assets of the derivative financial instruments.

Combined risk exposure to a single counterparty may not exceed 10% of the respective Sub-Fund assets when the counterparty is a credit institution referred to in article 41 paragraph (1) (f) of the 2010 Law or 5% of its assets in any other cases.

The rebalancing frequency for an index that is the underlying asset for a financial derivative is determined by the provider of the index in question. The costs for such rebalancing are estimated to a leverage of 4bps.

The TRS and other derivative financial instruments that display the same characteristics shall confer to the Fund a right of action against the counterparty in the swap or in the derivative financial instrument, and any eventual insolvency risk of the counterparty may make it impossible for the payments envisioned to be received.

The total commitment arising from total return swap transactions of a particular Sub-Fund shall be the market value of the underlying assets used for such transactions at inception.

The net exposure of total return swap transactions in conjunction with all exposures resulting from the use of options, interest rate swaps and financial futures may not in respect of each Sub-Fund exceed at any time the Net Asset Value of such Sub-Fund.

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

Typically, investments in total return swap transactions will be made in order to adjust regional exposures, limit settlement and custodian risks as well as repatriation risk in certain markets and to avoid costs and expenses related to direct investments or sale of assets in certain jurisdictions as well as foreign exchange restrictions.

Furthermore, the Fund may, for efficient portfolio management purposes, exclusively resort to securities lending and borrowing and repurchase agreement transactions, provided that the rules described here-below are complied with.

SFTs and TRS

As of the date of this Prospectus, the Fund is not authorised to engage into securities lending, nor enter into repurchase agreements, reverse repurchase agreements and total return swaps, nor in the other transactions covered by SFTR. If the Fund uses such securities financing transactions in the future, the present Prospectus will be modified in accordance with SFTR.

Collateral Management and Policy for OTC financial derivatives transactions

As security for any OTC financial derivatives transactions, the relevant Sub-Fund will obtain collateral, under the form of bonds (bonds issued or guaranteed by a Member State of the OECD or by their local public authorities; or by supranational institutions and undertakings with EU, regional or world-wide scope) and cash, covering at least the market value of the financial instruments object of OTC financial derivatives transactions.

Collateral received must at all times meet the following criteria:

(a) Liquidity: Collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.

(b) Valuation: Collateral must be capable of being valued on at least a daily basis and must be marked to market daily, it being understood that the Fund does not intend to make use of daily variation margins.

(c) Issuer credit quality: The Fund will ordinarily only accept very high quality collateral.

(d) Safe-keeping: Collateral must be transferred to the Depositary or its agent.

(e) Enforceable: Collateral must be immediately available to the Fund without recourse to the counterparty, in the event of a default by that entity.

(f) Non-Cash collateral

1. cannot be sold, pledged or re-invested;

2. must be issued by an entity independent of the counterparty; and

3. must be diversified to avoid concentration risk in one issue, sector or country.

(g) The maturity of the non-cash collateral shall be a maximum of 5 years.

(h) Cash Collateral can only be:

- placed on deposit with entities prescribed in Article 41(f) of the Law;
- invested in high-quality government bonds;

- used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the 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 ESMA's Guidelines on a Common Definition of European Money Market Funds. Each Sub-Fund may reinvest cash which it receives as collateral in connection with the use of techniques and instruments for efficient portfolio management, pursuant to the provisions of the applicable laws and regulations, including CSSF Circular 08/356, as amended by CSSF Circular 11/512 and the ESMA Guidelines.

Re-invested cash collateral will expose the Sub-Fund to certain risks such as foreign exchange risk, the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

Each Sub-Fund must make sure that it is able to claim its rights on the guarantee in case of the occurrence of an event requiring the execution thereof. Therefore, the guarantee must be available at all times, either directly or through the intermediary of a first class financial institution or a wholly-owned subsidiary of this institution, in such a manner that the Sub-Fund is able to appropriate or realize the assets given as guarantee, without delay, if the counterparty does not comply with its obligation to return the securities. During the duration of the agreement, the guarantee cannot be sold or given as a security or pledged.

(i) Collateral diversification (asset concentration) – collateral should 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 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 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 from this sub-paragraph, a UCITS may be fully collateralized in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a UCITS should receive

securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value.

(ii) UCITS that intend to be fully collateralized in securities issued or guaranteed by a Member State should disclose this fact in the prospectus of the UCITS. UCITS should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value.

Haircut Policy

The Fund has set up, in accordance with the Circular 14/592, a clear haircut policy adapted for each class of assets received as collateral mentioned above. Such policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the stress testing policy.

When entering into securities lending and borrowing transactions, each Sub-Fund must receive, in principle, a guarantee the value of which is, during the lifetime of the lending agreement, at least equivalent to 105% of the global valuation (interests, dividends and other possible rights included) of the securities lent, depending on the degree of risk that the market value of the assets included in the guarantee may fall:

- Government bonds with maturity up to 1 year: Haircut between 0 and 2%

- Government bonds with maturity of more than 1 year: Haircut between 0% and 5%

- Corporate bonds: Haircut between 6% and 10%

- Cash: 0%

When entering into repurchase or reverse repurchase transactions, each Sub-Fund will obtain the following collateral covering at least the market value of the financial instrument object of the transaction:

- Government bonds with maturity up to 1 year: Haircut between 0 and 5%

- Government bonds with maturity of more than 1 year: Haircut between 0 and 5%

- Corporate bonds: Haircut between 6% and 10%

- Cash: 0%

When entering into OTC transaction each Sub-Fund must receive or pay a guarantee managed by the Credit Support Annex (CSA) to the ISDA in place with each counterparty and it will obtain the following collateral covering at least the market value of the financial instrument object of the OTC transaction:

- Cash: 0%

- Government bonds with maturity up to 1 year: Haircut between 0 and 2%

- Government bonds with maturity of more than 1 year: Haircut between 0 and 5%

Any haircuts applicable to collateral are agreed conservatively with each OTC financial derivative counterparty on case by case basis. They will vary according to the terms of each collateral agreement negotiated and prevailing market practice and conditions. Collateral received or paid by the Fund shall predominantly be limited to cash and government bonds according to the CSA.

All assets received in the context of Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques in accordance with the Circular 14/592 will be considered as collateral and will comply with the criteria set up above.

All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:

For all the Sub-Funds receiving collateral for at least 30% of their assets, the Fund will set up, in accordance with the Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.

The Fund must proceed on a daily basis to the valuation of the guarantee received or paid, using available market prices and taking into account appropriate discounts which will be determined in according to the CSA for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets.

Currency Hedging

In order to protect its present and future assets and liabilities against the fluctuation of currencies, the Fund may enter into transactions the object of which is the purchase or the sale of forward foreign exchange contracts, the purchase or the sale of call options or put options in respect of currencies, the purchase or the sale of currencies forward or the exchange of currencies on a mutual agreement basis provided that these

transactions be made either on exchanges or over-the-counter with first class financial institutions specializing in these types of transactions and being participants of the over-the counter markets.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transaction and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency, including a currency bearing a substantial relation to the value of the reference currency (i.e. currency of denomination) of the relevant Sub-Fund -known as "hedging by proxy"- may not exceed the total valuation of the assets and liabilities held in such currency nor may they, as regards their duration, exceed the period where such assets are held or anticipated to be acquired or for which such liabilities are incurred or anticipated to be incurred.

In its financial reports, the Fund must indicate for the different categories of transactions involved, the total amount of commitments incurred under such outstanding transactions as of the reference date for such financial reports.

3.5 General information relating to Sustainability risks integration.

3.5.1 EU Regulation 2019/2088 (SFDR)

Pursuant to EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "SFDR"), the Sub-Funds are required to disclose the manner in which sustainability risks within the meaning of SFDR are integrated into the investment decision and the results of the assessment of the likely impacts of sustainability risks on the returns of the Sub-Funds.

Unless, differently stated in the relevant appendices related to Sub-Funds particulars, the Management Company and each of the Investment Managers/Investment Advisors of the Sub funds have implemented sustainability risks of the Sub funds into their investment decisions as set out in this section.

For the purposes of this section a sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

The Fund recognizes that various sustainability risks can threaten the investments at individual asset level and portfolio level. These sustainability risks may include climate change transition and physical risks, natural resources depletion, waste intensity, labor retention, turnover and unrest, supply chain disruption, corruption and fraud and reputational concerns associated with human rights violations.

The Investment Manager is responsible for the incorporation of materially relevant sustainability risks into

due diligence and research, valuation, asset selection, portfolio construction, and ongoing investment monitoring alongside with other material risk factors. To do this, the Investment Manager leverages the following information and resources:

A) Target companies disclosed information (which may include a company's quarterly financials, earnings, calls, general company reporting and / or disclosures, including sustainability-related disclosures);

B) publicly available data (such as news reports or industry data); and

C) Third-party research and data.

3.5.2 Sustainability risks as part of the investment process

Additionally, the Investment Manager conducts top-down sustainability investment risk analysis of all portfolios. This includes exposure to sustainability risks (using third party ratings and data), controversial business exposures, compliance with UN Global Compact, and the potential impact of different climate change and transition risk scenarios. Furthermore, as needed and requested, the risk team collaborates with the investment teams to conduct analyses on the sustainability risk on selected portfolio themes and companies.

The Fund also recognizes that the universe of relevant sustainability risks will grow and evolve over time. The materiality of such risks and financial impacts on an individual asset and on a portfolio as a whole depends on industry, country, asset class, and investment style.

Investors shall note that the assessment of sustainability risk does not mean that the investment manager aims to invest in assets that are more sustainable than peers or even avoid investing in assets that may have public concerns about their sustainability. Such integrated assessment shall consider all other parameters used by the investment manager and it can e.g. be deemed that even a recent event or condition may have been overreacted in its market value. Similarly, a holding in an asset subject to such material negative impact does not mean that the asset would need to be liquidated. Furthermore, it is deemed that sustainability risks will similarly be assessed for investments that are deemed to be sustainable, e.g. a 'green bond' will be subject to similar sustainability risks as a non-green bond even where the other one is deemed to be more sustainable.

3.5.2.1 Instrument specific considerations

(i) equity and equity-like instruments such as corporate bonds that are bound to the performance of the company are deemed to be investments that inherently carry highest level of sustainability risks. The market value of an equity instrument will often be affected by environmental, social or governance events or

conditions such as natural disasters, global warming, income inequality, anti-consumerism or malicious governance. The Sub funds that invest or may invest heavily in equities will be deemed to have inherently high level of sustainability risks.

(ii) The market value of fixed-rate corporate bonds or other bonds that are not bound to the performance of the company, will inherently carry same or similar sustainability risks. As such instruments are effectively affected by the foreseen solvency of the company, the risks may be somewhat lower than in direct equity instruments and in some cases the more long-term conditions do not affect the solvency as likely as more sudden events do. The Sub funds that invest heavily in corporate bonds will be deemed to have inherently moderate level of sustainability risks.

(iii) Government and other sovereign bonds are subject to similar sustainability risks as equities and corporate bonds. While nations and other sovereign issuers are subject to seemingly sudden events, the underlying conditions are often well-known and understood and already priced-in to the market value of such assets. The Subfunds that invest mostly in government and other sovereign bonds will be deemed to have an inherently low level of sustainability risks.

(iv) currencies, investments in currencies and the currency effect against the base currency of any Sub-fund, regardless of if such risk is hedged or not, shall not be subject to assessment of sustainability risk. The market value fluctuations of currencies are deemed not to be affected by actions of any specific entity where a materiality threshold could be exceeded by a single event or condition.

(v) investments where the market value is solely bound to commodities are left outside of sustainability risk assessment. While some commodities may inherently be subject to various sustainability risks, it looks likely that the sustainability risks are either effectively priced-in in the market value of a commodity or there is a lack of generally approved sustainability risk metrics.

(vi) Investment decisions in bank deposits and ancillary liquid assets will be subject to an assessment of governance events which is an inherent part of the analysis for such instruments where the market value of the asset is bound only or mostly to a counterparty risk were the counterparty fails to fulfill its usually contractually or otherwise predetermined obligations.

(vii) investments in diversified indices, other UCIs and diversified structured products are generally understood to be instruments where any event or condition in one underlying asset should unlikely have a material impact on the investment due to the diversification. The sustainability risks of such instruments are generally only assessed on a high level e.g. where such instrument has only or mostly underlying assets that would be subject to same conditions or events.

(viii) sustainability risks derived from financial derivative instruments such as futures, forwards, options, swaps etc. will be assessed based on the underlying of such derivative. Investors shall note that for the purposes of this section, the sustainability risks are only assessed from the point of view of material negative impact. This means that material positive impact will not be assessed. Consequently, it means that any derivative instruments (even where not used purely for hedging purposes) that has a negative correlation to the ultimate underlying asset e.g. short selling will not be subject to a risk assessment where due to negative correlation a negative impact on the value of the underlying asset would not create a negative impact on the market value of the asset.

Notwithstanding anything set out above, investments intended for hedging purposes will not be subject to additional assessment of sustainability risks. The purpose of hedging is to fully or partially hedge against existing risks in the portfolio of the Subfund and should generally not add to sustainability-related risks.

3.5.3 Sustainability related data

The prospective investors shall note that while sustainable finance is among the most important recent themes in the field of investment management globally, and companies around the world have largely adopted different feasible, defendable and verifiable practices in order to create public data and control mechanisms in order to verify such data, the quality and availability of the data may still not be comparable with the general quality of more standardised and traditional financial data that is presented in annual financial statements or other financial reports that comply with any accounting standards the reliability of which has been tried and tested for a longer period of time.

More information about the policies on integration of sustainability risks in the investment decision process and information on adverse sustainability impacts is available on www.pharusmanagement.com (see "sustainability-related product disclosure").

4. RISK FACTORS

The Management Company employs a risk-management process which enables to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolios of the Fund.

However, investors should be aware that any investment implies to take risks and that there is no guarantee that the Sub-Funds will reach their investment objectives, nor preserve the capital invested.

Risk Considerations applicable to the use of derivatives

While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. Investment in derivatives may add volatility to the performance of the Sub-Funds and involve peculiar financial risks.

The following is a summary of the risk factors and issues concerning the use of derivatives instruments (FDI) that investors should understand before investing in the Fund.

Market Risk

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to the Fund's interests.

Control and Monitoring

Derivative products are highly specialized instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities.

The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Company and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Legal risk

There may be a risk of loss due to the unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

There may be a risk from uncertainty due to legal actions or uncertainty in the applicability or interpretation of contracts, laws or regulations.

The use of Over the Counter (OTC) derivatives, such as forward contracts, swap agreements and contracts for difference, will expose the Sub-Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

The terms of Over the Counter Financial Derivative Instrument (OTC FDI) are generally established through negotiation between the parties thereto.

While therefore more flexible, OTC FDI may involve greater legal risk than exchange-traded instruments, which are standardized as to the underlying instrument, expiration date, contract size and strike price, as

there may be a risk of loss if the OTC FDI are deemed not to be legally enforceable or are not documented correctly. There may also be a legal or documentation risk that the parties to the OTC FDI may disagree as to the proper interpretation of its terms. If such a dispute occurs, the cost and unpredictability of the legal proceedings required for a Fund to enforce its contractual rights may lead the Fund to decide not to pursue its claims under the OTC FDI. A Fund thus assumes the risk that it may be unable to obtain payments owed to it under OTC arrangements, and that those payments may be delayed or made only after the Fund has incurred the costs of litigation. Further, legal, tax and regulatory changes could occur which may adversely affect a Fund. The regulatory and tax environment for FDI is evolving, and changes in the regulation or taxation of FDI may adversely affect the value of such instruments held by the Fund and the Fund's ability to pursue its trading strategies.

Risk linked to the reuse of collateral or any guarantee granted under any leveraging arrangement

Investors should take explicitly into account the risk of reuse of collateral or and any guarantee granted under any leveraging arrangement.

Liquidity Risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Fund will only enter into OTC derivatives if it is allowed to liquidate such transactions at any time at fair value).

Counterparty Risk

The Fund may enter into transactions in OTC markets, and the Sub-Funds may incur losses through their commitments vis-à-vis a counterparty on the techniques described above, in particular its swaps, TRS ("TRS"), forwards, in the event of the counterparty's default or its inability to fulfil its contractual obligations. This will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realize any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

Securities Lending, Repurchase Agreements and Reverse Repurchase Transactions

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honor its obligations to return securities or cash to the Sub-Fund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favor of the Sub-Fund.

However, securities lending, repurchase or reverse repurchase transactions may not be fully collateralized.

Fees and returns due to the Sub-Fund under securities lending, repurchase or reverse repurchase transactions may not be collateralized. In addition, the value of collateral may decline between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the respective Sub-Fund. A Sub-Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

Securities lending, repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The Fund may enter into securities lending, repurchase or reverse repurchase transactions with other companies. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with the Fund in a commercially reasonable manner. In addition, the Investment Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the respective Sub-Fund and its Shareholders. However, Shareholders should be aware that the Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

Operational & Custody Risk:

Operational risk is the risk of contract on financial markets, the risk of back office operations, and custody of securities, as well as administrative problems that could cause a loss to the sub funds. This risk could also result from omissions and inefficient securities processing procedures, computer systems or human errors.

Risk of relating to the use of Total Return Swaps

Because it does not involve physically holding the securities, synthetic replication through total return (or unfunded swaps) and fully-funded swaps can provide a means to obtain exposure to difficult-to-implement strategies that would otherwise be very costly and difficult to have access to with physical replication. Synthetic replication therefore involves lower costs than physical replication.

Synthetic replication however involves counterparty risk. If the Sub-fund engages in OTC Derivatives, there is the risk – beyond the general counterparty risk – that the counterparty may default or not be able to meet its obligations in full.

Where the Fund and any of its Sub-funds enters into TRSs on a net basis, the two payment streams are netted out, with Fund or each Sub-Fund receiving or paying, as the case may be, only the net amount of the two payments. Total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to TRSs is limited to the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments. If the other party to a TRS defaults, in normal circumstances the Fund's or relevant Sub-fund's risk of loss consists of the net amount of total return payments that the Fund or Sub-Fund is contractually entitled to receive.

The risks herein described are characteristics of the investment policies of every Sub-Fund. Nevertheless, the present list is not exhaustive and all the detailed risks do not concern all Sub-Funds. Specific risk considerations (if any) are outlined for each Sub-Fund in Appendix I "*Description of the Sub-Funds*".

4.1 Investment in equities

The Sub-Fund can be exposed to equity markets movements and the value of its assets may fluctuate. Therefore, no assurance can be given that the investors will get back the full amount invested.

4.2 Investments in other investment funds (UCITS or UCIs)

The general provisions of the Fund investment policy allow to invest in open-ended UCITS and UCIs. Such structures normally give the opportunity to redeem their shares at any net asset value calculation. Under extraordinary circumstances, such investments could not be redeemed promptly; this would have an indirect impact on the net asset value calculation and liquidity of the Sub-Fund, preventing it from facing its own redemption requests.

Closed-end funds may be considered as transferable securities provided that they meet the criteria set by Commission Directive 2007/16/EC of 19 March 2007 to qualify as such.

4.3 FINANCIAL DERIVATIVE INSTRUMENTS

For the purposes of investment, efficient portfolio management and hedging, the Fund may use options, futures, credit default swaps (CDS) and other instruments, as described in this chapter.

Transactions in financial derivative instruments carry a high degree of risk. The use of these instruments can result in a higher volatility in the Share price of the Sub-Fund. The principal risks relating to the use of financial derivative instruments are the possible lack of a liquid secondary market for closing out the position, unanticipated market or currency movements or a counterparty default. This list is not exhaustive.

4.4 HIGH-YIELD DEBT SECURITIES

Certain High Yield Bonds rated Ba1 or BB+ and below by Moody's or Standard & Poor's respectively are very speculative, involve comparatively greater risks than higher quality securities, including price volatility, and may be questionable as to principal and interest payments. The attention of the potential investor is drawn to the type of high-risk investment that the Sub-Fund is authorised to make. Compared to higher-rated securities, lower-rated High Yield Bonds generally tend to be more affected by economic and legislative developments, changes in the financial condition of their issuers, have a higher incidence of default and be less liquid. The Sub-Fund may also invest in High Yield Bonds issued by emerging market issuers that may be subject to greater social, economic and political uncertainties or may be economically based on relatively few or closely interdependent industries.

Corporate debt securities may bear Fixed Coupon or Fixed and Contingent Coupon or Variable Coupon and may involve equity features such as conversion or exchange rights or warrants for the acquisition of stock of the same or a different issuer (e.g. synthetic convertibles) or participation based on revenue, sales or profits.

4.5 LOWER RATED DEBT SECURITIES

Securities rated below investment grade or assigned equivalent ratings by the Board of Directors are considered speculative and may be questionable as to repayment of principal and interest. Such securities involve higher credit or liquidity risk.

- High Credit Risk: Lower rated debt securities, commonly referred to as ''junk bonds'' are subject to a substantially higher degree of credit risk than investment grade debt securities. During recessions, a high percentage of issuers of lower rated debt securities may default on payments of principal and interest. The price of a lower rated debt security may

therefore fluctuate drastically due to unfavourable news about the issuer or the economy in general.

- High Liquidity Risk: During recessions and periods of broad market declines, lower rated debt securities could become less liquid, meaning that they will be harder to value or sell at a fair price.

4.6 Credit default Swaps ("CDS") transactions

The purchase of credit default swap protection allows the Fund, on payment of a premium, to protect itself against the risk of default by an issuer. In the event of default by an issuer, settlement can be effected in cash or in kind. In the case of a cash settlement, the purchaser of the CDS protection receives from the seller of the CDS protection the difference between the nominal value and the attainable redemption amount. Where settlement is made in kind, the purchaser of the CDS protection receives the full nominal value from the seller of the CDS protection and in exchange delivers to him the security which is the subject of the default, or an exchange shall be made from a basket of securities. The detailed composition of the basket of securities shall be determined at the time the CDS contract is concluded. The events which constitute a default and the terms of delivery of bonds and debt certificates shall be defined in the CDS contract. The Fund can, if necessary, sell the CDS protection or restore the credit risk by purchasing call options. Upon the sale of credit default swap protection, the Sub-Fund incurs a credit risk comparable to the purchase of a bond issued by the same issuer at the same nominal value. In either case, the risk in the event of issuer default is in the amount of the difference between the nominal value and the attainable redemption amount.

Besides the general counterparty risk, upon concluding credit default swap transactions there is also a risk of the counterparty being unable to establish one of the payment obligations which it must fulfil. The Sub-Fund will ensure that the counterparties involved in these transactions are selected carefully and that the risk associated with the counterparty is limited and closely monitored.

4.7 Transactions in warrants, options, futures, swaps and contracts for difference (CFD)

Some of the Sub-Funds may seek to protect or enhance the returns from the underlying assets by using warrants, options, futures, CFD and swap contracts and enter into forward foreign exchange transactions in currency. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. Participation in the warrants, options or futures markets and in swap contracts and in currency

exchange transactions involves investment risks and transaction costs to which the Sub-Funds would not be subject if the Sub-Funds did not use these strategies. If the Investment Manager's and/or Advisor's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-Fund may leave the Sub-Fund in a worse position than if such strategies were not used. Risks inherent to warrants, options, foreign currency, swaps, CFD, futures contracts and options on futures contracts include, but are not limited to: **(a)** dependence on the Investment Manager's and/or Advisor's ability to predict correctly movements in the direction of interest rates, securities prices and currency markets; **(b)** imperfect correlation between the price of options and futures contracts and options thereon and movements in the prices of the securities or currencies being hedged; **(c)** the fact that skills needed to use these strategies are different from those needed to select portfolio securities; **(d)** the possible absence of a liquid secondary market for any particular instrument at any time; and **(e)** the possible inability of a Sub-Fund to purchase or sell a portfolio security at a time that otherwise would be favourable for it to do so, or the possible need for a Sub-Fund to sell a portfolio security at a disadvantageous time. Where a Sub-Fund enters into swap or CFD transactions it is exposed to a potential counterparty risk. In case of insolvency or default of the swap or CFD counterparty, such event would affect the assets of the Sub-Fund.

4.8 EMERGING MARKETS AND GEOGRAPHICAL RISK

Potential investors should also be aware that the Sub-Fund may invest in companies established in emerging countries and which may be therefore exposed to a higher degree of risk in these countries than in more developed ones.

The economy and markets of these countries are exposed to a higher degree of volatility and their currencies are constantly fluctuating. In addition, the investors should be aware of political risks, changes in the exchange rates controls and fiscal environment, which may directly impact the value and the liquidity of the Sub-Fund.

The Sub-Fund may also invest in developing companies or in companies belonging to high-tech sectors. The volatility of these securities - which may directly impact the value - should not be ignored.

4.9 SECTOR RISK

The Sub-Fund may as well invest in securities issued by newly created companies or companies active in specific fast developing sectors.

Traditionally, these sectors and specific markets are more volatile and their respective currencies experience periods of important fluctuations. Further to the risks inherent to any investment in transferable securities, the investors must be aware of political risks, changes in exchange rates control and in fiscal environment which could have a direct impact on the value and liquid assets of the portfolio of these Sub-Funds.

4.10 CURRENCY RISK

The currency risk occurs when the net asset value of the Sub-Fund is denominated in a different currency from investor's own reference currency or when the assets are denominated in a different currency from the valuation currency in which the portfolio is evaluated. There is a probability for investors to have larger profits or losses since the currency risk is added to the usual investment risk.

The Board of Directors can decide to limit the currency risk by using techniques and instruments hedging the currency risk. Hedging against all currency risks may also result impossible or unjustified.

4.11 FISCAL RISK

Some income of the Fund's portfolios, consisting of dividends and interests, may be subject to payment of withholding tax at various rates or may be subject to other market fees in their Country of origin.

5. NET ASSET VALUE

5.1 NET ASSET VALUE CALCULATION

The net asset value per Share of each Sub-Fund, expressed in the relevant valuation currency, is determined under the responsibility of the Board of Directors as specified in the Appendix I *"Description of the Sub-Funds"*. The valuation currency of all the current Sub-Funds and of the Fund is the Euro.

The frequency of the net asset value calculation as well as the Valuation Day for each Sub-Fund are specified in the Appendix I "*Description of the Sub-Funds*". The net asset value per Share is computed, for each Sub-Fund, by dividing the net assets of such Sub-Fund by the total number of Shares issued by the relevant Sub-Fund. In case of legal or bank holiday in Luxembourg, the Valuation Day shall be the next following bank business day in Luxembourg.

The percentage of the total net assets attributed to each Sub-Fund shall be adjusted on the basis of the subscriptions/redemptions for this Sub-Fund as follows: at the time of issue or redemption of Shares in any

Sub-Fund, the corresponding net assets will be increased by the amount received, or decreased by the amount paid.

For the purpose of determining the value of the Fund's assets, the Administrative Agent, having due regards to the standard of care and diligence in this respect, may exclusively rely upon the valuations or prices which can be:

(a) either provided by or through independent, specialized and reputable external pricing sources which are either used by common market practice (including, but not limited to, (i) generally used information sources such as Reuters, Bloomberg, Telekurs and similar, (ii) brokers, prime brokers (if any) or external depositories, (iii) the administrators of portfolio funds and other assets, where the valuation of such assets is established by an administrator), or which have been specifically appointed to that effect by the Fund or the Management Company in accordance with the 2010 Law (the "External Pricing Sources"), or

(b) established by the Management Company itself or any external valuer appointed by the Fund or the Management Company.

In such circumstances, the Administrative Agent shall not, in the absence of manifest error on its part, be responsible for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the net asset value and the net asset value per Share resulting from any inaccuracy in the information provided by the External Pricing Sources or by the Management Company itself or any external valuer.

In circumstances where one or more External Pricing Sources, the Management Company or the relevant service providers fail(s) to provide pricing/valuation for the assets of the Company or, if for any reason the pricing/valuation of any asset of the Company may not be determined as promptly and accurately as required, the Administrative Agent shall promptly inform the Company and/or the Management Company thereof and the Administrative Agent shall obtain from it authorized instructions in order to enable it to finalize the computation of the Net Asset Value of the Company. The Company and /or the Management Company may decide to suspend the Net Asset Value calculation, in accordance with the relevant provisions in this Prospectus and the Articles, and instruct the Administrative Agent to suspend the Net Asset Value calculation. The Board of Directors/the Management Company shall be responsible for notifying the suspension of the net asset value calculation to the Shareholders, if required, or for instructing the Administrative Agent to do so. If the Board of Directors/the Management Company does not decide to suspend the net asset value calculation in a timely manner, the Board of Directors/the Management Company shall be solely liable for all the consequences of a delay in the Net Asset Value calculation, and the Administrative Agent may inform the relevant authorities and the Fund's auditor in due course.

A. The assets of the different Sub-Funds shall include the following:

i) all cash on hand and on deposit, including interest due but not yet received as well as interests accrued on these deposits up to the Valuation Day;

ii) all bills and demand notes and accounts receivable (including the results of securities sold insofar in case proceeds have not yet been collected);

iii) all securities, units or shares in undertakings for collective investment, stocks, debt securities, options or subscription rights, financial instruments and other investments and transferable securities owned by the Fund;

iv) all dividends and distribution proceeds to be received by the Fund in cash or securities insofar in case the Fund is aware of such;

v) all interest accrued but not yet received and all interest produced until the Valuation Day on securities owned by the Fund, unless this interest is included in the principal amount of such assets;

vi) the incorporation expenses of the Fund, insofar as they have not yet been written off;

vii) all other assets of whatever kind and nature, including prepaid expenses.

B. The value of these assets shall be determined as follows:

i) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interests declared or due but not yet received shall be deemed to be the full value of such assets, unless it is unlikely that such value be received, in which case the value thereof shall be determined by deducting such amount the Fund may consider appropriate to reflect the true value of these assets;

ii) the valuation of securities and/or financial derivative instruments listed on an official stock exchange or dealt in on another regulated market which operates regularly, is recognised and open to the public, is based on the last available price and, if such security and/or financial derivative instrument is traded on several markets, on the basis of the last available price known on the market considered to be the main market for trading this security and/or financial derivative instrument. If the last available price is not representative, the valuation shall be based on the probable sales value estimated by the Board of Directors with prudence and in good faith;

iii) securities not listed on a stock exchange or dealt in on another regulated market which operates regularly, is recognised and open to the public shall be assessed on the basis of the probable sales value estimated with prudence and in good faith;

iv) shares or units in open-ended undertakings for collective investment shall be valued at their last available calculated net asset value, as reported by such undertakings;

v) the value of each position in each currency, security or derivative instrument based on currencies or interest rates will be determined on the basis of quotations provided by a pricing service selected by the Fund. Instruments for which no such quotations are available will be valued on the basis of quotations provided by dealers or market makers in such instruments selected by the Fund; and positions in instruments for which no quotations are available from pricing services, dealers or market makers shall be determined prudently and in good faith by the Board of Directors in its reasonable judgement;

vi) liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis;

vii) swaps are valued at their fair value based on the underlying securities as well as on the characteristics of the underlying commitments or otherwise in accordance with usual accounting practices;

viii) all other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

The Board of Directors is authorised to apply other appropriate valuation principles for the assets of the Fund and/or the assets of a given Sub-Fund if the aforesaid valuation methods prove to be impossible or inappropriate due to extraordinary circumstances or events.

Securities and other assets expressed in a currency other than the valuation currency of the respective Sub-Fund shall be converted into that valuation currency on the basis of the last available exchange rate.

C. The liabilities of the Fund shall include:

i) all loans, bills matured and accounts due;

ii) all known liabilities, whether matured or not, including all matured contractual obligations that involve payments in cash or in kind (including the amount of any unpaid dividends declared by the Fund);

iii) all reserves, authorised or approved by the Board of Directors, in particular those established to cover for potential depreciation on some of the Fund's investments;

iv) all other liabilities of the Fund, of whatever kind and nature with the exception of those represented by the Fund's own resources. To assess the amount of such other liabilities, the Fund shall take into account all fees and expenses payable by it, including, without limitation, the establishment cost (costs incurred in connection with the formation of the Fund, including the cost of services rendered in the incorporation of the Fund and in obtaining approval by the competent authorities) and those for subsequent amendments to the Articles or other offering documents, fees and expenses payable to the Management Company, Investment Managers, Investment Advisors, Depositary Bank, Correspondents, Central Administration, paying agents or other agents, employees of the Fund, as well as the permanent representatives of the Fund in countries where it is subject to registration, the costs for legal assistance, risk management and compliance, fund reports fee and expenses, Auditors' costs and audit fees, the costs for promoting, printing and publishing the sales documents for the Shares (prospectus, brochures, marketing material etc.), printing costs of annual and interim financial reports, the cost of convening and holding Shareholders' and Board of Directors' meetings, reasonable travelling and other expenses of the members of the Board of Directors, Directors' fees, the costs of registration statements, subscriptions to professional associations and other organisations in Luxembourg, which the Fund will decide to join in its own interest and in that of its Shareholders, all taxes and duties charged by governmental authorities and stock exchanges, the annual registration fee as well as taxes or other fees payable to the supervisory authorities and costs relating to the distribution of dividends, the costs of publication of the issue and redemption prices as well as any other operating costs, including financial costs, bank charges and brokerage incurred at purchase or sale of assets or otherwise as well as any other administrative charges. For the valuation of the amount of such liabilities, the Fund shall take into account administrative and other expenses of a regular or periodic nature on a *pro-rata temporis* basis;

v) the assets, liabilities, charges and expenses which are not attributable to a Sub-Fund shall be attributed to all the Sub-Funds, in equal proportions or as long as justified by the amounts concerned, to the *pro-rata* of their respective net assets.

D. Each Share of the Fund to be redeemed is considered as an issued and existing Share until the close of business on the Valuation Day applicable to the redemption of such Share and its price shall be considered as a liability of the Fund from the close of business on such day and this, until the relevant price is paid.

Each Share to be issued by the Fund in accordance with subscription applications received, shall be considered as having been issued as from the close of business on the Valuation Day of its issue price and such price shall be considered as an amount to be received by the Fund until the Fund shall have received it.

E. As far as possible, each investment or divestment disposed by the Fund until the Valuation Day shall be taken into account by the Fund.

With respect to the protection of investors in case of net asset value calculation error and the correction of the consequences resulting from non-compliance with the investment rules applicable to the Fund, the principles and rules set out in CSSF circular 02/77 of 27 November 2002, as amended from time to time, shall be applicable. As a result, the liability of the Administrative Agent in the context of the net asset value calculation process shall be limited to the tolerance thresholds applicable to the Fund set out in CSSF circular 02/77, as amended from time to time.

5.2 SUSPENSION OF THE CALCULATION OF NET ASSET VALUE, ISSUE AND REDEMPTION OF SHARES

The Board of Directors is authorised to suspend temporarily the calculation of the net asset value of one or several Sub-Funds, as well as the issue, the redemption and the conversion of Shares under the following circumstances:

i) for any period during which a market or stock exchange which is the main market or stock exchange on which a substantial part of the Fund's investments is listed from time to time, is closed for periods other than regular holidays, or when trading on such markets is subject to major restrictions, or suspended;

ii) when the political, economic, military, monetary or social situation, or natural catastrophes or beyond the Fund's responsibility or control, makes the disposal of its assets impossible under reasonable and normal conditions, without being seriously prejudicial to the interests of the Shareholders;

iii) during any breakdown in communications networks normally used to determine the value of any of the Fund's investments or current prices on any market or stock exchange;

iv) whenever exchange or capital movement restrictions prevent the execution of transactions on behalf of the Fund or in case purchase and sale transactions involving the Fund's assets cannot be processed at normal conditions;

v) at the Board of Directors' discretion, as soon as a meeting is called during which the dissolution of the Fund shall be discussed;

vi) During any period when the calculation of the net asset value per unit or share of a substantial part of undertakings for collective investment in which the Fund is invested, is suspended and this suspension has a material impact on the Net Asset Value per Share of a Sub-Fund.

Under exceptional circumstances that may adversely affect the interest of Shareholders or in case of applications for redemption exceeding 10% of a Sub-Fund's net assets, the Board of Directors of the Fund shall reserve the right to determine the Share price only after having carried out, as soon as possible, the necessary sales of transferable securities or other assets on behalf of the Sub-Fund. In such case, outstanding applications for subscription, redemption and conversion shall be treated on the basis of the net asset value thus calculated.

Subscribers and Shareholders offering Shares for subscriptions, redemption or conversion shall be notified of the suspension of the net asset value calculation. Pending applications for subscription, redemption and conversion may be withdrawn in writing insofar as notification thereon is received by the Fund or by any other entity duly appointed by and acting in the name of the Fund before the end of suspension.

Pending subscriptions, redemptions and conversions shall be taken into consideration on the first Valuation Day immediately following the end of suspension.

6. SHARE DEALING

6.1 SHARES

For each Sub-Fund, shares are issued in registered form. The Fund may also issue fractional shares (up to 3 decimal places).

Registered shares will be dematerialized. The shareholders' register is kept at the registered office of the Fund. The Registrar and Transfer Agent performs the registration, alterations or deletions necessary of all registered shares in the Fund's register in order to insure the regular update thereof.

All the Shares of the Fund must be fully paid-up and are issued with no par value. There is no restriction with regard to the number of shares which may be issued.

The rights attached to the shares are those provided for in the Luxembourg law of 10 August 1915 on commercial companies, as amended, unless superseded by the Law of 2010. All shares of the Fund have an equal voting right, whatever their value (except fractional shares). The shares of each Sub-Fund have an equal right to the liquidation proceeds of their relevant Sub-Fund.

Any amendments to the Article of Incorporation changing the rights of one specific Sub-Fund have to be approved by a decision of the General Meeting of the Fund as well as a General Meeting of the shareholders of the specific Sub-Fund.

Within a Sub-Fund, classes of Shares may be defined from time to time by the Board of Directors so as to correspond to **i)** a specific distribution policy, and/or **ii)** a specific sales and redemption charge structure, and/or **iii)** a specific management or advisory fee structure, and/or **iv)** a specific distribution fee structure, and/or **v)** a specific currency, and/or **vi)** a specific category of investors, and/or **vii)** any other specific features applicable to one class. Available Share classes for each Sub-Fund may be found in Appendix I "*Description of the Sub-Funds*" of this prospectus.

If investors were to subscribe or own Shares of a class for which they do not, or no longer fulfil the conditions, the Board of Directors may convert those Shares, free of charge, into those of the most suitable class.

6.2 Issue of Shares, subscription and payment procedure

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of November 12, 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg

undertaking for collective investment must ascertain the identity of the investors. Accordingly, the Registrar and Transfer Agent may require, pursuant to its risks based approach, investors to provide proof of identity. In any case, the Registrar and Transfer Agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons unless if required by applicable laws and regulations.

In case of delay or failure by an investor to provide the documents required, the application for subscription may not be accepted and in case of redemption request, the payment of the redemption proceeds and/or dividends may not be processed. Neither the Fund/Management Company nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the investor providing no or only incomplete documentation.

Shareholders may be, pursuant to the Registrar and Transfer Agent's risks based approach, requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

Subscriptions will be considered valid and acceptable by the Fund only if the subscription form is sent together with, in the case of corporate entities, a copy of the corporate documents (articles of incorporation and a recent extract from the trade register, authorised signatures list, list of shareholders holding directly or indirectly more than 25% of the share capital or the voting rights of the investor, directors' list, …) and a copy of the identification documents (passport or identity card) of the beneficiaries and of the persons authorised to give instructions to the Registrar and Transfer Agent.

Such documents must be duly certified by a public authority (public notary, police, consulate, embassy) of the Country of residence.

Such obligation is absolute, unless

- the subscription form is sent (i) by a financial intermediary residing in any of the Member States of the European Union, the European Economic Area or any other country which impose equivalent requirements to those set forth by the Law of 12 November 2004 on the fight against money laundering and terrorist financing as amended, or (ii) by a branch or a subsidiary of financial intermediaries located in another country, if the parent company of this branch or subsidiary is located in any of these countries and if both the legislation of these countries and the parent company internal rules impose the application

of rules relating to anti-money laundering and terrorist financing to this branch or subsidiary;

- the subscription form is sent directly to the Fund and the subscription is paid by a wire transfer from a financial intermediary residing in any of these countries.

However, the Fund shall obtain from its distributors, financial intermediaries or directly from the subscriber, upon request, a copy of the identification documents as indicated above.

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of November 12, 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must ascertain the identity of the investors. Accordingly, the Administrative Agent may require, pursuant to its risks based approach, Investors to provide proof of identity. In any case, the Administrative Agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons unless if required by applicable laws and regulations.

In case of delay or failure by an Investor to provide the documents required, the application for subscription may not be accepted and in case of redemption request, the payment of the redemption proceeds and/or dividends may not be processed. Neither the Fund nor its Management Company nor the Administrative Agent have any liability for delays or failure to process deals as a result of the Investor or the subscriber providing no or only incomplete documentation.

Shareholders may be, pursuant to the Administrative Agent's risks based approach, requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

The Fund is authorised to issue Shares in each Sub-Fund at any time and without limitation.

The Shares are issued at a price corresponding to the net asset value per Share of the relevant class of Shares of each Sub-Fund; the issue price may be increased by a subscription fee and, in such case, details are defined in Appendix I "*Description of the Sub-Funds*" for each Sub-Fund.

Shareholders may be required to pay additional charges and fees to financial institutions acting as local paying agents in foreign countries where the Shares are distributed.

Subscriptions are made on the basis of unknown price. Initial application and application for additional Shares must be for the minimum amounts, if any, described in the Appendix I "*Description of the Sub-Funds*" for each Sub-Fund.

Applications for subscription may only refer to an amount to be invested in one or several Sub-Funds.

Applications for subscription must be sent to the Fund or to any other entity duly appointed by and acting in the name of the Fund in writing, by mail or fax, or through electronic information flow. The application is irrevocable and must indicate the number of Shares to be subscribed as well as all useful references for the settlement of the subscription. Subscription fees, if any, are defined for each Sub-Fund in the Appendix I "Description of the Sub-Funds".

Applications for subscription shall be carried out, if accepted, on the basis of the relevant net asset value determined on the applicable Valuation Day.

Shareholders may be required to pay additional charges and fees to financial institutions acting as local paying agents in foreign countries where the Shares are distributed.

All subscription requests must be received by the Registrar and Transfer Agent or at any other entity duly appointed by and acting in the name of the Fund at the latest on the Luxembourg bank business day preceding the applicable Valuation Day before 15h00 (Luxembourg time).

Applications notified after this deadline shall be executed on the next following Valuation Day. The subscription price of each Share is payable in the respective valuation currency of the relevant class/ Sub-Fund within the cut-off described in the Appendix I "*Description of the Sub-Funds*" for each Sub-Fund. The Fund may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Sub-Fund, pursuant to its investment policy and restrictions. Any such contribution in kind will be made at the net asset value of the assets contributed calculated in accordance with the rules set out in section 5. "Net asset value calculation" and according to the Luxembourg Law. The Board of Directors may require an auditor's report drawn up in accordance with the requirements of Luxembourg law. Any costs incurred will be borne by the investor.

Written confirmations of shareholding will be sent to Shareholders within 10 business days following the relevant Valuation Day.

Initial and subsequent subscriptions may be subject to certain restrictions as detailed in the description of each Sub-Fund in the Appendix I "Description of the Sub-Funds". The Board of Directors may decide not to apply these restrictions at its own discretion.

Pursuant to CSSF Circular 04/146 aimed at protecting Undertakings for Collective Investment and their investors against late trading and market timing practices, the Fund does not allow practices related to "late trading" and "market timing".

Market Timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same fund within a short time period, by taking advantage of schedule differences for example.

The Fund keeps the right to reject subscription and conversion orders from an investor who it suspects of using such practices and to take, if appropriate, the necessary steps to protect the other Shareholders of the Fund.

The Fund also retains the right to:

i) refuse all or part of an application for subscription of Shares;

ii) redeem, at any time, Shares held by persons not authorised to buy or own the Fund's Shares;

iii) at any time, redeem Shares from Shareholders suspected of executing "market timing" transactions.

The Fund doesn't need to justify any such decision.

6.2.1 Prevention of money laundering and financing of terrorism

In accordance with international regulations and Luxembourg laws and regulations in relation to the fight against money laundering and terrorism financing in force at the date of signature of the prospectus, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and terrorism financing purposes. Measures aimed towards the prevention of money laundering, as provided in these regulations, may require a detailed verification of a prospective Investor's identity. For the sake of completeness, such verification also entails the mandatory and regular controls and screenings related to international sanctions and performed against targeted financial sanctions and politically exposes persons (PEP) lists.

The Fund, the Management Company and the Administrative Agent have the right to request any information as is necessary to verify the identity of a prospective Investor. In the event of delay or failure by the prospective Investor to produce any information required for identification or verification purposes, the Board of Directors (or its delegate) may refuse to accept the application and will not be liable for any interest, costs or compensation. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and anti-money laundering documentation have been completed.

The Board of Directors reserves the right to reject an application, for any reason, in whole or in part in which event the application monies or any balance thereof will be returned without unnecessary delay to the applicant by transfer to the applicant's designated account, provided the identity of the applicant can be properly verified pursuant to Luxembourg anti-money laundering regulations. In such event, the Fund, the Management Company and the Administrative Agent will not be liable for any interest, costs or compensation.

Failure to provide proper documentation may result in the withholding of distribution and redemption proceeds by the relevant Sub-Fund.

6.2.2 Fund RBO Register

The Fund, or any delegate thereof, will further provide the Luxembourg beneficial owner register (the "RBO") created pursuant to the Law of 13 January 2019 establishing a register of beneficial owners with relevant information about any Shareholder or, as applicable, beneficial owner(s) thereof, qualifying as beneficial owner of the Fund within the meaning of the AML/CFT Rules. Such information will be made available to the general public through access to the RBO, as required by, and under the conditions set forth in the Luxembourg anti-money laundering laws and regulations. In addition, the Investor acknowledges that failure by a Shareholder, or, as applicable, beneficial owner(s) thereof, to provide the Fund, or any delegate thereof, with any relevant information and supporting documentation necessary for the Fund to comply with its obligation to provide same information and documentation to the RBO is subject to criminal fines in Luxembourg.

Furthermore, considering that money laundering, terrorism financing and proliferation financing risks also exist on the investment side, the Fund is required to perform due diligence and adequate sanctions screening when performing investments operations. For investment transactions, the Fund may ask for additional documents at any time if it considers it to be necessary, and may delay the investment operation and any associated transaction requests until it receives and judges to be satisfactory all requested documents.

6.3 CONVERSION OF SHARES

Conversions of Shares are made on the basis of unknown prices.

Any Shareholder may request the conversion of all or part of his Shares/Class of Shares of one Sub-Fund into Shares/Class of Shares of the same or of another Sub-Fund at a price equal to the respective net asset values of the different Sub-Funds' Shares.

The Shareholder who wishes such a conversion of Shares shall make a written request by mail or by fax to the Fund or to any other entity duly appointed by and acting in the name of the Fund indicating the number, the reference name of the Shares and relevant Sub-Funds to be converted.

Except in the case of a suspension of the calculation of the net asset values, the conversion shall be carried out on the next Valuation Day, provided that the request is notified to the Fund at the latest on the Luxembourg bank business day preceding that Valuation Day before 15h00 (Luxembourg time) and that the Valuation Day is a Valuation Day for both Sub-Funds concerned. The number of Shares allocated in the new Sub-Fund shall be established as follows:

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

A: number of Shares allotted in the new Sub-Fund;

B: number of Shares presented for conversion in the original Sub-Fund;

C: net asset value, on the applicable Valuation Day, of the Shares of the original Sub-Fund presented for conversion;

D: exchange rate applicable on the day of the operation between the currencies of both classes of Shares;

E: net asset value, on the applicable Valuation Day, of the Shares allotted in the new Sub-Fund.

Written confirmations of shareholding will be sent to Shareholders within 10 business days following the relevant Valuation Day.

Shareholders may be required to pay additional charges and fees to financial institutions acting as local paying agents in foreign countries where the Shares are distributed.

6.4 REDEMPTION OF SHARES

Redemptions are made on the basis of unknown price. Any Shareholder is entitled, at any time and without limitation to have his Shares redeemed by the Fund. Shares redeemed by the Fund shall be cancelled.

Applications for redemption must be sent to the Fund or to any other entity duly appointed by and acting in the name of the Fund in writing, by mail or fax, or through electronic information flow. The application is irrevocable and must indicate the number of Shares to be redeemed as well as all useful references for the settlement of the redemption. Redemption fees, if any, are defined for each Sub-Fund in the Appendix I *"Description of the Sub-Funds"*.

Shareholders may be required to pay additional charges and fees to financial institutions acting as local paying agents in foreign countries where the Shares are distributed.

All redemption requests must be received by the Registrar and Transfer Agent or at any other entity duly appointed by and acting in the name of the Fund at the latest on the Luxembourg bank business day preceding the applicable Valuation Day before 15h00 (Luxembourg time). Requests notified after this deadline shall be executed on the next following Valuation Day. Shares shall be redeemed at the net asset value of the relevant class/Sub-Fund as determined on that Valuation Day. The payment for Shares redeemed shall be made within 4 (four) Luxembourg bank business days following the Valuation Day, provided the Fund has received all the documents pertaining to the redemption. Payment shall be made in the valuation currency of the respective Sub-Fund as detailed in Appendix I "*Description of the Sub-Funds*".

The Fund at its discretion may accept redemptions in kind in accordance with the conditions and the procedure set to the paragraph 6.2.

The redemption price for Shares of the Fund may be higher or lower than the purchase price paid by the Shareholder at the time of subscription due to the appreciation or depreciation of the net assets of the Sub-Fund.

Furthermore, if on any Valuation Day redemption requests and conversion requests relate to more than 10% of the Shares in issue in a specific Sub-Fund or in case of a strong volatility of the market or markets on which a specific Sub-Fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred proportionally for such period as the Board of Directors considers to be in the best interests of the Sub-Fund, but normally not exceeding 30 days. On the next Valuation Day following such period, these redemption and conversion requests will be met in priority to later requests.

7. DISTRIBUTION POLICY

Each year, the Shareholders' meeting of the Fund shall decide upon the proposal made by the Board of Directors on this matter. Should the Board of Directors propose the payment of a dividend in the general meeting, such dividend shall be calculated in accordance with the legal and statutory limits provided for this purpose.

In its distribution policy, the Board of Directors has determined to propose the capitalisation of the income. Nevertheless, if in its opinion, the payment of a dividend could be more profitable to the Shareholders, the Board shall not refrain from proposing such a dividend to the general meeting. This dividend may include, beside the net investment income, the realised and unrealised capital gains, after deduction of realised and unrealised capital losses.

The Fund shall inform via a notice the holders of Shares concerned by the dividend payment,

Registered Shareholders are paid by bank transfer according to their instructions.

Each Shareholder is offered the possibility to reinvest his/her dividend free of charge up to the available Share unit.

Dividends not claimed within five years after their payment date shall no longer be payable to the beneficiaries and shall revert to the relevant class/ Sub-Fund.

8. CHARGES AND EXPENSES

8.1 OPERATIONAL COSTS

The Fund bears operational costs as fully described under chapter 5.1 C including but not limited to the cost of purchase and sale of portfolio securities, governmental fees, taxes, fees and out-of-pocket expenses of its Directors (including their applicable Directors insurance costs) and of the Management Company, legal and auditing fees, local paying agents fees, publishing and printing expenses, financial reports and other documents for the Shareholders, postage, telephone and telex. The Fund also pays advertising expenses and the costs of the preparation of this prospectus, of the KID and any other sales documents, registration fees, subscriptions to professional associations and other organisations in Luxembourg, which the Fund will decide to join in its own interest and in that of its Shareholders. All reasonable expenses are taken into account in the determination of the net asset value of the Shares of each Sub-Fund.

In case of recourse to portfolio management techniques, the Prospectus will describe the policy regarding direct and indirect operational costs/fees arising from efficient that may be deducted from the revenue

delivered to the SICAV. The Prospectus will also describe the identity of the entity(ies) to which the direct and indirect costs and fees are paid and indicates if these are related parties to the SICAV Management Company or the depositary.

Establishment costs of the Fund, estimated at about EUR 70.000 will be amortised over a period of 5 (five) years. These expenses will be divided in equal parts between the Sub-Funds in existence.

8.2 Formation and launching expenses of additional Sub-funds

In the event that any additional Sub-Fund is set up within the Fund, then the following amortization rules shall apply: (i) the costs and expenses for setting-up such additional Sub-Fund shall be borne by all Sub-Funds and will be written off over a period of five years and (ii) the additional Sub-Fund shall bear a pro rata of the costs and expenses incurred in connection with the creation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the additional Sub-Fund.

8.3 Service Fees

Each Sub-fund is subject to a Service Fee of up to 0.23 % p.a., with a minimum amount charged to the Sub-fund of EUR 45.000 per annum, payable to the Depositary Bank, the Central Administration and the Management Company.
The Service Fee shall be calculated on the average value of the net assets of each Sub-Fund, determined on each Valuation Date and paid quarterly in arrears or at any other frequency as set out in the relevant Appendix of the present Prospectus.
Part of the Service Fee payable to the Depositary Bank and to the Central Administration may be paid directly to them by the Fund.

8.4 Investment Manager and Distributor Fees

The Investment Manager and/or the Management Company, where appointed, are entitled to receive from each Sub-Fund a Fee calculated on the average total net assets for the relevant period and payable at a frequency as better detailed in the Appendix to this Prospectus. The relevant fees, where applicable, are detailed in Appendix I "Description of the Sub-Funds" for each relevant Sub-Fund.

The financial intermediaries in connection with the placing or distribution of the Fund's Shares may be entitled to a retrocession on the Investment Manager and Distributor Fees net of VAT if applicable.

8.5 Performance Fees

In addition, the Management Company, the Investment Advisor and/or the Investment Manager may receive a performance fee calculated as described in the Appendix I *"Description of the Sub-Funds"* for each relevant Sub-Fund.

The financial intermediaries in connection with the placing or distribution of the Sub-Fund's Shares may be entitled to a retrocession on the Performance Fees, net of VAT if applicable.

9. MEETING AND REPORTS TO SHAREHOLDERS

9.1 ANNUAL GENERAL MEETING

The annual Shareholders meeting of the Fund will be held at the registered office of the Fund in Luxembourg on the third Tuesday of the month of April of each year at 11h00 a.m. or, if any such day is not a bank business day in Luxembourg, on the next following bank business day. The ordinary general meeting of shareholders may be held abroad, if the Board of Directors observes regularly that exceptional circumstances so require. Other meetings of shareholders may be held at such times and places as may be specified in the convening notices.

Shareholders shall meet upon a convening notice from the Board of Directors. Such notice setting forth the agenda, the time and place of the meeting and the conditions of admission, shall be sent at least eight days prior to the meeting to each registered shareholder at the address indicated in the Shareholders' register.

Each Share entitles the right to one vote. The vote on the payment of a dividend in a particular Sub-Fund requires a separate majority vote from the meeting of Shareholders of the Sub-Fund concerned.

9.2 REPORTS AND ACCOUNTS

The Fund's accounting year ends on 31 December in each year. Audited annual reports shall be published within 4 (Four) months following the end of the accounting year and unaudited semi-annual reports shall be published within 2 (Two) months following the end of the period. The reports shall be made available at the registered offices of the Fund during ordinary office hours. The consolidation valuation currency of the Fund is the Euro. The annual report will comprise consolidated accounts of the Fund expressed in EUR as well as individual information on each Sub-Fund expressed in the valuation currency of each Sub-Fund.

9.3 PUBLICATION OF THE NET ASSET VALUE

The net asset value of each Sub-Fund is available at the registered office of the Fund and will be published

in any newspaper or through any other means that the Board of Directors deems appropriate.

9.4 DOCUMENTS AVAILABLE TO THE PUBLIC

The following documents are available for inspection by prospective investors and Shareholders during normal business hours at the Fund's registered office in Luxembourg:

(1) the Articles;

(2) the Offering Memorandum;

(2) the Key Information Document;

(3) the Depositary Bank Agreement;

(4) the Domiciliation Agreement;

(5) the Central Administration Agreement;

(6) the Management Company Agreement

(7) the latest annual and semi-annual reports of the Fund.

10. DISSOLUTION AND LIQUIDATION OF THE FUND

The Fund may at any time be dissolved by a resolution of the Shareholders meeting subject to the quorum and majority requirements applicable for amendments to the Articles and only with the consent of the Board of Directors.

Whenever the Share capital falls below two-thirds of the minimum capital of EUR 1.250.000-, the question of the dissolution of the Fund shall be referred to a general meeting of Shareholders by the Board of Directors. The general meeting, for which no quorum shall be required, shall decide the dissolution by simple majority of the Shares represented at the meeting.

The question of the dissolution of the Fund shall also be referred to a general meeting of Shareholders whenever the Share capital falls below one-fourth of the minimum capital of EUR 1.250.000-; in such event, the general meeting shall be held without any quorum requirement and the dissolution may be decided by Shareholders holding one-fourth of the Shares represented at the meeting.

The meeting must be convened so that it is held within a period of forty days as from ascertainment that the Share capital has fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities and do not need to be Shareholders; the general meeting of Shareholders shall appoint them and determine their powers and their compensation.

The net proceeds of liquidation corresponding to each class of Shares in each Sub-Fund shall be distributed by the liquidators to the holders of Shares of the relevant class of Shares in the relevant Sub-Fund in proportion to their holding of such Shares in such class of Shares.

Should the Fund be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 2010, which specify the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provide for a deposit in escrow at the Caisse de Consignation at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

11. DISSOLUTION AND MERGER OF SUB-FUNDS OR CLASSES OF SHARES

In the event that for any reason the value of the net assets in any Sub-Fund or class of Shares has decreased to or has not reached an amount equivalent to EUR 2 million - which is the minimum level for such Sub-Fund or class of Shares to be operated in an economically efficient manner - or if a change in the economic, monetary or political situation relating to the Sub-Fund or class of Shares concerned would have material adverse consequences on the investments of that Sub-Fund or class of Shares or in order to proceed to an economic rationalization, the Board of Directors may decide to compulsorily redeem all the Shares issued in such Sub-Fund or class of Shares at their NAV (taking into account actual realization prices of investments and realization expenses), calculated on the Valuation Day at which such decision shall take effect. The Fund shall inform via a notice the holders of Shares concerned by the compulsory redemption prior to the effective date for such redemption, which will indicate the reasons for, and the procedure of, the redemption operations. Unless it is otherwise decided in the interests of, or to keep equal treatment between, the Shareholders, the Shareholders of the Sub-Fund or class of Shares concerned may continue to request redemption (if appropriate) of their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, the Shareholders meeting of any Sub-Fund or class of Shares may, upon proposal from the Board of Directors, redeem all the Shares of such Sub-Fund or class of Shares and refund to the Shareholders the NAV of their Shares (taking into account actual realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented and voting at such meeting.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will

be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto in accordance with the provisions of the Law of 2010.

Under the same circumstances as provided in the first paragraph of this section, the Board of Directors may decide to allocate the assets of any Sub-Fund to those of another existing Sub-Fund within the Fund or to another undertaking for collective investment or to another Sub-Fund within such other undertaking for collective investment (the "new Sub-Fund") and to re-designate the Shares of the Sub-Fund concerned as Shares of the new Sub-Fund (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Shareholders). Such decision will be published in the same manner as described in the first paragraph of this section (and, in addition, the publication will contain information in relation to the new Sub-Fund), one month before the date on which the merger becomes effective in order to enable Shareholders to request redemption of their Shares, free of charge, during such period. After such period, the decision commits the entirety of Shareholders who have not used this possibility, provided however that, if the amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type ("fonds commun de placement") or a foreign based undertaking for collective investment, such decision shall be binding only on the Shareholders who are in favour of such merger.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, a contribution of the assets and of the liabilities attributable to any Sub-Fund to another Sub-Fund of the Fund may be decided upon by a general meeting of the Shareholders of the Sub-Fund concerned which will decide upon such an amalgamation by resolution taken with no quorum and by simple majority of those present or represented and voting at such meeting.

A contribution of the assets and of the liabilities attributable to any Sub-Fund to another undertaking for collective investment referred to in the fourth paragraph of this section or to another Sub-Fund within such other undertaking for collective investment shall require a resolution of the Shareholders of the Sub-Fund concerned taken with no quorum and by simple majority of those present or represented and voting at such meeting, except when such an amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type ("fonds commun de placement") or a foreign based undertaking for collective investment, in which case resolutions shall be binding only on such Shareholders who have voted in favour of such merger.

12. TAXATION

12.1 TAXATION OF THE FUND

In accordance with the law in force and current practice, the Fund is not subject to any Luxembourg tax on income and capital gains. Likewise, dividends paid by the Fund are not subject to any Luxembourg withholding tax.

However, each Sub-Fund is subject to an annual tax in Luxembourg (subscription tax or *taxe d'abonnement*) corresponding to 0.05% of the value of the net assets (except for the Shares reserved for institutional investors who may benefit from the reduced rate of 0.01%). This tax is payable quarterly on the basis of the Sub-Fund's net assets calculated at the end of the relevant quarter.

Certain income of the Fund's portfolios, consisting of dividends and interests, or capital gains, may be subject to payment of withholding tax at various rates in their Country of origin.

12.2 TAXATION OF THE SHAREHOLDERS

Subject to section 12.3. below, Shareholders are, under current legislation, not subject to whatever tax in Luxembourg on capital gains, income, donations or inheritance, nor to withholding taxes, with the exception of Shareholders having their domicile, residence or permanent establishment in Luxembourg, and certain Luxembourg ex-residents, owning more than 10% of the Fund's capital. The provisions above are based on the law and practices currently in force and may be amended.

Potential subscribers should inform themselves and, if necessary, take advice on the laws and regulations (such as those on taxation and exchange control) applicable to the subscription, purchase, holding and sale of their Shares in the Country of respectively their citizenship, residence or domicile.

12.3 EU TAX CONSIDERATIONS FOR INDIVIDUALS RESIDENT IN THE EU OR IN CERTAIN THIRD COUNTRIES OR DEPENDENT OR ASSOCIATED TERRITORIES

The Council of the EU has adopted on 3 June 2003, a Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments ("the Directive"). It has been transposed into Luxembourg law of June 21, 2005 (''the Law of 2005''). Under the new regulations, Member States of the European Union ("Members States") will be required to provide the tax authorities of another EU Member State with information on payments of interest or other similar income paid by a paying agent or a person within its jurisdiction to an individual resident in that other Member State subject to the right of certain Member States to opt instead for a withholding tax system for a transitional period in relation to such payments. Certain other countries, including Switzerland, Monaco, Liechtenstein, the UK Channel Islands, the Isle of

Man and the dependent or associated territories in the Caribbean, have also introduced measures equivalent to information reporting or, during the above transitional period, withholding tax.

Dividends distributed by a Sub-Fund of the Fund will be subject to the Law of 2005 if more than 15% of such Sub-Fund's assets are invested in debt claims (as defined in the Law of 2005) and proceeds realized by Shareholders on the redemption or sale of Shares in a Sub-Fund will be subject to the Directive and the Law of 2005 if more than 25% of such Sub-Fund's assets are invested in debt claims (such Sub-Funds, hereafter "Affected Sub-Funds").

The applicable withholding tax will be 35%.

Consequently, if in relation to an Affected Sub-Fund a Luxembourg paying agent makes a payment of dividends or redemption proceeds directly to a Shareholder who is an individual resident or deemed resident for tax purposes in another EU Member State or certain of the above mentioned dependent or associated territories, such payment will, subject to the next paragraph below, be subject to tax at the rate indicated above.

No withholding tax will be withheld by the Luxembourg paying agent if the relevant individual either i) has expressly authorised the paying agent to report information to the tax authorities in accordance with the provisions of the Law of 2005 or ii) has provided the paying agent with a certificate drawn up in the format required by the Law by the competent authorities of his State of residence for tax purposes.

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

The foregoing is only a summary of the implications of the Directive and the Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the Directive and the Law of 2005.

12.4 Foreign Account Tax Compliance Act FATCA

As of 1 July 2014, payments of U.S. source income (such as dividends and interest) and, as of 1 January 2015, gross proceeds from the disposition of property that can produce dividends and interest and a portion of payments from certain non-U.S. entities may be subject to a new U.S. reporting and withholding tax regime. The FATCA rules are designed to require non-U.S. accounts and financial assets of U.S. persons and certain U.S. owned persons to be reported to the U.S. Internal Revenue Service ("IRS"). If the FATCA rules are not complied with, the payments become subject to a 30% withholding tax.

However, on 21 May 2013 and the last time on 27 February 2014, the finance minister of Luxembourg announced that Luxembourg will enter into a Model 1 Intergovernmental agreement ("Model 1 Regime") with the U.S. authorities.

Such Model 1 Regime should enable the Fund not to be subject to the 30% withholding tax on U.S. payments and to be subject to less stringent requirements. The Model 1 Regime requires the Fund not to register with the IRS and the gathering and reporting of the FATCA related information shall be done directly to Luxembourg authorities, which in their turn will exchange the relevant information with their U.S. counterparts.

If the Fund is unable to get the FATCA related required information from an investor, it may be forced to withhold on that investor's share of the relevant payments and may be required to forcibly redeem that investor's interest in the Fund. If the Fund does not comply with FATCA, income and gains might be materially impaired as they would be subject to the 30% withholding tax in certain circumstances. In any case, the Fund intends to become FATCA compliant.

Each investor should consult its own tax advisors regarding the application of FATCA to its own situation.

The information set out above is a summary of those tax issues which could arise in Luxembourg and does not purport to be a comprehensive analysis of the tax issues which could affect a prospective Investor. It is expected that Investors may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the tax consequences for each prospective Investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares in the Fund. These consequences will vary in accordance with the law and practice currently in force in an Investor's country of citizenship, residence, domicile or incorporation and with his/her/its personal circumstances.

13. OFFICIAL LANGUAGE

The original version of this prospectus and of the Articles is in English. However, the Board of Directors may consider that these documents must be translated into the languages of the countries in which the Shares are offered and sold. In case of any discrepancies between the English text and any other language into which the prospectus and the Articles are translated, the English text will prevail.

APPENDIX I - DESCRIPTION OF THE SUB-FUNDS

APPENDIX I.A.	KITE FUND SICAV MISTRAL
Investment objective	KITE FUND SICAV - MISTRAL (the "Sub-Fund") investment objective is to achieve long term capital appreciation by actively investing in a global balanced portfolio of equities and debt securities without a link to any benchmark. In order to achieve its objective, the Investment Manager will follow a macro and fundamental analysis process in positioning the portfolio accordingly with the various phases of the economic, credit and market cycles. The Investment Manager will monitor variables such as inflation, GDP, employment market, consumptions, and fiscal policies to allocate the fund more on the fixed income side or the equity side. In typical expansionary phases the Investment Manager will tend to increase the equity market exposure and the fixed income is allocated to the corporate bond asset class. On the opposite, during contraction periods, the equity allocation is reduced and limited to solid and defensive names while most of the portfolio is allocated to high quality fixed income issuers (Governments and Corporates) to benefit from possible interest rate cuts by the various Central Bank to sustain and foster the economy. The in-between phases are less defined and tend to change the traditional asset classes correlation (equity up/rates up = strong economy, equity down=rates down = recession) and can offer opportunities to be exposed to the different markets in a more balanced manner to reduce the portfolio volatility to the benefit of the investors. The peak of cycle, for example, can give the opportunity to stay invested in equity while keeping a good allocation on corporate bonds in a balanced manner, but need to be ready to increase the government bond allocation should a cycle of lower interest rates approach. On the opposite, when the end of a recession period is approaching, the Investment Manager could move the allocation out of government bonds into corporate bonds while starting to increase the equity allocation. Transition phases are the most appropriate to have a balanced portfolio to reduce volatility and drawdown risks. And the end, the investment objective for a balanced fund, according to the mandate of the investors who prefer not to switch in and out from different funds, is a mixture of growth and income aiming at balance between safety, income and capital appreciation.
Investment policy	In order to achieve the investment objective, the portfolio of the Sub-Fund will be invested: • from **20%** and up to **100**% in debt securities (e.g. bonds, subordinated bonds, convertible bonds and CoCos) of any type of corporate and government issuers world-wide located with a with a Standard & Poor's rating of at least "B-" or an equivalent rating issued by another rating agency. Investments in distressed or defaulted securities are not allowed under this Sub-Fund. Should the downgrade of one or more securities affect this restriction, the

Investment Manager has up to 6 months to rebalance the Sub-Fund's portfolio. In case of a downgrade of a rating which will be classified as distressed/defaulted securities, the 10% limit of distressed/defaulted securities is at any time guaranteed.
Notwithstanding this investment opportunity, investments in CoCos are limited to max 20% of the Sub-Fund`s assets and investments in High Yield Bonds are limited to max 30% of the Sub-Fund`s assets.

- from **10%** and up to **80%** in equity and equity-linked transferable securities of companies mainly located and/or listed in US and Europe; in this asset class are included also American Depositary Receipts ("ADRs"), Global Depository Receipts ("GDRs"), European Depositary Receipts ("EDR") and close ended Real Estate Investment Trusts ("REITS") within the meaning of Article 41. (1), a), b), c) and d) and being compliant with Art 2 of the regulation Grand Ducal 2008 not having any embedded Derivatives;
- up to **49%** in Money Market Instruments;
- up to **10%** in UCITS, Exchange Traded Fund (qualifying as UCITS) and UCIs (within the limits set forth by the Law);
- The Sub-Fund`s exposure to commodities, which will be indirect investment through transferable securities without embedded derivative in compliance with the Article 41. (1), a), b), c) and d) of the Law of 2010 (i.e. ETC) and UCITS and/or other eligible UCIs in compliance with and within the limits of the article 41. (1) e) of the Law of 2010, can make out up to 10% of the Sub-Fund`s portfolio.

Despite unrated securities play a minor role in the strategy, nevertheless some important issuers haven't any formal rating or some new issues may have no rating for some day after the launch; for such reason, the portfolio may be invested up to 10% in unrated securities.

Investments in equity and equity linked securities, as mentioned in the Prospectus, will mainly be located in EU and US market. Investment in emerging markets may take place, but those will typically be residual (less than 15%) and only referred to specified countries (i.e. Brazil, Mexico, India and Indonesia).

The Sub-Fund may also enter into derivative contracts both for hedging purposes (typically forward agreements to hedge currency risks) as well as for investment purposes. The derivatives used will include but will not be limited to:

- forwards
- futures
- plain-vanilla options
- contracts for difference (CFDs)

Direct investments in Russian equity market and/or Chinese A-shares are not allowed.

The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and other UCIs, for which PHARUS MANAGEMENT LUX

	S.A. acts as Management Company nor is linked to such UCITS/UCIs management company within the meaning of article 46(3) of the Law of 2010. Certificates and structured notes are not allowed. Further the Sub-Fund may invest in credit default swaps on single name, basket of names and credit indices (such as the ITRAXX and CDX indices). Cash Borrowing of up to 10 % of the Sub-Fund`s net assets can be undertaken in a secured or unsecured basis provided that such borrowings are made only on a temporarily basis. The Sub-Fund will only enter into credit default swaps where the credit default swap counterparty is a credit institution of the type set forth under section 3.1.A1 V of the general part of the prospectus which has experience in such transactions. In case of credit default swaps, the investment restrictions shall apply to the credit default swap counterparty and to the underlying reference entity. The global risk exposure (calculated through the "Commitment Approach") to markets linked and deriving from these derivative contracts may not exceed the Net Asset Value of the Sub-Fund. The Sub-Fund may also use techniques and instruments in accordance with the rules set out in CSSF Circular 08/356 as amended from time to time and in accordance with the paragraph 3.4.2 "Other Special Investment Techniques and Instruments" The Sub-Fund may accessorily hold liquid assets in all currencies in which investments are effected as well as in the currency of its respective Share Class(es). Short selling (net short positions) is not allowed in accordance with Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps, as from time to time amended and/or supplemented.
Sustainability (SFDR) considerations	Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector and Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (together ESG Regulation), as from time to time amended and supplemented. The Sub-Fund has been categorized as a financial product falling under the scope of **article 6** of the SFDR. The Investment Manager is currently nor promoting not integrating environmental, social and governance (ESG) sustainability risks in their investment decisions in accordance with ESG Regulation.. The Investment Manager identifies and analyses sustainability risk, an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of an investment as part of its risk

	management process. The Investment Manager believes that the integration of this risk analysis could help to enhance long-term risk adjusted returns for investors, in accordance with the investment objectives of the Sub-Fund. The basis for such a strategy considers that investors can concomitantly reach a competitive financial return and make a positive impact on society and the environment. 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 environmental, social, or governance 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. Consequent impacts to the occurrence of sustainability risk can be many and varied according to a specific risk, region or asset class. Generally, when sustainability risk occurs for an asset, there will be a negative impact and potentially a total loss of its value and therefore an impact on the net asset value of the concerned Sub-Fund. **Consideration of adverse sustainability impacts** The Management Company delegates the portfolio management function of the Sub-Fund to the Investment Manager. In accordance with article 7.2 of the SFDR both the Management Company and the Investment Manager for this sub-fund do not consider adverse impacts of investment decisions on sustainability factors (PASI) according to Art. 4.1 (b). The decisions and disclosures in relation to Art. 7 of the SFDR will be made taking into account the deadlines of the SFDR and similarly any disclosures will be included in a future version of the Prospectus or published on the website of the Fund, as required.
Taxonomy Regulation	Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investments ("TR") amending SFDR. The investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.
SFTR regulations applicable to this Sub-Fund	As of the date of this Prospectus, the Sub-Fund does not engage in securities lending, nor enter into repurchase agreements, reverse repurchase agreements and total return swaps, nor in the other transactions covered by SFTR. If the Sub-Fund uses such securities financing transactions in the future, the present Prospectus will be modified in accordance with SFTR.
Profile of typical investor	The Sub-Fund has been designed for investors who are looking for main exposure to global markets in the world. It is therefore ideal for investors who are looking to a diversified portfolio aimed at producing long term capital growth and who are comfortable with and understand the risks of investing in the equity and bond markets of issuers world-wide located. The investors must be able to accept significant temporary losses. Due to the specific nature of the equity and bond market in terms of economic, currency

	and political risks of certain non–European markets, the Sub-Fund is suitable for investors who can afford to set aside the capital for at least a 5 years of investment horizon.
Specific risk consideration	No guarantee is given to shareholders in this Sub-Fund with respect to the investment objectives actually being reached. Investors should be aware that the global exposure of the Sub-Fund relative to the derivatives could reach, but not exceed, the total net assets of the Sub-Fund. For more considerations concerning risks, Investors should refer to the Ch. 4 "Risk Factors". **Credit Default Swap's Risk** The use of credit default swaps can be subject to higher risk than direct investment in the underlying securities. The market for credit default swaps may from time to time be less liquid than the underlying securities markets. In relation to credit default swaps where the Fund sells protection the Fund is subject to the risk of a credit event occurring in relation to the reference entity. Furthermore, in relation to credit default swaps where the Fund buys protection, the Fund is subject to the risk of the credit default swap counterparty defaulting. To mitigate the counterparty risk resulting from credit default swap transactions, the Fund will only enter into credit default swaps with credit institutions of the type set forth under section 3.1.A1 V of the general part of the prospectus which have experience in such transactions. **Contingent Convertible Instruments risk** Such types of financial instruments, also known as "**CoCo bonds**", "CoCos" or "Contingent Convertible Notes", are slightly different to regular convertible bonds in that the likelihood of the bonds converting to equity is "contingent" on a specified event (the "**trigger**"), such as the stock price of the company exceeding a particular level for a certain period of time. They carry a distinct accounting advantage since, unlike other kinds of convertible bonds, they do not have to be included in a company's diluted earnings per share until the bonds are eligible for conversion. CoCos are also a form of capital that regulators hope could help buttress a bank's finances in times of stress. CoCos are different to existing hybrids because they are designed to convert into shares if the pre-set trigger is breached in order to provide a shock boost to capital levels and reassure investors more generally. Hybrids, including CoCos, contain features of both debt and equity. They are intended to act as a cushion between senior bondholders and shareholders, who will suffer first if capital is lost. The bonds usually allow a bank to either hold on to the capital past the first repayment date, or to skip paying interest coupons on the notes. Shareholders should fully understand and consider the risks of CoCos and correctly factor those "risks into their valuation". One inherent risk is related to the trigger levels ("**trigger level risk**"). Such levels determine the exposure to "**the conversion risk**", depending on the distance to the trigger level. The trigger could be activated either

through a material loss in capital as represented in the numerator or an increase in risk weighted assets as measured in the denominator. As a result, the bond can be converted into equity at an unfavourable moment.

Furthermore, there is the "**risk of coupon cancellation**". While all CoCos are subject to conversion or "write down" (i.e. the risk to lose part or all of the original investment, the "**write-down risk**") when the issuing bank reaches the trigger level, for some CoCos there is an additional source of risk for the Shareholder in the form of coupon cancellation in a going concern situation. Coupon payments on such type of instruments are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon payments on such CoCos does not amount to an event of default. Cancelled payments do not accumulate and are instead written off. This significantly increases uncertainty in the valuation (the "valuation risk") of such instruments and may lead to mispricing of risk. Such CoCo holders may see their coupons cancelled while the issuer continues to pay dividends on its common equity and variable compensation to its workforce.

Further the "**Capital structure inversion risk**" should be taken into account: Contrary to classic capital hierarchy, investors in CoCos may also suffer a loss of capital when equity holders do not. In certain scenarios, holders of CoCos will suffer losses ahead of equity holders, e.g., when a high trigger principal write-down CoCo is activated. This cuts against the normal order of capital structure hierarchy, where equity holders are expected to suffer the first loss. This is less likely with a low trigger CoCo, when equity holders will already have suffered loss. Moreover, high trigger CoCos may suffer losses not at the point of gone concern, but conceivably in advance of lower trigger CoCos and equity.

Some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority (the "**call extension risk**"). It cannot be assumed that the perpetual CoCos will be called on call date. Such CoCos are a form of permanent capital. In these cases, the Shareholder may not receive return of principal if expected on call date or indeed at any date. Moreover, Shareholders might only resell CoCos on a secondary market, this potentially leading to the related "**liquidity and market risks**".

In addition, there might arise risks due to "unknown factors" (the "**unknown risk**"). In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is unclear whether the market will view the issue as an idiosyncratic event or systemic. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, in an illiquid market, price formation may be increasingly stressed.

Shareholders are also advised to consider the further risks associated with the investment in CoCos, in particular the "industry concentration risk" (which can result from the uneven distribution of exposures to financials due to the CoCos feature and structure,

	being CoCos requested to be part of the capital structure of financial institutions) and the "**liquidity risk**" (due to the fact that CoCos entail a liquidity risk in stressed market conditions, as a result of their general lower market volume compared to plain-vanilla bonds and of their specific investors). Finally, Shareholders have been drawn to the instrument as a result of the CoCos' often attractive yield which may be viewed as a complexity premium. Yield has been a primary reason this asset class has attracted strong demand, yet it remains unclear whether Shareholders have fully considered the underlying risks. Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, CoCos tend to compare favourably from a yield standpoint. The concern is whether Shareholders have fully considered the "**risk of conversion or coupon cancellation**". **For further information, please refer to the statement from the European Securities and Markets Authority (ESMA/2014/944) dated July 31, 2014, regarding potential risks associated with investing in contingent convertible instruments, as from time to time amended and supplemented.** The risk profile of the Sub-Fund will be continuously monitored by the Risk Management unit of the Fund. **PHARUS MANAGEMENT LUX S.A.** in its role as Management Company of the Fund, is entrusted for the provision of risk management services, in relation to the measurement and monitoring of the global risk exposure of the Sub-Fund. The Sub-fund employs a "Commitment approach" method to calculate and monitor the global exposure of the Sub-fund, in compliance with relevant Luxembourg laws and regulation and European Securities and Market Authorities (ESMA) guidelines.
Reference currency	EURO
Form of shares	Accumulation shares
Type and Classes of shares	• Class A: Opened to all type of investors • Class B: Reserved for Institutional Investors If investors in Class B Shares no longer fulfil the conditions of eligibility as Institutional Investors, the Shares shall be converted, free of charge, into Class A Shares. Class B Shares are currently inactive and will be launched upon decision of the Board of Directors of the SICAV.
ISIN codes	Class A: LU0830807797 Class B: LU2238770015 / Not launched yet
Minimum subscription amount	Initial subscription of classes A: EUR 5.000 Initial Subscription of class B: EUR 30.000

	Subsequent subscriptions of classes A: EUR 1.000 Subsequent subscription of class C: EUR 5.000
Valuation day and NAV Calculation day	The net asset value per Share is determined on each business day in Luxembourg (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**NAV calculation day**").
Subscription, conversion and redemption orders	Shares are issued and redeemed at NAV, subject to the subscription and redemption fees here above. All subscriptions, redemptions or conversions requests must be received by the Registrar and Transfer Agent - or at any other entity duly appointed by and acting in the name of the Fund- at the latest on the Luxembourg bank business day preceding the applicable Valuation Day before 15h00 (Luxembourg time). Requests notified after this deadline shall be executed on the next following Valuation Day. Requests shall be dealt with at the net asset value of the relevant class/Sub-Fund as determined on that Valuation Day. Subscription monies must be paid within the following cut-off: no later than 4 business days after the relevant Valuation Day (the "Payment date"). In the event there is no evidence of the payment on the bank accounts of the Sub-Fund at the end of the relevant Payment date, the investor will be informed and debit interest claimed.
Service Fees	Applicable fees defined in Section 8.3 "Service Fees" of this prospectus.
Investment Management Fees	The Investment Manager is entitled to receive from the Sub-Fund an Investment Management Fee of • 1.25 % for the share class A, • 0.90 % for the share class B The financial intermediaries in connection with the placing or distribution of the Sub-Fund's Shares may be entitled to a retrocession on the Investment Management Fee, net of VAT if applicable.
Performance fees	The Fund will pay for all classes to the Investment Manager a performance fee (the "Performance Fee"), calculated on each Valuation Date and paid on a yearly basis (solar year), using the mechanism of High Water Mark (the "**all-time** HWM"). The first HWM will conventionally be the issue price of the Sub-fund and, subsequently, the last NAV/share for which performance fees were paid. The condition to calculate the incentive fee is satisfied if the daily Net asset value per share before performance fee is higher than the HWM: the fee will be calculated and accrued daily applying the rate of **15%** for Share Class A and **10%** for the Share Class B to the difference between the last Net asset value per share before performance fee and the HWM, multiplied by the number of Shares outstanding on each Valuation Date.

The financial intermediaries in connection with the distribution and/or placing of the Fund's Shares may be entitled to a retrocession payment on the performance fee net of VAT, if applicable.

The performance fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per share after deduction of all expenses, liabilities, and management fees (but not performance fee), and is adjusted to take account of all subscriptions and redemptions.

The Performance Reference Period, which is the period at the end of which the past losses can be reset, corresponds to the whole life of the Class (all-time HWM).

For the first period, calculation will start on the date of inception of the relevant Share Class and it will end at the end of the next year.

If a redemption occurs on a date other than that on which a performance fee is paid while an accrual has been made for performance fees, the performance fees for which an accrual has been made and which are attributable to the Shares redeemed will be paid at the end of the period even if the accrual for performance fees is no longer made at that date (crystallisation).

Examples:

	NAV per share before Perf Fee	HWM per share	NAV per share performance	Perf Fee
Year 1:	112.00	100.00	12.00%	1.20
Year 2:	120.00	110.80	8.30%	0.92
Year 3:	114.00	119.08	-4.27%	0.00
Year 4:	117.00	119.08	-1.75%	0.00
Year 5:	125.00	119.08	4.97%	0.59

With a performance fee rate equal to (sample) 10%.

Year 1:

The NAV per share (112) is superior to the first HWM at launch (100).

The NAV per share performance (12%) is positive and generates a performance fee equal to 1.20.

The HWM is set to 110.80.

	Year 2: The NAV per share (120) is superior to the new HWM (110.80). The NAV per share performance (8.3%) is positive and generates a performance fee equal to 0.92. The HWM is set to 119.08. Year 3: The NAV per share (114) is inferior to the new HWM (119.08). No performance fee is accrued. The HWM remains unchanged. Year 4: The NAV per share (117) has increased but is still inferior to the HWM (119.08). No performance fee is accrued. The HWM remains unchanged. Year 5: The NAV per share (125) is superior to the HWM (119.08). The NAV per share performance (4.97%) is positive and generates a performance fee equal to 0.59. The HWM is set to 124.41.
Subscription fees	up to 3% in favour of the subjects involved in the marketing and distribution chain, if any appointed (e.g. global and local distributors, *apporteur d'affaires*). The Subscription Fee is payable at the discretion of the Board of Directors.
Redemption fees	up to 3%. The Redemption Fee is payable at the discretion of the Board of Directors.
Investment Manager	The Management Company has appointed **Valori Asset Management S.A.**, a Swiss company with registered office at Viale Alessandro Volta 16, CH-6830 Chiasso (Switzerland), authorised by FINMA as manager of collective assets under

	identification number (UID) CHE-179.959.647, as Investment Manager for the execution of the day to day management of the assets of the Sub-Fund. The Investment Manager appointed may also act as intermediary involved in the marketing and distribution / client introduction of the Fund. As a result, such functions of the Investment Manager may result in conflicts of interest between the various activities of these companies and their duties and obligations to the Fund.

APPENDIX I.B.	KITE FUND SICAV – KITE EVOLUTION FUND
Investment objective	KITE FUND SICAV – KITE EVOLUTION FUND (the "Sub-Fund") aims to achieve medium to long term capital growth and to provide an absolute positive return to the Shareholders without a link to any benchmark.
Investment policy	The Sub-fund seeks to achieve its investment objective by actively managing a portfolio of shares and American Depositary Receipts (ADRs) issued by companies listed on North American markets and with growth perspectives at all stages of their business cycle and the capacity to be innovative (disruptor) in their specific competitive arena. In order to achieve the investment objective, the portfolio of the Sub-Fund will be invested: • from 51**%** and up to **100**% in equity and ADRs issued by companies listed on North American stock Exchange. On ancillary basis, up to maximum **49%,** the Sub-Fund can be invested: • up to 49% in debt securities of any type of corporate and government issuers world-wide located, with a minimum rating of BBB-. Notwithstanding this investment opportunity, investments in Convertible Bonds and/or CoCo Bonds and/or Structured Notes (e.g. ABS/MBS/CLOs/CMOs and similar structured products) and/or other Certificates, are not allowed; • up to 49% in equity, Global Depositary Receipts (GDRs), and European Depositary Receipts (EDRs) of companies not listed on North American stock Exchange; • up to 49% in Money Market Instruments; • up to 10% in UCITS, Exchange Traded Fund (qualifying as UCITS) and UCIs (within the limits set forth by the Law); • up to 20% in cash deposits. Rated securities must be issued by rated issuers with a Standard & Poor's rating of at least BBB- or an equivalent rating issued by another rating agency. Should the downgrade of one or more securities affect the rating limit mentioned above, the Investment Manager will have to rebalance immediately the Sub-Fund, in the best interest of the shareholders, and, in any case, the Sub-Fund will not invest directly into unrated debt securities. Investments in distressed or defaulted securities are not allowed under this Sub-Fund. The Sub-Fund may also enter into derivative contracts both for hedging purposes (typically forward agreements to hedge currency risks) as well as for investment purposes. The derivatives used will include but will not be limited to: - forwards - futures

	- plain-vanilla options The Sub-Fund will **not** invest in certificates, structured notes, either with or without embedded derivatives. The global risk exposure (calculated through the "Commitment Approach") to markets linked and deriving from these derivative contracts may not exceed the Net Asset Value of the Sub-Fund. The Sub-Fund may accessorily hold liquid assets in all currencies in which investments are effected as well as in the currency of its respective Share Class(es). Short selling (net short positions) is not allowed in accordance with Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps, as from time to time amended and/or supplemented.
Sustainability (SFDR) considerations	Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector and Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (together ESG Regulation), as from time to time amended and supplemented. The Sub-Fund has been categorized as a financial product falling under the scope of article 6 of the SFDR. The Investment Manager is currently nor promoting not integrating environmental, social and governance (ESG) sustainability risks in their investment decisions in accordance with ESG Regulation. The Investment Manager identifies and analyses sustainability risk, an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of an investment as part of its risk management process. The Investment Manager believes that the integration of this risk analysis could help to enhance long-term risk adjusted returns for investors, in accordance with the investment objectives of the Sub-Fund. The basis for such a strategy considers that investors can concomitantly reach a competitive financial return and make a positive impact on society and the environment. 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 environmental, social, or governance 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. Consequent impacts to the occurrence of sustainability risk can be many and varied according to a specific risk, region or asset class. Generally, when sustainability risk occurs for an asset,

	there will be a negative impact and potentially a total loss of its value and therefore an impact on the net asset value of the concerned Sub-Fund. **Consideration of adverse sustainability impacts** The Management Company delegates the portfolio management function of the Sub-Fund to the Investment Manager. In accordance with article 7.2 of the SFDR both the Management Company and the Investment Manager for this sub-fund do not consider adverse impacts of investment decisions on sustainability factors (PASI) according to Art. 4.1 (b). The decisions and disclosures in relation to Art. 7 of the SFDR will be made taking into account the deadlines of the SFDR and similarly any disclosures will be included in a future version of the Prospectus or published on the website of the Fund, as required.
Taxonomy Regulation	Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investments ("TR") amending SFDR. The investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.
SFTR regulations applicable to this Sub-Fund	As of the date of this Prospectus, the Sub-Fund does not engage in securities lending, nor enter into repurchase agreements, reverse repurchase agreements and total return swaps, nor in the other transactions covered by SFTR. If the Sub-Fund uses such securities financing transactions in the future, the present Prospectus will be modified in accordance with SFTR.
Profile of typical investor	The Sub-Fund has been designed for investors who are looking for main exposure to US equity markets. It is therefore ideal for investors who are looking to a portfolio aimed at producing long term capital growth and who are comfortable with and understand the risks of investing in the equity markets of issuers mainly located in the United States. The investors must be able to accept significant temporary losses. Due to the specific nature of the equity and bond market in terms of economic, currency and political risks of certain non–European markets, the Sub-Fund is suitable for investors who can afford to set aside the capital for at least a 5 years of investment horizon.
Specific risk consideration	No guarantee is given to shareholders in this Sub-Fund with respect to the investment objectives actually being reached. Investors should be aware that the global exposure of the Sub-Fund relative to the derivatives could reach, but not exceed, the total net assets of the Sub-Fund. For more considerations concerning risks, Investors should refer to the Ch. 4 "Risk Factors". The risk profile of the Sub-Fund will be continuously monitored by the Risk Management unit of the Fund. **PHARUS MANAGEMENT LUX S.A.** in its role as Management Company of the Fund is entrusted for the provision of risk management services, in relation to the measurement and monitoring of the global risk exposure of the Sub-Fund. The Sub-fund employs a "Commitment approach" method to calculate and monitor the

	global exposure of the Sub-fund, in compliance with relevant Luxembourg laws and regulation and European Securities and Market Authorities (ESMA) guidelines.
Reference currency	USD (US dollars)
Form of shares	Accumulation shares
Type and Classes of shares	• Class A: Opened to all type of investors • Class B: Reserved to Institutional Investors If investors in Class B Shares no longer fulfil the conditions of eligibility as Institutional Investors, the Shares shall be converted, free of charge, into Class A Shares.
ISIN codes	Class A: LU2440226699 Class B: LU2440226772
Minimum subscription amount	Initial subscription of class A: USD 5.000 Initial subscription of class B: USD 30.000 Subsequent subscriptions of classes A: USD 1.000 Subsequent subscriptions of class B: USD 5.000
Valuation day and NAV Calculation day	The net asset value per Share is determined on each business day in Luxembourg (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**NAV calculation day**").
Subscription, conversion and redemption orders	Shares are issued and redeemed at NAV, subject to the subscription and redemption fees here above. All subscriptions, redemptions or conversions requests must be received by the Registrar and Transfer Agent - or at any other entity duly appointed by and acting in the name of the Fund- at the latest on the Luxembourg bank business day preceding the applicable Valuation Day before 15h00 (Luxembourg time). Requests notified after this deadline shall be executed on the next following Valuation Day. Requests shall be dealt with at the net asset value of the relevant class/Sub-Fund as determined on that Valuation Day. Subscription monies must be paid within the following cut-off: no later than 4 business days after the relevant Valuation Day (The Payment date). In the event there is no evidence of the payment on the bank accounts of the Sub-Fund at the end of the relevant payment date, the investor will be informed and debit interest claimed.
Service Fees	Applicable fees defined in Section 8.3 "Service Fees" of this prospectus.

Investment Management Fees	The Investment Manager is entitled to receive from the Sub-Fund an Investment Management Fee of - 1.50 % for the share class A, - 1.00 % for the share class B The financial intermediaries in connection with the placing or distribution of the Sub-Fund's Shares may be entitled to a retrocession on the Investment Management Fee, net of VAT if applicable.
Performance fees	The Fund will pay for all classes to the Investment Manager a performance fee (the "Performance Fee"), calculated on each Valuation Date and paid on a yearly basis (solar year), using the mechanism of High Water Mark (the "HWM"). The first HWM will conventionally be the issue price of the Sub-fund and, subsequently, the last NAV/share for which performance fees were paid. The condition to calculate the incentive fee is satisfied if the daily Net asset value per share before performance fee is higher than the HWM: the fee will be calculated and accrued daily applying the rate of **15%** to the percentage difference between the last Net asset value per share before performance fee and the HWM, multiplied by the number of Shares outstanding on each Valuation Date. The financial intermediaries in connection with the distribution and/or placing of the Fund's Shares may be entitled to a retrocession payment on the performance fee net of VAT, if applicable. The performance fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per share after deduction of all expenses, liabilities, and management fees (but not performance fee), and is adjusted to take account of all subscriptions and redemptions. The Performance Reference Period, which is the period at the end of which the past losses can be reset, corresponds to the whole life of the Class (all-time HWM). For the first period, calculation will start on the date of inception of the relevant Share Class and it will end at the end of the next year. If a redemption occurs on a date other than that on which a performance fee is paid while an accrual has been made for performance fees, the performance fees for which an accrual has been made and which are attributable to the Shares redeemed will be paid at the end of the period even if the accrual for performance fees is no longer made at that date (crystallisation). *Examples:*

	NAV per share before Perf Fee	HWM per share	NAV per share performance	Perf Fee
Year 1:	112.00	100.00	12.00%	1.80

Year 2:	120.00	110.20	8.89%	1.47	1
Year 3:	114.00	118.53	-3.82%	0.00	1
Year 4:	117.00	118.53	-1.29%	0.00	1
Year 5:	125.00	118.53	5.46%	0.97	1

With a performance fee rate equal to (sample) 15%.

Year 1:

The NAV per share (112) is superior to the first HWM at launch (100).

The NAV per share performance (12%) is positive and generates a performance fee equal to 1.80.

The HWM is set to 110.20.

Year 2:

The NAV per share (120) is superior to the new HWM (110.20).

The NAV per share performance (8.89%) is positive and generates a performance fee equal to 1.47.

The HWM is set to 118.53.

Year 3:

The NAV per share (114) is inferior to the new HWM (118.53).

No performance fee is accrued.

The HWM remains unchanged.

Year 4:

The NAV per share (117) has increased but is still inferior to the HWM (118.53).

	No performance fee is accrued. The HWM remains unchanged. Year 5: The NAV per share (125) is superior to the HWM (118.53). The NAV per share performance (5.46%) is positive and generates a performance fee equal to 0.97. The HWM is set to 124.03.
Subscription fees	up to 3% in favor of the subjects involved in the marketing and distribution chain, if any appointed (e.g. global and local distributors, *apporteur d'affaires*). The Subscription Fee is payable at the discretion of the Board of Directors.
Redemption fees	up to 3%. The Redemption Fee is payable at the discretion of the Board of Directors.
Investment Manager	The Management Company has appointed **Valori Asset Management S.A.**, a Swiss company with registered office at Viale Alessandro Volta 16, CH-6830 Chiasso (Switzerland), authorised by FINMA as manager of collective assets under identification number (UID) CHE-179.959.647, as Investment Manager for the execution of the day to day management of the assets of the Sub-Fund. The Investment Manager appointed may also act as intermediary involved in the marketing and distribution / client introduction of the Fund. As a result, such functions of the Investment Manager may result in conflicts of interest between the various activities of these companies and their duties and obligations to the Fund.